Avon Pension Fund

Annual Report

2025/26



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Foreword

It is my pleasure to present the Avon Pension Fund Annual Report for the year ended 31 March 2026.

This has been a year of significant change, challenge and achievement for the Fund. Throughout the period, the Committee remained focused on its core responsibilities: safeguarding the long-term financial sustainability of the Fund, ensuring effective governance, delivering high-quality services to members and employers, and overseeing investments in the best interests of the Fund's beneficiaries.

A key area of focus during the year was the Government's programme of Local Government Pension Scheme (LGPS) reform, particularly the future of investment pooling. Following the Government's decision that Brunel Pension Partnership should cease operating, the Committee undertook a detailed assessment of alternative options.

We agreed that Avon Pension Fund should partner with Local Pensions Partnership Investments (LPPI), along with five other former members of the Brunel pool.

This represents one of the most significant strategic developments in the Fund's recent history and will shape how investment services are delivered in the years ahead. Fund officers then spent considerable time during the year in preparing to move its £6.2 billion of assets to LPPI. This was cleanly executed over the days of 31 March and 1 April 2026.

Alongside this, the Committee reviewed and updated the Fund's Investment Strategy Statement, including measures to raise the local impact allocation to 5% of the Fund's total assets and to allocate 2% to natural capital opportunities. These changes reflect our ongoing commitment to responsible investment, diversification and delivering sustainable long-term value for members and employers.

The year also saw continued progress in strengthening governance arrangements. The Committee reviewed the Fund's governance framework, monitored compliance with The Pensions Regulator's General Code of Practice, enhanced training requirements for Committee and Pension Board members, and oversaw the implementation of a comprehensive programme of governance improvements.

In administration, officers continued to deliver material improvements despite a demanding regulatory environment. Important milestones included the successful migration to a remotely hosted administration platform, preparations for Pensions Dashboards, and sustained improvements in the service experience for members with over 85% of key tasks now being completed within target timescales. These achievements are helping to create a more efficient, resilient and member-focused service.

The Committee considered complex responsible investment issues, many of which attracted strongly held views. In particular, extensive engagement was undertaken regarding investments in the aerospace and defence sector, including independent legal advice and a representative member survey. Based on both the legal advice

and members' views, the Committee decided that the Fund should not divest from the aerospace and defence sector. Nevertheless, it recognised that a substantial minority of members did support divestment.

None of this work would have been possible without the commitment and professionalism of the Fund's officers, advisers, Pension Board members and Committee colleagues.

On behalf of the Committee, I would like to thank everyone involved for their hard work and dedication throughout the year. Their expertise and support have been invaluable in helping the Fund navigate a period of considerable change.

Councillor Toby Simon
Chair, Avon Pension Fund Committee

1. Overall Management of the Fund (as at 31 March 2026)

Scheme Management and Advisors

The administering authority of the Avon Pension Fund (the Fund) is Bath and North East Somerset Council.

Table 1.1: Senior Council Officers

Name	Title
Stuart Donnelly	Director of Finance (S151)
Jeff Wring	Director of Assurance, Risk and Pensions
Nick Dixon	Head of Pensions
Matt Betts	Group Manager – Funding, Investment and Risk
Claire Newbery	Pensions Operations Manager
Michael Hewitt	Head of Legal and Democratic Services

Table 1.2: Members of the Avon Pension Fund Committee

The Council delegates responsibility for administration of the Fund to the Avon Pension Fund Committee (the Committee). The structure of the Committee is set out in the below table.

Title	Area of Representation	Joined/Left
Councillor Toby Simon	Bath and North East Somerset Council	
Councillor George Leach (Vice-Chair)	Bath and North East Somerset Council	
Councillor Shaun Stephenson-McGall	Bath and North East Somerset Council	
Councillor Chris Dando	Bath and North East Somerset Council	
Councillor Joanna Wright	Bath and North East Somerset Council	

Title	Area of Representation	Joined/Left
Councillor Simon McCombe (Reserve Member)	Bath and North East Somerset Council	
Councillor Fi Hance	Bristol City Council	
Councillor Tom Renhard (Reserve Member)	Bristol City Council	
Councillor Robert Payne	North Somerset Council	
Councillor Mike Drew	South Gloucestershire Council	
Charles Gerrish	Academies	
William Liew	Higher and Further Education	
Edmund Cannon	Town and Parish Councils	Joined in May 2025
Pauline Gordon	Independent Member	
John Finch	Independent Member	
Jackie Peel	Independent Member	
Wendy Weston	GMB Union	
Shona Jemphrey	Unison Union	Joined in May 2025
James Hillary	Unite Union	Joined in May 2025

Table 1.3: Members of the Local Pension Board

The Local Pension Board assists the Council to ensure robust governance and compliance with regulations and legislation. The structure of the Local Pension Board is set out in the table below.

Title	Type of Representative	Joined/Left
Nick Weaver	Independent Chair	
Steve Harman	Employer	Left in June 2025
Stuart Anstead	Employer	Left in May 2025

Title	Type of Representative	Joined/Left
Helen Ball	Member	
Alison Wyatt	Member	
Jon Evans	Employer	Left in September 2025
Andrew Ridley	Employer	Joined September 2025
Stuart Pearson	Member	Joined September 2025
Helen Davis	Employer	Joined January 2026
James Young	Employer	Joined January 2026

Figure 1.1: External Partners



Table 1.4: External partners

Company Name	Company Type	Website
BlackRock	Investment Manager	https://www.blackrock.com/uk
IFM Investors	Investment Manager	https://www.ifminvestors.com/
Schroders	Investment Manager	https://www.schroders.com/en/global/individual/
Schroders Capital	Investment Manager	https://www.schroderscapital.com/en/global/professional/
J.P. Morgan Asset Management	Investment Manager	https://www.jpmorgan.com/global
Partners Group	Investment Manager	https://www.partnersgroup.com/en
Brunel Pension Partnership	Investment Manager	https://www.brunelpensionpartnership.org/
Record Financial Group	Investment Manager	https://recordfg.com/
Octopus Capital	Investment Manager	https://octopus-capital.com/
Foresight Group	Investment Manager	https://foresight.group/
Mercer	Actuary & Consultant	https://www.mercer.com/en-gb/
Osborne Clarke	Legal Advisor	https://www.osborneclarke.com/
NatWest	Banker	https://www.natwest.com/
Legal and General	AVC Provider	https://www.legalandgeneral.com/

Company Name	Company Type	Website
Grant Thornton	External Auditor	https://www.grantthornton.co.uk/
State Street	Global Custodian	https://www.statestreet.com/us/en/asset-manager

Risk management

The Avon Pension Fund Committee must ensure robust risk management is in place, to enable compliance with regulations and manage risks faced by the Fund. The Investment Panel (the Panel) strengthens risk management regarding investment issues.

The Fund's approach to risk management is to mitigate risks rather than eliminate them, as set out in the Fund's Risk Management Policy. Risk is identified and managed as follows:

The Risk Register

This identifies risks which could have material impact on the Fund in terms of service quality, financial consequences, reputation, or compliance.

The Fund identifies and evaluates risks and implements controls to mitigate them. The risk register sets out risks pre and post mitigating actions.

Risks are actively managed by the management team and reported to the Committee and Pension Board (the Board) quarterly. Risks are also reviewed when there has been a material change. Risks fall into the following categories, owned by the relevant member of the Fund's management team:

Table 1.5: Risk management

Category of Risk	Risk Owner
Administration	Pensions Operations Manager
Regulatory	Technical and Compliance Advisor
Governance	Governance and Risk Advisor
Employers (Funding)	Funding and Valuation Manager

Category of Risk	Risk Owner
Employers (Data)	Employer Services Manager
Investments	Investments Manager
Finance	Finance Manager, Pensions and Investments

The Head of Pensions is responsible for overseeing the work of risk owners and ultimately agreeing any changes to the risk register.

The Committee is responsible for ensuring risks are effectively managed and it reviews the risk register at each quarterly meeting. The Board has an independent oversight role, to ensure the overall risk framework is robust and compliant with regulations.

Internal controls and processes are in place to manage administration, financial and other operational risks. The Council's Internal Audit Team annually assesses the Fund's processes to provide independent assurance that adequate controls are in place. The findings of all internal audits are reported to the Committee.

During the year Internal Audit completed two audits:

- Pension Payroll Processes – Level 3, Reasonable Assurance
- Transfers Out – Level 3, Reasonable Assurance

All internal audits are finalised with a detailed action plan agreed with the relevant manager, with actions monitored throughout the year.

The Internal Control Report of the investment managers and custodian are reviewed annually to ensure their operational control environment is adequate, the results of which are reported to Committee. Where the Fund invests in a pooled investment fund, the audited accounts of the fund are also reviewed annually.

The Fund's Risk Register can be found in the March 2026 Committee Report Pack and a summary of the top ten risks can be found below.

1. Governance – loss of IT, including cyber-attack and loss of power

The risk of a cyber-attack is high, and any impact could be critical. It remains our highest risk. Fund operations could potentially be impacted with consequences of late payments to members, loss of data and delayed administration, just to name a few.

The Fund adheres to the Council's Cyber Security Policy and is protected by the Council's security defences. Officers are required to take the Council's cyber security training module annually and this is supplemented with training and workshops

delivered by the Governance and Information Governance teams, along with weekly email reminders.

A business continuity plan is in place primarily to deal with ’disaster recovery’ and includes contingency measures in the event of a cyber-attack or general loss of power, which would affect the whole Fund and its operational systems. The plan identifies critical activities whose failure would lead to an unacceptable loss of service and member records. It sets out measures to minimise the risk of disruption to service and specifies what ‘triggers’ contingency measures. The disaster recovery process is tested and updated annually.

2. Administration - poor service levels below agreed standards

The primary administration risk is poor service delivery below agreed standards, including delays or inaccuracies in benefit processing, which could result in adverse member outcomes and potential regulatory intervention. To mitigate these risks, the Fund maintains robust performance monitoring through weekly statistics, regular reporting of KPIs and complaints, and targeted management actions. Focus is placed on workforce capacity, recruitment, retention and training to ensure appropriate skills and resourcing. In addition, processes are being strengthened through end-to-end review, enhanced controls and increasing digitisation to improve efficiency and accuracy.

Increasing expectations from The Pensions Regulator and initiatives such as pensions dashboards have heightened the importance of effective administration. This creates additional risk that processes, systems and resourcing may not keep pace with evolving standards without ongoing improvement and investment.

3. Regulatory – changes to regulations

The LGPS is subject to ongoing regulatory change, creating a risk that the Fund may be unable to implement new requirements effectively within required timescales, potentially impacting administration performance and compliance. This includes emerging developments such as the new Survivor Benefits Equalisation with retrospective remedy, and preparation for pensions dashboards, all of which place additional demands on resources and systems.

The Fund monitors regulatory developments through the Local Government Association, professional advisers and sector networks, with officers actively participating in working groups and industry events. Regulatory change activity is incorporated into the Fund’s administration planning to ensure alignment with business priorities and resource capacity.

4. Investments – move to new asset pool

A key risk during the year was the planning for, and management of, the transition of assets to the new Pool, LPPI. Despite challenging timelines, the transition successfully concluded in line with government deadlines in April 2026 with minimal disruption to service.

5. Governance – failure to manage personal data per regulations

Failure to secure member data in accordance with regulations presents a significant risk, including unauthorised disclosure of personal information. The Fund maintains key controls which are reviewed regularly, including its Privacy Notice, Data Retention Policy and Record of Processing Activities, alongside clear data sharing arrangements with employers.

Robust processes are in place for FOI and SAR requests, data breaches are managed in line with ICO guidance, and staff complete regular data protection and cyber security training. Data protection is embedded within project governance through data protection impact assessments (DPIAs) and data sharing agreements, with oversight from the Governance Team.

During 2025/26, increasing sector focus on data quality, transparency and digital readiness within LGPS funds, including preparation for pensions dashboards and heightened expectations around cyber resilience, has increased reliance on accurate and secure data. This creates additional complexity and risk that existing controls may not fully keep pace with evolving requirements without ongoing review and enhancement.

6. Investments – failure to achieve decarbonisation targets

There is a risk that the Fund fails to meet its interim climate targets, impacting its ability to meet its 2045 net zero target, which has been agreed by the Committee. Failing to meet interim climate targets could lead to reputational and financial risk (arising from a slower than expected transition to a low carbon economy).

The Fund's climate exposure is assessed annually with climate risk analysis embedded into strategic decision making and reflected in the Fund's overall Strategic Asset Allocation (SAA). The Fund's approach to the risks posed by climate change is further reinforced by collective engagement, membership of key industry bodies and clear screens and divestment criteria based on industry best practice.

7. Investments – failure to earn investment returns as per funding strategy

Investments by their very nature expose the Fund to varying degrees of risk, including market, interest rate, foreign currency, and liquidity risks. Accepting investment risk is essential to drive attractive long-term returns. Indeed, reducing investment risk too low can lead to poorer returns and higher employer contributions.

The investment decision-making process, supported by expert independent advice, is designed to ensure appropriate investment risk compatible with the Fund's long term investment objectives. The Investment Strategy Statement sets out the investment strategy, asset allocation, and how investment risks are considered and managed. The Statement of Accounts includes a disclosure on Financial Risk Management with particular reference to the investment strategy.

Such risks are managed through asset diversification, pooling of assets, and the hedging of risks such as currency and interest rates. The Investment Strategy is reviewed periodically after the triennial valuation, in line with regulation.

In between strategic reviews, the Committee and Panel monitor the performance of the investment strategy, providing flexibility to alter the strategy if required.

The provision of expert advice is a key element of the risk management process. The Fund has access to expertise within its Pool as well as appointed investment consultants to provide strategic investment advice and scrutiny on investment performance and risk management.

8. Investments – failure of objective/service delivery (Brunel Pension Partnership)

At 31 March 2026, the Fund was a member of Brunel Pension Partnership (Brunel), a Financial Conduct Authority (FCA) authorised company set up to pool and manage investment assets.

Key risks with the Pool are that it selects asset managers which persistently under-perform, that funds are not properly controlled, and that its service to the Fund does not meet agreed standards.

The investment management process is outsourced to investment managers, the Pool and the global custodian. This arrangement provides a clear segregation of duties, with the in-house Investments Team closely monitoring performance and compliance with regulations. In addition, the audited internal control reports for each of the investment managers are reviewed annually.

The Pool's control environment is monitored by the Fund and other LGPS funds participating in the Pool.

9. Employers – failure to comply with regulatory responsibilities, regulations or Funding Strategy Statement

The Fund is exposed to the risk that employers fail to comply with regulatory responsibilities, funding obligations or data requirements, including late or incorrect contributions and poor-quality data, which may impact funding levels, valuation outcomes and regulatory compliance. Employer insolvency also presents a risk of unrecovered liabilities to the Fund.

The Fund maintains a Funding Strategy Statement (FSS) which sets out the Fund's funding strategy, policies and employer obligations. It is reviewed triennially in line with the actuarial valuation. Regulations and policy require all bodies that wish to be admitted to the Fund to be guaranteed by a scheme employer(s) or to provide a bond to protect the Fund in the event of insolvency. The Fund monitors the financial sustainability of scheme employers and takes this into account when setting contribution rates. Policies on employer financial stability are set out in the FSS.

Employer performance is supported and monitored through the Administration Strategy and Memorandum of Understanding, with ongoing engagement, training, and KPI monitoring aligned to The Pensions Regulator expectations. Data quality is also actively managed through targeted cleansing activity. Increasing regulatory

focus on data quality, transparency and employer compliance, increases the risk that employer performance and controls may not fully keep pace with evolving requirements without continued engagement and oversight.

10. Governance – governance of Fund not in accordance with Avon Pension Fund policies and inadequate controls

If the Fund is not governed adequately in line with existing policies, regulations and controls, it is at risk of fines, disciplinary issues and reputational damage.

Fund policies are reviewed and approved by the Committee according to a schedule or when material changes are made. Some policies are shared with the Council, but the Fund operates its own policies and procedures where they are pensions specific.

The Council's Internal Audit Team carries out an annual plan of activity to provide independent assurance to the Fund's senior officers and members that governance, risk management and the related framework of internal controls are sufficient to deliver the Fund's objectives.

In addition, during 2025/26 the LGPS governance framework has been subject to significant national reform proposals, with draft "Fit for the Future" regulations consulted on in late 2025 to strengthen oversight, accountability and governance standards for administering authorities. Alongside increasing expectations from The Pensions Regulator on effective systems of governance and internal controls, and upcoming requirements such as pensions dashboards and enhanced asset pooling, this creates additional complexity and risk that local governance arrangements may not keep pace with evolving requirements.

2. Governance and Training

Avon Pension Fund Committee

As administering authority, Bath and North East Somerset Council (the Council), has legal responsibility for the Avon Pension Fund (the Fund).

The Council delegates responsibility to the Avon Pension Fund Committee (the Committee) as the formal decision-making body. The Committee's role is strategic, making the big decisions in areas such as investment strategy, the annual budget, and target service standards. The Committee also sets the Fund's policy framework and monitors implementation and compliance vs that framework.

The Committee met formally each quarter during 2025/26. Terms of Reference for the Committee and Investment Panel, agreed by the Council, are available on our website.

Governance of Brunel Pension Partnership (Brunel) is managed by a sub-group of the Committee overseeing this important relationship. It met as needed during the year to discuss specific shareholder and client matters. The Committee Chair represents the Fund on the Brunel Oversight Board and as the Shareholder Representative.

Table 2.1: Avon Pension Fund Committee structure

	Committee Structure
14 voting members	• 5 elected members from Bath and North East Somerset Council • 1 elected member from Bristol City Council • 1 elected member from North Somerset Council • 1 elected member from South Gloucestershire Council • 3 independent members • 1 nominated member from higher/further education bodies • 1 nominated member from the academy bodies • 1 nominated member from the trade unions
3 non-voting members	• 1 nominated member from the town and parish councils • 2 nominated members from the trade unions

Investment Panel

The Committee delegates authority to the Investment Panel for specific investment decisions and assessing performance. The Panel consists of up to six voting members from the Committee. The Panel met formally three times during 2025/26.

The Committee is supported by several external advisers; Mercer advise on actuarial and investment matters and Osborne Clarke provide legal advice. The Committee, officers, external advisers, and Brunel all operate in accordance with relevant regulations namely the Local Government Pension Scheme Regulations 2013, the Local Government Pension Scheme (Management & Investment of Funds) Regulations 2016, CIPFA Codes and the Pensions Regulator's Code of Practice.

Table 2.2: Committee member attendance

Member	June 2025	September 2025	December 2025	March 2026
Toby Simon	Yes	Yes	Yes	Yes
Chris Dando	Yes	Yes	Yes	Yes
John Finch	Yes	Yes	Yes	Yes
Pauline Gordon	Yes	Yes	Yes	Yes
William Liew	Yes	Yes	Yes	Yes
Fi Hance	Yes	Yes	Yes	Yes
Shaun Stephenson-McGall	No	Yes	Yes	Yes
Wendy Weston	Yes	No	No	Yes
Jackie Peel	Yes	No	Yes	Yes
Charles Gerrish	Yes	Yes	No	Yes
Joanna Wright	Yes	Yes	Yes	Yes
George Leach	Yes	Yes	Yes	Yes
Robert Payne	Yes	Yes	Yes	Yes
Mike Drew	No	Yes	No	No
Edmund Cannon	No	Yes	Yes	Yes
James Hillary	No	Yes	Yes	No
Shona Jemphrey	Yes	Yes	Yes	Yes

Table 2.3: Investment Panel member attendance

Member	June 2025	September 2025	February 2026
Toby Simon	Yes	Yes	Yes
Chris Dando	Yes	No	Yes
John Finch	Yes	Yes	Yes
Pauline Gordon	Yes	Yes	Yes
George Leach (Chair from 21/10/25)			Yes
Jackie Peel	Yes	Yes	Yes
Shaun Stephenson-McGall (Chair until 21/10/25)	No	No	

Local Pension Board (LPB)

The LPB was established in 2015 following the Public Sector Pension Act 2013 and Local Government Pension Scheme (Governance) Regulations 2015. The LPB assists the administering authority to secure compliance with LGPS regulations and requirements of the Pensions Regulator (TPR) and ensures efficient and effective governance and administration of the Fund.

The Board met formally four times during 2025/26. Pension board members also attended the workshops on the Fund Valuation and Investment Strategy Review alongside Committee members. Terms of Reference for the LPB are set out on the website: www.avonpensionfund.org.uk/about-fund/how-avon-pension-fund-works

Table 2.4: Local Pension Board member attendance

Member	June 2025	September 2025	December 2025	March 2026
Nick Weaver	Yes	Yes	Yes	Yes
Steve Harman	Yes			
Alison Wyatt	No	Yes	Yes	Yes
Helen Ball	Yes	No	Yes	Yes
Stuart Anstead	No			
Jon Evans	No	Yes		
Stuart Pearson			Yes	Yes

Member	June 2025	September 2025	December 2025	March 2026
Andrew Ridley			Yes	Yes
Helen Davis				Yes
James Young				Yes

Training

The administering authority recognises the importance of training across Committee members, the Local Pension Board, and for officers making decisions in the Fund. Training is provided to ensure they all possess an appropriate level of knowledge, skill and understanding to carry out their duties. Specifically, the administering authority must ensure that:

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

The Fund has a formal training policy based on CIPFA's (Chartered Institute of Public Finance and Accounting) Knowledge and Skills Framework for LGPS funds, used to assess training needs and prepare the annual training plan.

The Fund has adopted Hymans Robertson's LGPS Online Learning Academy, following additional knowledge and skills requirements introduced in the Scheme Advisory Board's (SAB) Good Governance Review recommendations. Completion of modules is mandatory for Committee and Board members. Training is also recommended for senior officers, and a training plan has been agreed to complete specific modules in preparation for upcoming meeting agenda items.

Committee Training

Committee training is delivered in a variety of formats, reflecting strategic breadth of the Committee's responsibilities and differing levels of knowledge. Much of the training is delivered through detailed reports, workshops, and discussion.

Committee members and officers are also encouraged to attend seminars and conferences to broaden their understanding of LGPS issues such as investments. New Committee members are encouraged to attend the Fundamentals Training Course offered by the LGA and induction sessions delivered by officers. New members must complete The Pension Regulator's (TPR) online toolkit and Hymans Robertson's LGPS learning academy. Officers' annual performance reviews identify training needs as well as monitoring individual performance vs objectives.

Committee Training

Training is given to Committee members to support knowledge of the various areas and functions of the Fund including governance, employers, funding and investments.

Various topics within these areas are covered including (but not limited to):

- legal responsibilities of the Fund and its employers
- regulations that govern Fund processes
- how the investment and administration strategies are set and monitored
- risk identification and management
- investment performance monitoring

Training is delivered by both external and internal training courses, conferences, Hymans Robertson's LGPS Online Academy and workshops. Members are able to further increase their knowledge through access to various reports and presentations, including audit reports, final accounts and formal meeting reports.

Local Pension Board Training

There is a plan in place for all members to complete the Hymans LGPS Online Training modules. All members also complete the TPR Public Sector Pension Toolkit. Committee members attended the following events during the year.

Table 2:5: External training events for the Committee and Board

External Training	Attendees
KPMG Session on Pooling	John Finch, Pauline Gordon, William Liew, Wendy Weston, Charles Gerrish, Jackie Peel, Toby Simon, Joanna Wright, Robert Payne, Fi Hance, Shona Jemphrey, George Leach
Brunel Investor Day	Pauline Gordon, Wendy Weston, Toby Simon, Shona Jemphrey
Local Government Association Governance Conference	George Leach

Governance Compliance Statement

The Fund must publish a Governance Compliance Statement demonstrating the extent to which the Fund complies with best practice in pension fund governance. The Fund's latest statement was approved in June 2025. The statement shows a

high level of compliance with best practice and is summarised below. https://www.avonpensionfund.org.uk/about-fund/how-avon-pension-fund-works

Table 2.6: Summary of the Governance Compliance Statement

Principle	Compliance Status	Comment
Governance structure	Compliant	• The decision-making structure is defined. • It includes the Committee, Investment Panel, Pension Board and the Fund's representation on Brunel's Oversight Board.
Representation	Partial compliance	• There is broad representation of employers and scheme members on the Committee. • Though admitted bodies are not represented as it is difficult to have meaningful representation from such a diverse group. • Full details are set out in the Fund's Representation Policy.
Selection/role of lay members	Compliant	• Roles and responsibilities of all members are set out in a job description.
Voting	Compliant	• There is a clear policy on voting rights. • Such rights have been extended to employer and member representatives.
Training/Facility time/Expenses	Compliant	• There is a clear training policy. • The Fund pays training costs for members. • The training plan reflects Committee needs, and a training log is maintained.
Meetings	Compliant	• Formal meetings are held quarterly. • Lay members are included in the formal arrangements.
Access	Compliant	• All members have equal access to meeting papers and advice.
Scope	Compliant	• Terms of reference include all aspects of investments, funding, administration, etc.
Publicity	Compliant	• All statutory documents are publicly available.

Conflicts of Interest

Conflicts of interest are managed through the Fund's conflicts of interest policy. This policy sets out how the Council identifies, manages, and mitigates potential conflicts which may arise in carrying out its role as administering authority for the Fund.

The Council recognises that its dual roles as an employer participating in the Fund and the body legally tasked with its management can produce the potential for conflicts of interest. And those involved in managing or advising the Fund may find that they face competing incentives, financial or otherwise, as a result of their professional or personal circumstances.

Members of the committee who are a representative of an employer or stakeholder group may also have conflicts of interest between their role as Committee member and the view or stance of the employer/stakeholder group they represent.

It is important, therefore, that these potential conflicts are managed in order to ensure that no actual or perceived conflict of interest arises and that all the Fund's employers and scheme members are treated fairly and equitably.

All members are required to declare any conflicts of interest at the start of each Committee and Board meeting. This is a standing agenda item.

3. Financial performance

Table 3.1 Employer contribution rates Year Ended 31 March 2026

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Principal Councils and Service Providers							
Avon Fire & Rescue Service	271	17.9	£636,600	£19	17.9	£600,530	£0
Bath & North East Somerset Council	3,524	18.7	£6,954,415	£1,732,235	18.7	£6,168,745	£1,658,845
Bristol City Council	8,977	18.3	£17,726,711	£0	18.3	£16,073,195	£0
North Somerset Council	1,979	18.5	£3,957,512	£1,854,020	18.5	£3,702,154	£1,836,240
South Gloucestershire Council	4,754	18.9	£7,806,728	£0	18.9	£7,386,500	-£113,800
West of England Combined Authority	413	15.3	£1,381,979	£136,500	15.3	£1,138,772	£130,500
Further & Higher Education Establishments							
Bath Spa University	1,425	17.5	£1,780,795	£716,800	17.5	£1,595,859	£670,075
Bath College	248	18.2	£336,487	£95,800	18.2	£314,824	£91,600
City of Bristol College	483	18.0	£654,349	£175,400	18.0	£582,830	£167,700

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
South Gloucestershire & Stroud College	558	17.9	£758,870	£291,000	17.9	£686,277	£278,196
St. Brendan's Sixth Form College	120	18.2	£185,730	£26,400	18.2	£169,250	£43,200
University of the West of England	2,413	17.6	£4,741,627	£0	17.6	£4,621,528	£4,290,030
Weston College	348	15.9	£640,740	£244,100	15.9	£560,349	£233,400
Academies and Schools							
Abbeywood Community School	76	18.7	£99,265	£60,800	18.7	£94,208	£58,200
All Saints East Clevedon C of E Primary School	23	19.3	£8,578	£4,110	19.3	£8,428	£3,910
Amplify Education (Central Functions)	24	18.8	£76,738	£11,830	18.8	£70,373	£11,340
Ashcombe Primary School	78	18.9	£51,850	£66,880	18.9	£49,829	£63,950
Ashton Gate Primary School	77	19.5	£54,665	£16,500	19.5	£34,276	£9,200
Ashton Park School	79	18.6	£70,285	£53,390	18.6	£65,736	£51,040
Ashton Vale Primary School	20	18.6	£13,228	£7,530	18.6	£12,577	£7,140

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Avanti Gardens School	13	15.9	£13,799	£800	15.9	£14,727	£700
Backwell C of E Junior School	13	20.7	£11,327	£10,850	20.7	£9,535	£10,360
Backwell School	92	18.8	£95,663	£146,370	18.8	£98,845	£140,071
Badock's Wood E-ACT Academy	17	18.0	£19,469	£14,100	18.0	£18,637	£13,450
Bannerman Road Community Academy	38	17.2	£35,441	£0	17.2	£35,620	£0
Banwell Primary School	18	19.2	£11,725	£9,290	19.2	£11,724	£8,900
Barrs Court Primary School	37	19.7	£20,187	£1,900	19.7	£17,728	£1,500
Barton Hill Academy	21	17.2	£25,474	£0	17.2	£27,291	£307
Bathampton Primary School	15	21.3	£9,314	£15,840	21.3	£9,197	£15,160
Batheaston Church School	33	21.7	£13,071	£40,580	21.7	£12,386	£38,720
Bathford Church School	19	20.8	£8,557	£9,880	20.8	£9,992	£9,390
Bathwick St Mary Church School	44	18.8	£17,347	£17,400	18.8	£17,301	£16,620
Becket Primary School	28	21.3	£21,433	£28,160	21.3	£19,121	£26,890
Bedminster Down School	52	19.3	£68,309	£27,380	19.3	£68,604	£26,200

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Beechen Cliff School	79	19.5	£80,874	£68,500	19.5	£74,938	£65,500
Begbrook Primary Academy	50	18.6	£35,124	£26,500	18.6	£37,222	£25,320
Birdwell Primary School	44	18.9	£34,360	£33,000	18.9	£33,982	£31,600
Bishop Sutton Primary School	20	21.6	£12,512	£9,780	21.6	£12,789	£9,290
Blackhorse Primary School	64	19.5	£49,651	£4,400	19.5	£49,929	£4,205
Blagdon Primary School	15	20.1	£9,742	£6,840	20.1	£7,298	£6,550
Blaise High School	63	18.1	£85,551	£21,800	18.1	£79,986	£20,901
Bournville Primary School	117	19.2	£82,263	£139,820	19.2	£79,002	£133,660
Bowsland Green Primary School	19	19.5	£13,898	£1,467	19.5	£15,798	£1,467
Bradley Stoke Community School	81	18.7	£93,168	£108,100	18.7	£87,887	£103,664
Bridge Farm Primary School	58	19.3	£48,929	£14,470	19.3	£45,221	£13,780
Bridge Learning Campus	93	17.4	£113,242	£95,230	17.4	£103,833	£91,030
Bristol Cathedral School Trust	161	17.0	£193,179	£25,520	17.0	£180,033	£24,440
Bristol Free School	85	17.5	£85,667	£0	17.5	£77,004	£0

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Broadlands Academy	32	17.4	£31,272	£35,300	17.4	£31,989	£33,800
Broadoak Academy	76	18.2	£82,675	£0	18.2	£69,063	£0
Broadway Infants School	32	19.7	£17,265	£1,600	19.7	£14,380	£1,300
Brook Academy	22	20.0	£24,586	£0	20.0	£19,820	£0
Burrington C of E Primary School	18	17.7	£6,452	£3,130	17.7	£7,828	£2,930
Cabot Learning Federation	403	16.8	£656,200	£0	16.8	£599,997	£0
Cabot Primary School	26	18.2	£19,409	£6,200	18.2	£28,537	£7,900
Cadbury Heath Primary School	26	19.5	£14,841	£1,760	19.5	£15,851	£1,662
Callicroft Primary School	31	18.7	£25,524	£26,900	18.7	£23,992	£29,800
Cameley CEVC Primary School	29	18.6	£13,797	£7,400	18.6	£17,253	£7,100
Castle Batch Primary School Academy	105	18.2	£132,926	£0	18.2	£75,354	£0
Castle Primary School (Keynsham)	35	20.4	£31,101	£14,300	20.4	£30,754	£13,700
Chandag Primary School	33	19.3	£23,686	£10,850	19.3	£24,564	£10,360
Charborough Road Primary School	37	18.7	£26,176	£12,700	18.7	£26,138	£12,100

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Charfield Primary School	12	19.5	£14,236	£4,600	19.5	£14,027	£4,400
Charlton Wood Primary Academy	15	18.4	£22,148	£1,860	17.8	£22,653	£1,760
Cheddar Grove Primary School	36	19.3	£24,716	£21,220	19.3	£27,762	£20,240
Cherry Gardens Primary School	27	19.5	£14,505	£1,200	19.5	£13,786	£1,076
Chestnut Park Primary School	22	19.3	£12,193	-£100	19.3	£9,265	-£100
Chew Magna Primary School	25	19.2	£7,119	£1,300	19.2	£6,714	£1,300
Chew Stoke Church School	27	22.1	£17,045	-£9,524	21.1	£16,313	-£12,356
Chew Valley School	60	19.9	£71,064	£62,480	19.9	£70,216	£59,740
Chipping Sodbury School	46	19.8	£52,386	£8,600	19.8	£54,503	£8,358
Christ Church C of E Primary School (Clifton, Bristol)	16	19.0	£15,980	£17,400	18.5	£16,467	£16,600
Christ Church C of E Primary School (WSM)	27	22.6	£19,029	£19,750	22.6	£17,717	£18,970
Churchill Academy	119	19.4	£84,901	£136,300	19.4	£84,505	£130,340
Churchill C of E Primary School	35	19.2	£14,132	£10,560	19.2	£12,584	£10,170

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
City Academy	136	17.5	£145,601	£27,180	17.5	£142,937	£26,010
Clevedon Learning Trust (Central Functions)	0	0.0	£0	£0	0.0	£0	£0
Clevedon School	75	19.3	£70,031	£76,170	19.3	£74,262	£72,840
Clutton Primary School	18	19.5	£8,877	£8,000	19.5	£9,496	£7,600
Combe Down C of E Primary School	43	20.2	£20,661	£34,500	20.2	£24,254	£32,900
Compass Point South Street Primary School	42	18.6	£44,574	£19,750	18.6	£39,194	£18,970
Corpus Christi Catholic Primary School	39	18.0	£39,160	£14,200	18.0	£31,738	£13,600
Cotham Gardens Primary School	24	18.4	£24,951	£24,600	17.8	£28,912	£23,500
Cotham School	119	17.4	£154,495	£132,490	17.4	£151,358	£126,620
Court de Wyck Church School	10	18.9	£8,005	£11,340	18.9	£9,779	£10,850
Crockerne C of E Primary School	36	22.7	£23,530	£26,990	22.7	£25,098	£25,810
Crossways Infant School	30	19.5	£4,783	£0	-	-	-
Crossways Junior School	12	19.5	£2,151	£0	-	-	-

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
CST Trinity Academy	89	14.2	£81,494	£10,660	14.2	£69,780	£11,747
Culverhill School	88	20.8	£121,081	£24,200	20.8	£102,004	£23,100
Digitech Studio School	43	18.1	£28,984	£4,110	18.1	£24,513	£3,910
Downend School	51	19.5	£65,746	£680	19.5	£61,030	£590
Dundry C of E Primary School	15	19.5	£6,651	-£2,300	19.5	£6,977	-£2,200
E-ACT (Central Functions)	17	18.0	£61,124	£1,200	18.0	£64,576	£1,192
East Harptree Primary School	11	18.0	£4,965	£3,810	18.0	£4,641	£3,720
Easton C of E Academy	48	20.4	£44,806	£67,270	19.3	£43,719	£65,867
Elmlea Infant School	20	20.3	£17,864	£9,000	20.3	£17,348	£8,600
Elmlea Junior School	20	20.9	£22,445	£26,700	20.9	£24,152	£25,500
Emersons Green Primary School	37	19.5	£30,248	£2,249	19.5	£28,908	£2,151
Evergreen Primary Academy	15	19.0	£17,169	£15,060	19.0	£16,535	£14,370
Excalibur Academies Trust (Central Functions)	27	18.6	£34,656	-£7,500	18.6	£32,244	-£7,200
Extend Learning Academies Network (Central Functions)	50	19.2	£64,998	£0	19.2	£40,637	£0
Fairfield High School	92	18.2	£96,427	£103,800	18.2	£101,589	£130,933

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Fairlawn Primary School	24	17.2	£18,947	£0	17.2	£13,661	£0
Farmborough Church Primary School	27	20.9	£10,978	£9,500	20.9	£11,981	£9,100
Farrington Gurney C of E Primary School	12	19.5	£8,484	£7,400	19.5	£9,403	£7,100
Filton Avenue Primary School	55	17.7	£57,693	£72,260	17.7	£57,038	£69,030
Filton Hill Primary School	16	18.7	£12,180	£11,100	18.7	£10,227	£10,873
Fishponds C of E Academy	46	18.0	£35,296	£32,460	18.0	£34,416	£31,700
Flax Bourton C of E Primary School	18	21.2	£14,606	£9,780	21.2	£12,346	£9,290
Fonthill Primary School	24	18.4	£25,141	£14,080	17.8	£24,458	£13,490
Fosse Way School	159	17.6	£184,613	£144,300	17.6	£183,077	£138,000
Four Acres Academy	50	19.3	£40,756	£53,390	19.3	£46,033	£51,040
Freshford Church School	20	20.1	£12,711	£3,620	20.1	£10,528	£3,752
Frome Vale Academy	16	19.5	£17,230	£11,340	19.5	£14,877	£10,850
Gillingstool Primary School	23	19.7	£17,966	£1,600	19.7	£14,127	£1,300
Golden Valley Primary School	68	19.5	£31,405	£16,620	19.5	£29,291	£15,840

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Gordano School	186	19.5	£246,565	£194,380	19.5	£217,272	£185,870
Greenfield E-ACT Primary Academy	25	18.0	£21,164	£32,300	18.0	£23,288	£30,783
Grove Junior School	29	23.6	£14,429	£10,360	23.6	£13,831	£9,880
Hanham Abbots Junior School	41	19.5	£27,456	£1,369	19.5	£38,803	£1,369
Hanham Woods Academy	56	18.4	£59,327	£52,700	18.4	£60,847	£50,450
Hannah More Infant School	27	22.4	£11,943	£11,830	22.4	£10,512	£11,340
Hans Price Academy	99	17.6	£128,107	£0	17.6	£108,289	£0
Hareclive E-ACT Academy	21	18.0	£24,987	£43,800	18.0	£25,578	£41,650
Hawkesbury Church of England Primary School	20	20.0	£2,403	£0	-	-	-
Hayesfield Girls School	75	19.5	£79,648	£48,800	19.5	£76,064	£46,700
Haywood Village Academy	57	18.4	£39,215	£3,520	18.4	£37,369	£3,420
Headley Park Primary School	43	18.5	£33,724	£33,150	18.5	£34,336	£33,913
Henbury Court Primary Academy	39	18.4	£38,772	£56,120	17.8	£34,402	£53,680
Henleaze Infants School	27	18.6	£17,948	£8,500	18.6	£15,216	£6,102

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Henleaze Junior School	21	21.2	£24,004	£29,300	21.2	£24,067	£26,422
Heron's Moor Academy	55	20.2	£33,516	£28,650	20.2	£30,212	£27,380
High Down Infant School	57	20.5	£15,654	£38,430	20.5	£16,362	£36,760
High Down Junior School	59	20.1	£24,491	£28,750	20.1	£21,617	£27,480
High Littleton C of E Primary School	20	19.5	£10,439	£10,900	19.5	£12,545	£10,500
Horfield Church of England Primary School	24	19.1	£16,096	£5,400	-	-	-
Hotwells Primary School	15	21.2	£12,614	£24,930	21.2	£11,832	£23,248
Hutton C of E Primary School	31	19.3	£14,881	£14,860	19.3	£14,665	£14,180
IKB Academy	6	19.3	£8,185	£4,690	19.3	£8,320	£4,500
Ilminster Avenue E-ACT Academy	27	18.0	£23,433	£11,100	18.0	£24,089	£10,558
Iron Acton Church of England Primary School	28	20.0	£3,775	£0	-	-	-
Kewstoke Primary School	14	20.0	£4,595	£0	-	-	-

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Kings Forest Primary School	56	19.5	£45,541	£3,813	19.5	£46,221	£3,716
Kings Oak Academy	75	19.0	£60,582	£0	19.0	£61,367	£0
Kingshill Church School	20	21.5	£11,642	£18,280	21.5	£10,293	£17,500
Knowle DGE Academy	60	19.5	£80,244	£58,600	19.5	£78,660	£87,367
Lansdown Park Academy	16	17.8	£20,288	£26,990	17.8	£19,738	£25,810
Lime Hills Academy	19	20.0	£23,954	£0	20.0	£12,948	£0
Little Mead Primary Academy	49	18.4	£32,910	£37,998	17.8	£40,033	£36,280
Locking Primary School	59	19.2	£41,956	£21,410	19.2	£37,144	£20,440
Longvernal Primary School	33	19.5	£18,160	£12,700	19.5	£16,980	£12,100
Luckwell Primary School	20	18.6	£7,802	£8,800	18.6	£7,081	£8,410
Lyde Green Primary School	45	19.5	£40,422	£1,470	19.5	£36,067	£1,470
Mangotsfield C of E Primary School	54	19.5	£41,591	£1,858	19.5	£40,101	£3,422
Mangotsfield School	101	19.5	£167,789	£33,830	19.5	£145,445	£32,360
Marksbury C of E Primary School	9	20.6	£7,781	£5,600	20.6	£8,300	£5,300
Marlwood School	31	19.5	£34,263	£49,870	19.5	£29,447	£47,620

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Mary Elton Primary School	35	19.3	£19,193	£33,640	19.3	£21,931	£32,070
May Park Primary School	53	18.2	£47,247	£16,800	18.2	£55,667	£21,233
Mead Vale Community Primary School	35	19.2	£21,974	£48,400	19.2	£22,371	£46,250
Meadowbrook Primary School	15	18.7	£15,127	£38,500	18.7	£16,218	£36,800
Mendip Green Primary School	101	19.2	£58,740	£77,150	19.2	£55,222	£73,720
Merchants' Academy	77	17.2	£100,229	£0	17.2	£103,768	£252
Midsomer Norton Primary School	39	19.5	£26,182	£21,400	19.5	£27,009	£20,500
Midsomer Norton Schools Partnership	228	19.5	£331,675	£214,000	19.5	£322,707	£204,600
Milton Park Primary School	59	19.2	£35,326	£43,310	19.2	£33,299	£41,460
Minerva Primary Academy	31	18.7	£28,072	£5,280	18.7	£27,634	£4,990
Montpelier High School	46	17.2	£36,877	£0	17.2	£35,783	£0
Moorlands Infant School	27	19.0	£17,465	£11,200	19.0	£20,227	£10,700
Moorlands Junior School	15	18.4	£20,711	£15,500	18.4	£18,928	£14,900

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Mulberry Park Educate Together Primary	27	16.8	£18,608	-£390	16.8	£20,123	-£390
Nailsea School	90	20.3	£97,584	£57,300	20.3	£91,449	£54,800
New Siblands School	146	18.5	£102,304	£30,100	18.5	£99,024	£26,508
North Star 180°	32	19.3	£40,465	£37,550	19.3	£33,155	£35,880
North Star 240°	39	18.7	£67,574	£0	18.7	£64,303	£0
North Star 265°	9	20.0	£9,674	£0	20.0	£0	£0
North Star 82°	29	16.8	£37,021	£0	16.8	£32,639	£0
Northleaze C of E Primary School	36	20.1	£12,973	£11,640	20.1	£11,644	£11,150
Norton Hill Primary School	25	19.5	£21,057	-£1,100	19.5	£17,966	-£1,000
Notton House Academy	70	19.5	£101,761	£86,800	19.5	£93,143	£129,158
Nova Primary School	39	18.3	£28,324	£9,690	18.3	£4,611	£1,600
Oasis Academy Bank Leaze	22	17.6	£16,348	£21,903	17.6	£16,319	£20,930
Oasis Academy Brightstowe	51	17.6	£85,001	£21,414	17.6	£77,719	£20,441
Oasis Academy Brislington	76	17.6	£93,505	£147,452	17.6	£88,034	£140,936
Oasis Academy Connaught	33	17.6	£29,647	£22,881	17.6	£30,312	£21,908
Oasis Academy Daventry Road	29	17.6	£29,339	£0	17.6	£19,097	£0

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Oasis Academy John Williams	72	17.6	£91,804	-£10,071	17.6	£97,617	-£9,584
Oasis Academy Long Cross	68	17.6	£70,329	£76,366	17.6	£61,663	£73,060
Oasis Academy Marksbury Road	36	17.6	£52,924	£3,413	17.6	£48,180	£3,228
Oasis Academy New Oak	40	17.6	£40,543	£55,832	17.6	£39,247	£53,401
Oasis Academy Temple Quarter	31	17.6	£32,388	£0	17.6	£11,560	£0
Oldfield Park Infant School	25	20.2	£12,530	£31,200	20.2	£15,292	£29,800
Oldfield Park Junior School	30	20.2	£19,519	£20,100	20.2	£20,670	£19,200
Oldfield School	83	17.3	£80,418	£0	17.3	£77,512	£0
Oldmixon Primary School	30	19.2	£30,040	£37,160	19.2	£28,458	£35,490
Olympus Academy Trust (Central Functions)	43	18.7	£130,273	£14,600	18.7	£117,149	£13,900
Orchard School Bristol	50	19.1	£72,233	£46,150	19.1	£59,632	£44,126
Palladian Academy Trust (Central Functions)	25	20.2	£64,802	£0	20.2	£51,578	£0
Parklands Educate Together Primary	43	16.8	£35,843	£2,050	16.8	£30,251	£1,960

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Parkwall Primary School	20	19.7	£12,043	£800	19.7	£9,105	£700
Parson Street Primary School	31	18.8	£28,889	-£4,690	18.8	£32,576	-£4,500
Patchway Community School	42	18.7	£61,560	£42,000	18.7	£62,382	£36,584
Pathways Learning Centre	43	18.6	£41,118	£3,000	-	-	-
Paulton Infant School	20	18.0	£14,752	£7,900	18.0	£15,052	£7,500
Peasedown St John Primary School	58	19.5	£39,778	£27,500	19.5	£34,637	£26,300
Pensford Primary School	16	17.3	£7,049	£2,200	17.3	£6,990	£2,100
Perry Court E-ACT Academy	44	18.0	£37,460	£23,300	18.0	£34,625	£22,217
Portishead Primary School	47	19.3	£30,281	£44,780	19.3	£33,062	£42,830
Priory Community School Academy	140	18.2	£112,392	£0	18.2	£188,006	£0
Ralph Allen School	102	20.2	£78,069	£71,800	20.2	£87,167	£68,600
Rangeworthy CEVC Primary School	5	12.6	£4,231	£1,000	12.6	£2,945	£0
Raysfield Primary School	48	19.7	£35,394	£3,100	19.7	£29,819	£2,500

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Redfield Edge Primary School	27	19.7	£15,581	£1,400	19.7	£12,288	£1,100
Redfield Educate Together Primary Academy	29	16.8	£37,994	£25,030	16.8	£38,845	£24,050
Redland Green School	85	18.6	£101,229	£130,340	18.6	£95,543	£126,305
Roundhill Primary School	30	22.3	£28,093	£33,900	22.3	£24,868	£32,400
Saltford C of E Primary School	72	19.3	£28,671	£24,540	19.3	£28,007	£23,470
Samuel White's Infant School	27	19.5	£10,572	£1,369	19.5	£10,683	£1,369
Sandford Primary School	19	22.8	£11,638	£11,100	22.8	£11,926	£10,600
Sea Mills Primary School	47	19.5	£7,221	£0	-	-	-
Severn Beach Primary School	24	19.5	£15,582	£6,360	19.5	£8,931	£6,060
SGS Pegasus School	48	12.5	£53,257	£0	12.5	£49,291	£0
Shoscombe Church School	20	19.5	£11,407	£7,200	19.5	£11,891	£6,900
Sir Bernard Lovell Academy	72	19.3	£71,243	£83,890	19.3	£66,262	£80,180
Snowdon Village	40	16.3	£59,683	£13,590	16.3	£57,204	£13,000

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Somerdale Educate Together Primary Academy	26	16.8	£21,389	£3,230	16.8	£19,326	£3,030
Somerset Studio School	9	19.5	£9,685	-£100	19.5	£8,690	-£100
Soundwell College	58	19.5	£73,628	-£1,900	19.5	£62,070	-£2,792
St Andrews C of E Primary School	21	19.7	£15,560	£9,780	19.7	£14,222	£9,510
St Andrew's Church School	32	18.3	£19,998	£27,960	18.3	£21,769	£26,690
St Anne's Church Academy	104	18.2	£55,291	£0	18.2	£54,959	£0
St Barnabas C of E Primary School	43	19.5	£20,006	£1,760	19.5	£19,853	£1,662
St Bede's Catholic College	97	20.1	£85,619	£74,990	19.4	£80,521	£71,670
St Bernard's Catholic Primary School	29	23.1	£16,620	£5,960	23.1	£16,290	£5,770
St Bonaventure's Catholic Primary School	78	18.5	£35,587	£14,400	18.5	£8,562	£3,500
St Francis Catholic Primary School	28	20.9	£9,857	£7,630	20.9	£7,578	£7,240
St Georges Church School	21	19.0	£13,488	£21,710	19.0	£12,412	£20,730

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
St John The Evangelist Church School	21	22.6	£10,860	£14,860	22.6	£11,647	£14,180
St John's C of E Primary School (Keynsham)	19	19.3	£12,493	£15,840	19.3	£10,828	£15,160
St John's C of E Primary School (MSN) (Ann Harris)	35	19.5	£29,683	£29,300	19.5	£30,245	£28,000
St John's Catholic Primary School	38	20.9	£23,616	£8,400	-	-	-
St Joseph's Catholic Primary School	39	20.6	£17,437	£12,000	20.6	£4,479	£2,900
St Julian's C of E Primary School	14	19.5	£10,654	£7,700	19.5	£10,072	£7,300
St Katherine's School	47	19.5	£62,719	£61,210	19.5	£56,512	£56,238
St Mark's C of E School (Bath)	37	19.5	£31,135	£9,500	19.5	£27,711	£9,100
St Mark's Ecumenical Anglican/Methodist Primary School	58	20.3	£27,605	£42,040	20.3	£26,299	£40,190
St Martin's C of E Primary School	45	20.0	£34,726	£59,150	20.0	£30,974	£56,510
St Martin's Garden Primary School	29	20.2	£24,685	£32,200	20.2	£24,841	£30,800

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
St Mary Redcliffe C of E Primary School	37	18.7	£31,733	£25,810	18.1	£32,169	£25,465
St Marys C of E Primary School (Timsbury)	21	19.5	£11,897	£4,600	19.5	£12,377	£4,400
St Marys C of E Primary School (Writhlington)	22	20.4	£14,256	£6,000	20.4	£13,066	£5,800
St Mary's C of E VA Primary School	13	18.2	£4,618	£6,750	18.2	£4,807	£6,450
St Mary's Catholic Primary School	20	23.8	£9,303	£3,800	-	-	-
St Matthias Academy	21	19.5	£29,590	£17,000	19.5	£30,372	£25,242
St Michael's C of E Primary School, Winterbourne	19	19.7	£9,980	£1,000	19.7	£9,218	£800
St Michael's C of E Junior Church School	17	21.3	£15,835	£14,470	21.3	£16,417	£13,790
St Nicholas Chantry CEVC Primary School	32	19.3	£17,610	£29,630	19.3	£19,784	£28,360
St Nicholas Church School	24	18.0	£23,699	£13,590	18.0	£22,360	£13,000
St Nicholas of Tolentine Catholic School	17	21.8	£14,367	£19,360	20.5	£15,006	£18,480

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
St Patrick's Catholic Primary School	25	19.8	£19,590	£21,300	19.2	£17,732	£20,400
St Peter's C of E Primary School	56	18.5	£43,151	£48,110	18.5	£43,538	£46,050
St Philip's C of E Primary School, Bath	20	20.2	£14,588	£36,700	20.2	£17,835	£35,228
St Saviours Infant Church School	20	19.4	£12,473	£20,340	19.4	£11,269	£19,460
St Saviours Junior Church School	13	18.4	£8,746	£8,700	18.4	£9,103	£8,310
St Stephen’s C of E Junior School	37	19.7	£28,203	£2,400	19.7	£23,645	£1,900
St Stephen's Primary Church School	40	19.0	£17,262	£18,480	19.0	£18,280	£17,700
St Teresa’s Catholic Primary School, Bristol	29	20.5	£24,529	£21,510	20.5	£22,917	£20,530
St Ursula's E-ACT Primary Academy	36	18.0	£31,364	£16,500	18.0	£39,097	£16,804
St Werburghs Primary School	39	19.4	£38,938	£17,310	19.4	£34,619	£17,132
Stanbridge Primary School	44	19.5	£27,036	£2,151	19.5	£25,898	£2,053
Stanton Drew Primary School	9	19.7	£4,121	£3,720	19.7	£3,247	£3,620

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Staple Hill Primary School	46	19.5	£25,861	£2,053	19.5	£25,019	£1,956
Stoke Bishop C of E Primary School	34	18.7	£29,191	£31,680	18.7	£29,898	£30,310
Stoke Lodge Primary School	14	18.7	£14,372	£34,497	18.7	£12,167	£32,900
Stoke Park Primary School	35	16.2	£23,660	£12,320	16.2	£22,199	£11,730
Summerhill Academy	25	17.4	£21,413	£17,110	17.4	£20,153	£16,330
Swainswick Church School	12	18.7	£4,662	£2,150	18.7	£4,304	£2,050
The Castle School	62	19.5	£72,813	£63,160	19.5	£71,223	£60,531
The Kingfisher School	16	17.2	£11,812	£0	17.2	£15,043	£0
The Leaf Trust (Central Functions)	14	19.5	£30,214	£0	19.5	£12,706	£0
The Meadows Primary School	18	19.3	£11,543	£4,600	19.3	£11,041	£4,400
The Park Primary School	40	19.7	£28,730	£2,600	19.7	£25,113	£2,100
The Ridge Junior School	28	19.7	£17,200	£1,400	19.7	£12,973	£1,100
The Sky Academy	38	19.4	£52,221	£98,560	19.4	£47,241	£94,160
The Tynings Primary School	35	19.5	£28,098	£2,249	19.5	£26,436	£2,151
Three Ways School	191	16.8	£168,264	£152,500	16.8	£155,213	£145,800

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Tickenham C of E Primary School	23	19.3	£6,025	£4,690	19.3	£5,768	£4,500
Tortworth Primary School	6	19.5	£7,261	£300	19.5	£7,073	£300
Trinity Anglican Methodist Primary School	38	18.3	£25,381	£39,600	18.3	£25,069	£37,676
Trinity Church School	20	19.5	£17,929	£14,000	19.5	£17,770	£13,400
Two Bridges Academy	60	20.0	£47,160	-£0	20.0	£15,910	£0
Two Mile Hill Primary School	60	19.5	£50,355	£19,458	19.5	£31,058	£11,100
Two Rivers C of E Primary School	15	19.3	£11,321	-£290	19.3	£8,303	-£290
Tyndale Primary School	21	18.1	£18,173	£2,200	18.1	£17,943	£2,100
Ubley Primary School	12	21.3	£5,813	£5,280	21.3	£6,612	£4,990
Uphill Village Academy	40	19.5	£24,857	£19,650	19.5	£25,566	£18,770
Venturers' Academy	93	17.2	£130,570	£0	17.2	£118,149	£236
Victoria Park Primary School	42	19.9	£31,356	£36,370	19.9	£31,234	£34,810
Walliscote Primary School	43	19.2	£26,666	£37,160	19.2	£24,611	£35,490
Wallscourt Farm Academy	40	16.5	£34,044	£5,670	16.5	£32,401	£5,380

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Wansdyke Primary School	25	19.3	£16,279	£13,790	19.3	£14,527	£13,200
Waycroft Academy	52	19.5	£42,655	£58,960	19.5	£44,208	£56,320
Wellsway School	189	19.3	£291,921	£96,410	19.3	£268,749	£92,110
Welton Primary School	25	19.5	£14,694	£6,900	19.5	£14,003	£6,600
West Leigh Infant School	11	22.0	£6,673	£12,220	22.0	£7,278	£11,640
West Town Lane Academy	89	18.4	£60,821	£49,100	18.4	£60,018	£47,000
Westbury Park Primary School	40	19.6	£28,369	£22,402	19.6	£28,903	£21,400
Westbury-on-Trym C of E Academy	46	20.0	£33,893	£25,905	20.0	£29,239	£24,800
Westfield Primary School	53	19.5	£33,264	£28,300	19.5	£32,741	£27,100
Weston All Saints C of E Primary School	48	19.9	£24,880	£44,500	19.9	£38,389	£42,600
Wheatfield Primary School	46	19.5	£31,599	£2,249	19.5	£32,370	£2,151
Whitchurch Primary School	29	18.7	£15,017	£4,200	18.7	£13,775	£4,010
Wicklea Academy	22	17.0	£15,619	£18,380	17.0	£18,294	£17,600
Widcombe C of E Junior School	18	20.2	£10,338	£28,900	20.2	£11,112	£27,617

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Widcombe Infant School	19	20.2	£11,736	£20,400	20.2	£11,110	£19,500
Windwhistle Primary School	53	19.2	£39,268	£71,570	19.2	£37,428	£68,440
Winford C of E Primary School	15	20.2	£10,612	£13,300	20.2	£11,069	£12,710
Winscombe Primary School	24	22.1	£15,281	£12,700	22.1	£15,815	£12,100
Winterbourne International Academy	78	18.7	£99,191	-£49,300	18.7	£92,064	-£47,128
Winterstoke Hundred Academy	61	18.6	£64,994	£3,810	18.6	£53,120	£3,720
Woodlands Academy	18	14.7	£14,457	£16,620	14.7	£17,627	£15,840
Woodlands Primary School	55	18.1	£37,505	-£4,800	18.1	£36,705	-£4,600
Worle Community School Academy	98	18.2	£108,143	£0	18.2	£104,608	£0
Worle Village Primary School	29	19.2	£15,312	£20,920	19.2	£13,649	£20,040
Worlebury St Paul's Church School	20	19.3	£12,459	£9,600	19.3	£13,710	£9,200
Wraxall C of E VA Primary School	13	22.6	£3,333	£2,350	22.6	£3,583	£2,250
Wrington C of E Primary School	25	19.5	£10,940	£6,450	19.5	£10,899	£6,160

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Writhlington School	79	19.5	£63,558	£152,000	19.5	£66,358	£145,300
Yate Academy	61	18.1	£72,106	£5,600	18.1	£70,520	£5,300
Yatton C of E Junior School	42	21.1	£18,472	£14,080	21.1	£18,627	£13,490
Yatton Infant School	42	21.0	£18,141	£21,510	21.0	£16,055	£20,530
Yeo Moor Primary School	46	19.3	£27,300	£25,720	19.3	£25,587	£24,540
Designating Bodies							
Aequus Developments Limited	4	18.7	£27,376	-£12,500	18.7	£29,831	-£11,900
Almondsbury Parish Council	6	28.3	£8,500	£1,200	27.0	£7,453	£1,200
Backwell Parish Council	4	24.9	£2,560	-£900	24.9	£1,718	-£800
Bitton Parish Council	2	18.9	£3,350	-£100	18.9	£2,813	£0
Bradley Stoke Town Council	16	21.2	£27,101	-£6,900	21.2	£23,314	-£6,600
Bristol Waste Company	75	23.1	£123,141	£37,500	23.1	£141,127	£35,900
Charlton Hayes Parish Council	2	20.0	£1,043	£0	-	-	-
Charter Trustees of the City of Bath	2	20.7	£4,381	-£5,300	20.7	£4,245	-£5,000

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Churchill Parish Council	1	21.3	£2,487	£0	21.3	£2,017	£0
Clevedon Town Council	5	25.6	£5,509	£300	24.3	£5,614	£100
Congresbury Parish Council	3	20.1	£3,884	£500	20.1	£3,763	£700
Dodington Parish Council	6	19.4	£5,780	£500	19.4	£7,936	£500
Downend and Bromley Heath Parish Council	3	22.6	£7,585	£4,110	22.6	£3,252	£3,910
Emersons Green Town Council	8	26.2	£11,263	£800	26.2	£8,665	£900
Filton Town Council	7	19.7	£15,046	-£12,700	19.7	£9,919	-£12,100
Frampton Cotterell Parish Council	8	21.3	£11,863	£4,200	19.6	£11,185	£4,010
Futura Commercial Services Limited	105	17.0	£63,395	-£2,500	17.0	£56,256	-£2,400
Hanham Abbots Parish Council	1	21.3	£1,352	-£100	21.3	£1,305	-£67
Hanham Parish Council	1	25.6	£1,048	-£1,600	25.6	£1,142	-£1,600
Keynsham Town Council	16	22.3	£21,820	-£5,800	21.1	£24,174	-£5,500
Kingswood Town Council	3	22.2	£7,095	£0	22.2	£5,285	£0

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Midsomer Norton Town Council	4	20.5	£7,067	£10,200	20.5	£6,756	£9,700
Nailsea Town Council	9	16.7	£20,061	-£400	16.7	£17,784	-£400
Oldland Parish Council	3	22.6	£7,343	£8,100	22.2	£6,938	£7,700
Patchway Town Council	7	18.4	£13,761	-£7,200	18.4	£12,274	-£6,900
Paulton Parish Council	7	21.1	£8,316	-£963	21.1	£7,908	-£900
Peasedown St John Parish Council	7	21.6	£9,332	£0	20.7	£6,683	£0
Pill & Easton in Gordano Parish Council	2	24.0	£2,487	-£500	24.0	£1,631	-£405
Portishead Town Council	10	19.6	£18,803	£0	19.6	£17,406	£0
Radstock Town Council	6	21.1	£6,612	£0	20.6	£7,173	£0
Rangeworthy Parish Council	1	25.0	£316	£0	-	-	-
Saltford Parish Council	1	16.2	£1,936	£100	16.2	£1,795	£100
Siston Parish Council	1	25.0	£289	£0	-	-	-
Sodbury Town Council	3	19.5	£9,370	£290	19.5	£8,857	£300
Staple Hill & Mangotsfield Parish Council	1	21.6	£1,791	£0	21.6	£2,363	£0

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Stoke Gifford Parish Council	9	18.6	£13,756	-£3,700	18.6	£12,680	-£3,600
Stoke Lodge & the Common Parish Council	3	20.7	£2,096	£400	19.0	£1,996	£0
Stoke Park & Cheswick Parish Council	1	27.6	£765	£0	27.6	£776	£0
Thornbury Town Council	14	15.4	£22,695	-£22,891	15.4	£20,191	-£21,900
Westerleigh & Coalpit Heath Parish Council	1	14.6	£2,006	-£2,700	14.6	£1,603	-£2,600
Westfield Parish Council	3	22.0	£3,235	-£200	22.0	£3,040	£0
Weston Super Mare Town Council	46	17.0	£68,946	£19,260	17.0	£61,066	£18,380
Whitchurch Village Council	1	25.5	£1,402	-£500	24.5	£1,242	-£500
Wraxall and Failand Parish Council	1	25.0	£849	£0	25.0	£87	£0
Wrington Parish Council	2	25.1	£2,780	£0	25.1	£2,717	£0
Yate Town Council	42	17.5	£62,386	-£4,900	17.5	£58,991	-£4,700
Yatton Parish Council	6	23.7	£8,676	£2,100	23.7	£7,564	£2,000

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Community Admission Bodies							
Adoption West	42	18.0	£78,651	-£10,000	18.0	£64,864	-£9,500
Bristol Music Trust	5	21.7	£10,354	-£35,209	21.7	£16,476	-£41,600
Clifton Suspension Bridge Trust	3	40.2	£7,971	£12,800	40.2	£11,292	£12,200
Merlin Housing Society Ltd (New staff since 2007)	0	41.1	£0	£0	41.1	£44,907	£1,006,800
Merlin Housing Society Ltd (SG)	0	38.9	£0	£0	38.9	£40,267	£170,700
Play Station Nursery Ltd - Barley Close (SGC)	1	24.8	£1,196	-£133	24.8	£1,142	-£200
Sirona Care & Health (Telecare Service)	1	26.0	£1,533	-£300	26.0	£1,489	-£300
The Care Quality Commission	2	24.6	£6,314	£0	24.6	£8,362	-£13
The Park Community Centre Ltd	3	22.5	£5,238	-£18,553	22.5	£5,094	-£18,051
University of Bath (CAB)	533	20.7	£903,975	-£9	20.7	£918,234	£0
Visit West Limited	4	21.4	£13,179	£0	-	-	-
West of England Music Limited	40	21.3	£29,905	£0	21.3	£36,562	£0

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Writhlington Trust	6	38.9	£20,612	£23,900	38.9	£20,785	£22,710
Transferee Admitted Bodies							
ABM Catering Limited - Athelstan Trust (Chipping Sodbury)	3	21.8	£1,630	-£0	21.8	£1,552	£0
ABM Catering Limited - Christchurch Infant & Junior School	1	25.0	£1,339	£0	25.0	£1,557	£0
ABM Catering Limited - Cotham School	1	22.6	£1,036	£0	22.6	£1,485	£0
ABM Catering Limited - Raysfield School (Mosaic Partnership Trust)	1	23.2	£398	£0	23.2	£297	£0
ABM Catering Limited - South Gloucestershire Council (Bromley Heath Cluster)	8	22.1	£6,056	-£0	22.1	£5,792	£0
ABM Catering Limited - St John's Catholic Primary School	2	18.5	£1,098	£0	18.5	£1,232	£0

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
ABM Catering Limited – St Mary's School, Bath	2	22.1	£1,614	£0	22.1	£1,517	£0
Active Community Engagement Ltd	1	27.3	£1,049	-£4,200	27.3	£957	-£3,933
Agilisys Limited	3	23.1	£17,527	-£55,028	23.1	£29,598	-£103,998
Agilisys Limited 2015	24	20.7	£34,707	-£57,774	20.7	£31,923	-£115,805
Alliance in Partnership Limited - Elm Park Primary School (SGC)	2	26.3	£1,280	£0	-	-	-
Alliance in Partnership Limited - Henleaze Junior Academy	1	24.9	£1,449	£0	24.9	£1,399	£0
Alliance in Partnership Limited - Holy Family Catholic Primary School (SGC)	2	25.6	£1,047	£0	-	-	-
Alliance in Partnership Limited - Our Lady of Lourdes School (SGC)	1	27.5	£464	£0	-	-	-
Alliance in Partnership Limited - Redfield Edge Primary School	2	23.2	£1,734	£0	23.2	£1,306	£0

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Alliance in Partnership Limited - St Pauls School (SGC)	2	19.6	£909	£0	-	-	-
Alliance in Partnership Limited - The Park Primary School	3	23.7	£2,551	£0	23.7	£1,857	£0
Alliance in Partnership Limited - Westbury on Trym C of E Academy	1	21.1	£1,269	£0	21.1	£1,205	£0
Aramark Limited - City of Bristol College	1	31.0	£876	£0	31.0	£493	£0
Aspens Services Limited - Amplify Education	5	27.3	£3,354	£0	-	-	-
Aspens Services Limited - Bristol City Council PFI Contracts	5	25.1	£4,986	-£1,500	25.1	£5,039	-£1,500
Aspens Services Limited - Cabot Learning Federation	8	23.0	£9,633	£5,700	23.0	£11,048	£5,400
Aspens Services Limited - Culverhill School	1	19.3	£509	£100	19.3	£457	£100
Aspens Services Limited - E-ACT	3	24.1	£2,600	-£900	24.1	£2,909	-£800

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Aspens Services Limited - Kaleidoscope MAT	3	23.0	£2,030	£0	23.0	£2,958	£17
Aspens Services Limited - Lift Schools	3	21.8	£4,225	-£1,600	21.8	£6,028	-£1,600
Aspens Services Limited - Lighthouse Schools Partnership	10	24.2	£7,748	-£0	24.2	£5,336	£0
Aspens Services Limited - Palladian Academy Trust	3	22.6	£2,801	£0	22.6	£4,928	£0
Aspens Services Limited - St Anne's Church Academy (Priory Learning Trust)	1	24.9	£1,707	£0	24.9	£2,265	£0
Aspens Services Limited - Warmley Park Primary School	2	23.3	£1,824	-£100	23.3	£1,668	-£100
Aspens Services Limited (BCCfw) BCC Schools	8	24.9	£3,182	£0	-	-	-
Aspens Services Limited (BCCfw) North Star Academy Trust	3	26.1	£1,284	£0	-	-	-

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Aspens Services Limited (BCCfw) Nova Primary School - Amplify Education	1	26.8	£548	£0	-	-	-
Aspens Services Limited (BCCfw) The Cardinal Newman Trust	1	24.4	£515	£0	-	-	-
Aspens Services Limited (BCCfw) Two Mile Hill Primary - The Leaf Trust	2	26.7	£625	£0	-	-	-
Ategi limited	1	23.3	£779	-£200	23.3	£769	-£200
Atlas FM Payroll Ltd - South Gloucestershire & Stroud College (SGS College)	2	25.8	£2,777	£0	25.8	£3,377	£157
BAM Construct and Ventures UK Ltd	2	28.2	£5,083	-£13,600	28.2	£6,055	-£12,874
Care Quality Services - NSC	2	24.6	£335	-£417	-	-	-
Cater Link Limited - Bath and Wells MAT	6	26.2	£1,806	£0	-	-	-
Cater Link Limited - Castle School Education Trust	5	24.3	£4,740	£0	24.3	£6,740	£0

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Churchill Contract Services Ltd - Futura Learning Partnership	5	25.0	£5,116	£0	25.0	£3,531	£0
Circadian Trust	37	21.7	£74,479	£26,990	21.7	£75,273	£25,810
CleanTEC Services Limited - E-ACT	34	22.8	£3,742	£0	22.8	£986	£0
Compass Contract Services (UK) Limited - Beacon Rise Primary School	1	24.0	£1,049	£0	24.0	£1,170	£0
Compass Contract Services (UK) Limited - Bristol City Council (Parks catering)	14	20.2	£14,899	£0	-	-	-
Coombs Catering - The Leaf Trust	2	20.4	£342	£0	-	-	-
Coombs Catering Partnership - SGC Schools	4	20.4	£3,462	£0	20.4	£3,659	£0
Creating Active Futures - Filton Town Council	4	20.0	£2,202	£0	-	-	-
Creative Youth Network - South Gloucestershire Council Youth Service	1	22.6	£368	-£199	22.6	£363	-£200

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
DELT Shared Services	7	22.2	£10,338	£0	-	-	-
Direct Cleaning Services (South West) Limited - New Siblands School (Enable Trust)	2	20.0	£1,079	£0	20.0	£1,287	£0
Direct Cleaning Services (South West) Limited - South Gloucestershire Council	8	22.7	£4,201	£0	22.7	£4,340	£0
Dolce Ltd - Mangotsfield C of E Primary School	3	24.1	£2,237	£0	24.1	£2,115	£0
Dolce Ltd - St Mary's School, Yate (SGC)	2	24.8	£1,904	£0	24.8	£1,602	£0
Edwards and Ward Ltd - Severn Federation Academy Trust	3	20.9	£898	£0	20.9	£151	£0
Edwards and Ward Ltd - South Gloucestershire Council	7	20.9	£6,227	£6	20.9	£8,779	£59
Edwards and Ward Ltd - St Keyna Primary School	1	26.2	£909	-£100	26.2	£800	-£92

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Elite Sports UK Limited (E.S.D.C UK Ltd)	3	24.3	£3,465	£0	24.3	£4,217	£0
Foundation for Active Community Engagement (FACE) - South Gloucestershire Council Youth Service	1	17.5	£110	£0	17.5	£89	£0
Future Stars Coaching Limited - High Down Schools	5	26.7	£1,853	£0	26.7	£1,921	£3,700
Future Stars Coaching Limited - St Nicholas of Chantry Primary School	2	26.3	£576	£0	-	-	-
Future Stars Coaching Limited - Wessex Learning Trust	6	21.8	£837	£0	-	-	-
Greenwich Leisure Ltd - Bath & North East Somerset Council	10	19.4	£23,140	-£14,600	19.4	£22,529	-£13,709
HCRG Care Services Limited (ICB)	4	23.4	£8,562	£7	-	-	-
HCRG Care Services Limited (MHESS)	2	23.4	£2,970	£0	-	-	-

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
HCRG Care Services Limited (PHN)	1	19.5	£599	£57	-	-	-
Imperial Cleaning Services (South West) Limited - Palladian Academy Trust	4	25.0	£2,988	£0	-	-	-
Imperial Cleaning Services (South West) Limited - The Tynings Primary School	1	27.5	£762	£0	27.5	£1,450	£3
Innovate Services Ltd - Excalibur Academies Trust	3	23.8	£3,551	£1	-	-	-
Innovate Services Ltd - Russell Education Trust	1	28.1	£952	£0	-	-	-
Innovate Services Ltd - SGC Schools	2	25.0	£662	£0	-	-	-
JM Sports Education Ltd - St Keyna Primary School	2	25.6	£266	£0	-	-	-
KGB Cleaning (South West) Ltd - Amplify Education	3	26.1	£1,031	£0	-	-	-

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
KGB Cleaning (South West) Ltd - Cabot Learning Federation	15	22.9	£9,255	£0	22.9	£5,453	£12
KGB Cleaning (South West) Ltd - Olympus Academy Trust	3	23.5	£1,575	£0	23.5	£2,443	£0
Kindred - Bath & Wells MAT (St George's Church School)	1	24.2	£342	£0	24.2	£492	-£32
Liberata UK Limited	1	22.3	£10,179	-£35,943	22.3	£18,600	-£66,548
Liberata UK Limited 2025	5	22.0	£4,071	£0	-	-	-
Mentoring Plus Bath & North East Somerset	1	25.4	£1,877	-£667	25.4	£3,390	-£1,600
Miquill Catering Ltd - St Anne's Primary School	5	22.2	£2,784	£0	22.2	£1,349	£0
Miquill Catering Ltd - The Partnership Trust	20	22.2	£13,054	£0	-	-	-
OCS Group UK Limited - Olympus Academy Trust	4	23.0	£6,120	£0	23.0	£4,244	£0
Portway Sports Centre Limited	1	25.8	£1,951	£0	25.8	£2,176	£0

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Prestige Cleaning & Maintenance Limited	2	26.9	£2,295	-£1,200	26.9	£2,181	-£1,200
Purgo Supply Services Ltd - Castle School Education Trust	2	25.7	£1,783	£100	25.7	£2,121	£100
Purgo Supply Services Ltd - Excalibur Academies Trust	2	26.3	£1,110	£0	26.3	£1,080	-£100
Purgo Supply Services Ltd - Lighthouse Schools Partnership	6	21.0	£1,673	£0	21.0	£1,863	£0
Rapid Commercial Cleaning Services Ltd - Longwell Green Primary School	2	23.0	£605	£0	-	-	-
Ridge Crest Cleaning Ltd - Bristol City Council	1	23.3	£798	-£2,100	23.3	£746	-£2,017
Sansum Solutions Group Limited - Extend Learning Academies Network	6	24.1	£2,825	-£1	24.1	£2,653	£936
Shine Wraparound Care Ltd - Kaleidoscope MAT	1	14.2	£289	£0	-	-	-

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Shine Wraparound Care Ltd - Olympus Academy Trust	4	22.9	£2,020	-£1	22.9	£4,109	£0
Skanska Rashleigh Weatherfoil Ltd	2	27.5	£4,212	-£5,000	27.5	£4,054	-£4,800
SLM Community Leisure Trust	27	21.6	£39,386	£0	21.6	£45,444	£112
SLM Fitness & Health Ltd	3	21.1	£4,395	£0	21.1	£4,495	£0
Sodexo Ltd - Oasis Community Learning	4	26.8	£2,821	£0	26.8	£2,747	£0
Solo Service Group Limited - Bristol City Council	4	27.3	£2,456	£0	27.3	£3,081	£0
Solo Service Group Limited - Excalibur Trust (BCCFW)	1	24.7	£1,004	£0	24.7	£761	£0
Solo Service Group Limited - St Bede's Catholic College (BCCFW)	8	24.9	£3,311	£0	-	-	-
The Brandon Trust	5	24.5	£7,774	-£1,170	-	-	-
Weston Support Services Ltd - Kaleidoscope MAT	4	22.5	£1,197	£0	-	-	-

Employer	2025/26 active membership	2025/26 % of pay	2025/26 employee contributions	2025/26 plus deficit or (surplus)	2024/25 % of pay	2024/25 employee contributions	2024/25 Plus deficit or (surplus)
Weston Support Services Ltd - North Somerset Council Campus School	1	24.5	£159	£0	24.5	£163	£0
Weston Support Services Ltd - The Partnership Trust	18	22.2	£8,479	£0	-	-	-
Weston Support Services Ltd - The Priory Learning Trust	30	25.0	£4,540	£0	-	-	-

Designating bodies, Community admission bodies and Transferee admission bodies: these are types of employer who, under the Local Government Pension Scheme, do not automatically qualify for participation in the Fund, but are allowed to join if they satisfy the relevant criteria set out in the Regulations.

Table 3.2: Summary revenue fund account net assets of the Fund

Year Ended 31 March Revenue Account	2026 £m	2025 £m	2024 £m	2023 £m	2022 £m
Income					
Net Contributions	259.4	250.9	251.2	202.8	185.7
Investment Income	93.6	61.2	68.4	61.9	25.7
Net Cash Transfer	1.7	-2.5	-3.1	0.5	4.5
Total	354.7	309.6	316.5	265.2	215.9
Expenditure					
Pension & Benefits	261.0	250.3	229.4	197.8	192.4
Investment Management Expenses	25.7	22.3	19.2	19.7	32.2
Administration Costs	9.7	7.5	6.5	5.6	4.7
Total	296.4	280.1	255.1	223.1	229.3
Surplus for the Year	58.3	29.5	61.4	42.1	-13.4
Revaluation of Investments	336.7	-68.5	375.0	-474.9	526.7
Change in Fund Value	395.0	-39.0	436.4	-432.8	513.3
Total Fund Value	**6181.6**	**5786.6**	**5825.6**	**5389.2**	**5822.0**

Investment management expenses and the Revaluation of Investments have been restated to include transaction costs in compliance with the CIPFA's Accounting for Local Government Pension Scheme Costs.

Table 3.3: Analysis of investment income accrued during the reporting period (£m)

Income category	£m
Property	23.1
Diversified Strategies	22.3
Private Debt	30.4
Infrastructure	8.8
Cash	9.0
Total	**93.6**

Table 3.4: Budget v outturn report on the costs to the Fund

	Budget 2026/27 £m	Budget 2025/26 £m	Actual 25/26 £m	Budget 2024/25 £m	Actual 24/25 £m
Administrative Costs					
Management Costs	4,625	4,496	4,287	4,009	3,332
Administration and Processing	1,616	1,527	1,423	1,284	933
Service from Administrating Body	520	518	525	516	450
Fees and income	(159)	(160)	(165)	(149)	(173)
	6,602	6,381	6,070	5,660	4,542
Investment Management Expenses					
Fund Manager Base Fees	22,726	21,699	22,190	19,553	19,046
Custody & Transaction costs	51	50	43	50	43
	22,777	21,749	22,233	19,603	19,089
Oversight & Governance costs					
Management Costs	1,234	1,167	1,229	1,320	1,247
Specialist advice and Governance	1,929	2,449	2,500	1,963	1,824
Actuarial recharges	(274)	(181)	(217)	(273)	(239)
Audit fees	110	108	127	95	138
	2,999	3,543	3,639	3,105	2,970
	32,378	31,673	31,942	28,368	26,601

Figures above do not include investment transaction costs which are deducted at source, transition costs or performance fees that relate to previous years. Budget figures include any adjustments made during the year.

Table 3.5: Fund cash flow

FUND CASH FLOW		FULL YEAR 2025/26 Forecast Per Service Plan	FULL YEAR 2025/26 Out-turn
		£'000	£'000
Outflows			
Benefits	Pensions	(212,615)	(221,419)
	Lump sums	(41,884)	(37,129)
Administration costs		(12,125)	(17,389)
Total Outflows		**(266,624)**	**(275,937)**
Inflows			
Deficit recovery		5,123	4,303
Deficit recovery - paid in advance		8,646	8,245
Future service Contributions		176,476	191,784
Future service Contributions - paid in advance		53,481	52,967
Total Contributions		**243,726**	**257,299**
Net Cash Flow (excluding Investment Income and Transfers)		**(22,898)**	**(18,638)**
Net Transfers In & Out (budgeted as zero)		-	1,536
Investment income received as cash		22,900	44,030
Net Cash In-Flow (Out-Flow)		**2**	**26,928**

Administration costs include a £2m payment to Brunel Pension Partnership (BPP) towards the non-going-concern provision (inclusive of VAT). Higher than expected future service contributions offset total outflows, resulting in a net outflow of £4m less than expected. Ahead of the change in cash management arrangements from LPPI to BPP, £15m was withdrawn in March 2026.

Table 3.6: Timeliness analysis of contributions payments

	£'000
Total Contributions due in year	259,369
Total contributions received late by:	**£'000**
1 day	-
2 days	-
3 days	-
Over 3 days	22.5
	22.5
Percentage of contributions received late	0.01%

Regulations permit the Fund to charge interest on contributions that are paid over one month late at 1% above base rate. No such interest was charged during the year.

Table 3.7: Pension overpayments by financial year

Year	Overpayments invoiced	Annual Payroll	% of payroll
	£'000	£'000	
2021/22	146	159,686	0.09%
2022/23	125	168,770	0.07%
2023/24	269	189,839	0.14%
2024/25	186	207,455	0.09%
2025/26	208	216,407	0.10%

The table shows an analysis of the pension benefits overpaid compared to the total retirement pensions paid for the year. Pension overpayments mainly relate to overpayment of pensioners between the date of their death and notification.

4. Fund account, statement and notes

PENSION FUND ACCOUNTS 2025/26

Fund Account

For the Year Ended 31 March 2026

	Notes	2025/26 £'000	2024/25 £'000
Dealings with members, employers and others directly involved in the fund			
Contributions Receivable	4	**(259,369)**	(250,877)
Transfers In		**(21,755)**	(17,577)
		(281,124)	(268,454)
Benefits Payable	5	**260,961**	250,293
Payments to and on account of Leavers	6	**20,043**	20,062
		281,004	270,355
Net (additions) / withdrawals from dealings with members		**(120)**	1,901
Management Expenses	7	**35,389**	29,799
Net (additions)/withdrawals including fund management expenses		**35,269**	31,700
Returns on Investments			
Investment Income	8	**(93,621)**	(61,263)
Profits and losses on disposal of investments and change in value of investments	9	**(342,648)**	68,519
Net Returns on Investments		**(436,269)**	7,256
Net (Increase)/Decrease in the net assets available for benefits during the year		**(401,000)**	38,956
Opening Net Assets of the Fund		**5,786,575**	5,825,531
Closing Net Assets of the Fund		**6,187,575**	5,786,575

Net Assets Statement at 31 March 2026

	Notes	31 March 2026 £'000	%	31 March 2025 £'000	%
INVESTMENT ASSETS					
Property Pooled Investment Vehicles		**691,129**	**11.2**	674,285	11.7
Non-Property Pooled Investment Vehicles		**5,265,047**	**85.1**	4,903,436	84.7
Cash Deposits		**231,728**	**3.7**	183,012	3.2
Derivative Contracts (Foreign Exchange hedge) - Gross Asset	9 & 10	**6,047**	**0.1**	21,512	0.4
Derivative Contracts: FTSE Futures - Gross Asset	9		**-**		-
Other Investment Balances		**1,207**	**-**	1,407	-
Total Investment Assets		**6,195,158**		5,783,652	
Long-Term Investments		**786**	**-**	750	-
INVESTMENT LIABILITIES					
Derivative Contracts (Foreign Exchange Hedge) - Gross Liability	9 & 10	**(20,412)**	**(0.3)**	(8,259)	(0.1)
Derivative Contracts: FTSE Futures - Gross Liability	9 & 10	**(1,536)**	**-**	(1,113)	-
Other Investment Balances			**-**	(369)	-
Total Investment Liabilities		**(21,948)**		**(9,741)**	
TOTAL NET INVESTMENTS	10	**6,173,996**		**5,774,661**	
Long Term Debtors	12a	**223**	**-**	240	-
Net Current Assets					
Current Assets	12	**21,698**	**0.4**	20,534	0.4
Current Liabilities	12	**(8,342)**	**(0.1)**	(8,860)	(0.2)
Net assets of the scheme available to fund benefits at the period end		**6,187,575**	**100.1**	**5,786,575**	100.0

An analysis of Non-Property Pooled Investment Vehicles is included within note 10 to the accounts

The Fund's financial statements do not take account of liabilities to pay pensions and other benefits after 31 March 2026. The actuarial present value of these liabilities is disclosed in note 15.

Notes to Accounts - Year Ended 31 March 2026

1 INTRODUCTION & STATEMENT OF ACCOUNTING POLICIES

1.1 **Description of Fund**

The Fund is administered by Bath & North East Somerset Council, under arrangements made following the abolition of the former Avon County Council on 31 March 1996.

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 (as amended)

Membership of the Fund is open to pensionable employees of scheduled bodies in the former Avon County area, together with employees of eligible designating and admission bodies. A list of employers with contributing scheme members can be found in note 25.

Employers' contributions are payable at the rate specified for each employing authority by the Fund's actuary. The employees' contribution rate is payable in accordance with the Local Government Pension Scheme Regulations 2013 (as amended).

Introduction to the Statement of Accounts

1.2 This statement comprises the Statement of Accounts for the Avon Pension Fund (the Fund). The accounts cover the financial year from 1 April 2025 to 31 March 2026.

1.3 These accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting ('Code of Practice') in the United Kingdom 2025/26 based on International Financial Reporting Standards as published by the Chartered Institute of Public Finance and Accountancy. The accounts have been prepared on an accruals basis, except for certain transfer values as described at 'Statement of Accounting Policies' – item 1.22. They do not take account of liabilities to pay pensions and other benefits in the future.

1.4 **Actuarial Valuations**
As required by the Local Government Pension Scheme Regulations 2013 (as amended) an actuarial valuation of the Fund was carried out as at 31 March 2025. The key elements of the funding policy are as follows:
- Ensure sufficient funds are available to meet all benefits as they fall due for payment
- Recover any shortfall in assets relative to the value of accrued liabilities over a reasonable timeframe
- Keep employer contributions as stable as possible and at reasonable cost whilst achieving and maintaining fund solvency, taking into account the risk appetite of the administering authority and scheme employers
- Maximise the return from investments within acceptable risk parameters

The market value of the Fund's assets at the valuation date was £5,787m. The Actuary estimated that the value of the Fund was sufficient to meet 106% of its expected future liabilities of £5,448m in respect of service completed to 31 March 2025, with a surplus of £339m.

1.5 At the 2025 valuation the average deficit recovery and surplus release periods for the Fund overall were set at 12 years.

1.6 The 2025 actuarial valuation was carried out using the projected unit actuarial method. The main assumptions used to set employers' contributions are set out in the table below:

	Future Service Liabilities (Primary Contribution Rate)	Past Service Liabilities (Secondary Contribution Rate)
Rate of return on investments (discount rate)	4.85% per annum	5.9% per annum
Rate of pay increases (long term)	4.1% per annum	4.1% per annum
Rate of increases in pensions in payment (in excess of Guaranteed Minimum Pension)	2.6% per annum	2.6% per annum

1.7 The 2025 triennial valuation was completed during 2025/26 using market prices and membership data as at 31 March 2025. This valuation set the employer contribution rates for future service and deficit recovery payments and surplus releases (expressed as a monetary amount annually) with effect from 1 April 2026. The discount rate used in the 2025 valuation is based on CPI plus a real investment return of 3.3% p.a. for past service (the secondary contribution rate) and CPI plus 2.25% p.a. for future service (the primary contribution rate). The discount rate for the lower risk investment strategy was 5.4% per annum.

1.8 The Actuary has estimated that the funding level is 109% as at 31 March 2026 based on the 2025 valuation assumptions. The funding level calculation is based on a CPI Plus Discount basis (which is a different approach from valuing liabilities as prescribed by IAS 26).

1.9 The 2022 valuation includes the estimated cost of McCloud Judgement, based on the proposed remedy. The estimated cost is an increase in the past service liabilities at the valuation date of £70m. This represents 1.2% of total past service liabilities and is included in the liability figure and secondary contribution rate stated above.

The McCloud Regulations became effective on 1 October 2023. The past service liabilities at the 31st March 2025 include an estimated allowance for the McCloud remedy. This has been calculated in line with the actual data provided for the 2025 valuation and in line with national guidance. As the remedy end date is 31 March 2022, the Primary Contribution Rate effective from 1 April 2026 does not include an allowance for McCloud.

1.10 **Note 15** to the accounts shows the actuarial present value of promised retirement benefits for the purposes of IAS 26 using the assumptions and methodology of IAS 19. The discount rate referenced for IAS19 is the Corporate Bond yield. The discount rate used for the Actuarial Valuation references the Fund's investment strategy.

1.11 The Fund's Funding Strategy Statement can be found on the Fund's website https://www.avonpensionfund.org.uk/about-fund/investments and is summarised within the Fund's Annual Report. The purpose of the Funding Strategy Statement is to set out a clear and transparent funding strategy that will identify how each employer's pension liabilities are to be met going forward.

Investment Strategy Statement

1.12 The Fund's Investment Strategy Statement (ISS) as required by the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (as amended) can be found on the Fund's website avonpensionfund.org.uk (search Investment Strategy Statement) and is summarised within the Fund's Annual Report. The ISS is updated following strategic reviews.

1.13 The Fund's assets are currently managed externally by investment managers appointed and monitored by the Fund. The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (as amended) require funds to pool their investment assets. For the year to March 2026, the Fund is a member of Brunel Pension Partnership Limited (Brunel), an established FCA regulated company responsible for managing the assets of the pool. Each of the 10 LGPS funds in the pool act as shareholders, owning an equal share of the company.

All the Fund's listed and liquid assets are managed by Brunel with only illiquid legacy mandates and the local impact portfolio being directly managed by the Fund. Brunel is responsible for appointing and monitoring managers and other investment related operational aspects of the Fund.

1.14 The Fund has implemented three investment strategies to manage specific risks within the asset portfolio. These strategies are held within a Qualified Alternative Investment Fund (QAIF), managed by BlackRock.
(i) A Liability Driven Investment strategy provides a hedge against changes in the value of the pension liabilities within the asset portfolio. This strategy consists of bonds and derivatives such as gilt repurchase agreements, structured to achieve the desired hedge profile.
(ii) An Equity Protection Strategy to protect the funding position against significant falls in equity markets. The strategy uses Over the Counter Equity Option Index Swaps.
(iii) A Low Risk Investment Strategy where the assets (mainly corporate bonds) better match the liability profile of the employers within the strategy. These employers include those that have exited the Fund and those that have chosen a less risky investment strategy to explicitly manage investment risk.

Statement of Accounting Policies

Basis of Preparation

1.15 Except where otherwise stated, the accounts have been prepared on an accruals basis, i.e. income and expenditure is recognised as it is earned or incurred, not as it is received or paid. The accounts have been prepared on a going concern basis.

Investments

1.16 Investments are shown in the accounts at fair value, which has been determined as follows:

i) Quoted Securities have been valued at 31 March 2026 by the Fund's custodian using the market bid-price or 'last trade' on the final day of the accounting period.

ii) Unquoted investments. The fair value of investments for which market prices are not readily available is determined as follows:
- Pooled vehicles for property, unitised insurance policies and other managed funds are valued at the net asset value advised by the investment manager
- Limited partnerships. Fair value is based on the net asset value ascertained from periodic valuations provided by the partnership
- Pooled investment vehicles are valued at the closing bid price where bid and offer prices are published; or if a single net asset value, at the closing single price.

Where audited valuations are not available at the accounting date, unaudited valuations as at 31 March 2026 or audited valuations lagged by a quarter adjusted for known cash flows are used.
All valuations are subject to the custodian's and fund managers internal controls. Valuations are also subject to an external audit.

iii) Fixed interest securities are recorded at net market value based on their current yields and exclude interest earned but not paid over at the year end, which is included separately within investment debtors.

iv) Foreign currency transactions are recorded at the prevailing spot rate at the date of transaction. Investments held in foreign currencies are shown at market value translated into sterling at the exchange rates ruling as at 31 March 2026.

v) Derivative contracts are included in the Net Asset Statement at their fair market value, which is the unrealised profit or loss at the current bid or offer market quoted price of the contract. The amounts included in the change in market value are the realised gains or losses on closed futures contracts and the unrealised gains or losses on open futures contracts.

vi) Forward foreign exchange contracts outstanding at the year-end are stated at fair value which is determined as the gain or loss that would arise if the outstanding contract was matched at the year end with an equal and opposite contract. Foreign currency transactions are recorded at the prevailing rate at the date of transaction.

vii) The only Long Term Investment is shares in Brunel Pension Partnership Ltd. Its fair value is based on the value of equity in Brunel Pension Partnership Ltd accounts.

viii) Acquisition costs of investments (e.g. stamp duty and commissions) are treated as part of the investment cost.

ix) Investment debtors and creditors at the year-end are included in investment assets in accordance with the CIPFA code of practice on local authority accounting.

x) The Fund's surplus cash is managed separately from the surplus cash of Bath and North East Somerset Council (B&NES) and is treated as an investment asset.

Contributions

1.17 Contributions represent those amounts receivable from the employing bodies in respect of their own and their pensionable employees' contributions. Employers' contributions are determined by the Actuary on the basis of triennial valuations of the Fund's assets and liabilities and take into account the Funding Strategy Statement set by the administering authority. The rates applying in 2025/26 relate to the 2022 valuation and the employer contribution rates range from 12.5% to 41.1%. Employees' contributions have been included at the rates prescribed by the Local Government Pension Scheme Regulations 2013 (as amended). The employee contribution rates range from 5.5% to 12.5% of pensionable pay for the financial year ending 31 March 2026. The deficit contribution is expressed as a cash sum, and ranges from £0 to £1.9 millions.

1.18 Normal contributions both from members and the employer are accounted for on an accruals basis in the payroll period to which they relate. Employer deficit funding contributions are accounted for on the due dates on which they are payable under the schedule of contributions set by the scheme actuary or on receipt if earlier than the due date.

Benefits, Refunds of Contributions and Cash Transfer Values

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

1.20 Benefits payable and refunds of contributions have been brought into the accounts as they fall due.

1.21 Cash Transfer Values are those sums paid to or received from other pension schemes and relate to previous periods of pensionable employment. 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. Accruals are only made when it is certain that a transfer is to take place.

1.22 Charges for splitting pensions on divorce are either invoiced to members or, on request, paid out of future benefits. In the case of payment from future benefits the charge against benefits and income to the Fund are both made in the current year. The charges are index linked to pension's increases to ensure that the Fund receives the full value.

Investment Income

1.23 Dividends and interest have been accounted for on an accruals basis, based on figures provided by the custodian. Some of the income on pooled investments is accumulated and reflected in the valuation of the units and some (mainly property) is distributed.

Investment Management & Administration

1.24 The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 permit Bath & North East Somerset Council to charge administration costs to the Fund. A proportion of relevant Council costs has been charged to the Fund on the basis of time spent on Pension Fund business.

1.25 The fees charged by the Fund's external investment managers reflect their differing mandates. Fees are linked to the market value of the Fund's investments and therefore may increase or reduce as the value of the assets change. Management fees are recognised in the year in which the management services are provided. A provision has been made for performance fees that have been incurred but are subject to phased payments or are not to be paid until the realisation of the related investments. These remain subject to change as a consequence of future performance. Fees are also payable to the Fund's global custodian and other advisors.

Taxation

1.26 The Fund is not liable to UK income tax, on income derived from investments, under Section 186 of the Finance Act 2004, nor is it liable to capital gains tax under section 271 Taxation of Chargeable Gains Act 1992. As Bath & North East Somerset Council is the administering authority for the Fund, VAT input tax is recoverable on all Fund activities including expenditure on investment expenses. For taxation of overseas investment income please see note 3 iv. in the Notes to the Accounts.

Assumptions made about the future and other major sources of estimation uncertainty

1.27 The Statement of Accounts contains estimated figures that are based on assumptions made about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However because balances cannot be determined with certainty actual results could be materially different from the assumptions and estimates.
Estimates are used in the valuation of unquoted investments and in the actuarial valuation for the purposes of IAS 26 (note 15) in which the actuarial calculation of the liability is subject to the professional judgement of the Scheme Actuary. The Fund's investments are stated at fair value. The subjectivity of the inputs used in making an assessment of fair value is explained in note 24.

The items in the financial statements for which there is a significant risk of material adjustment the following year are as follows:

Item	Uncertainties	Effect if actual results differ from assumptions
Unlisted Assets	The Hedge Fund (£11m), Infrastructure (£753m), Private Debt (£286m), Private Equity (£14m) and closed-ended Property Funds (£124m) investments are not publicly listed and as such there is a degree of estimation involved in their valuation. Where possible the valuation techniques use observable or transaction based inputs; however there is reliance on non-observable inputs which increases the degree of uncertainty.	A +/-10% change in the valuations of the Property Limited Partnerships, Hedge Fund and Infrastructure assets included in the accounts for these portfolios would result in an increase or reduction of +/- £118m in total Fund assets. Note 24 shows the sensitivity of these assets to changes in value in more detail.
Actuarial present value of promised retirement benefits (Note 15)	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. Mercer, a firm of consulting actuaries, is engaged to provide the authority with expert advice about the assumptions to be applied. The estimated total value of the Fund's promised retirement benefits as at 31 March 2026 is £5,806 million.	The effects on the actuarial present value of promised retirement benefits (the Fund's liabilities) of changes in individual assumptions can be measured. For instance, based on the 2025 actuarial valuation results: • a 0.25% per annum increase in the real investment return assumption would increase the surplus by £190m (to £529m) • a 0.25% per annum increase in the assumed pensionable salary growth would reduce the surplus by £17m (to £322m) • a 0.25% per annum increase in the long term improvement rate in life expectancy would reduce the surplus by £29m (to £310m)

Events After the Balance Sheet Date

1.28 The Statement of Accounts is adjusted to reflect events that occur after the end of the reporting period that provide evidence of conditions that existed at the end of the reporting period, should they occur. The Statement of Accounts is not adjusted to reflect events that are indicative of conditions that arose after the reporting period, but where material, disclosure is made in the notes of the nature and estimated financial effect of such events.

1.29 In 2024 the Government consulted on the future of the LGPS with an aim to establish larger pools of professionally managed capital, offering best value to its members and communities. Each pool put forward proposals of how it might achieve the criteria set out by the government, focusing on the benefits of scale, long-term resilience, and value for money, with consideration given to the opportunity for closer collaboration across the scheme and the merger of pools.

Brunel's proposal put forward by the company and its clients was rejected by the government as it did not meet the Government's vision for the future of the LGPS. As a result the Avon Pension Fund was directed to select an alternative pool to meet the government's criteria. Post the accounting period, Brunel Pension Partnership has begun the winding up process, and Avon Pension Fund became a client of LPPI Ltd (the FCA authorised pool company) and transferred assets to this new pool. Alongside this, Bath and North East Somerset Council as the Administering Authority become a shareholder in LPPI Holdings Ltd the holding company and owner of LPPI Ltd. These arrangements will form part of next year's accounts which will also capture the impact of transition costs.

The fund's 10% shareholding in Brunel Pension Partnership Ltd is valued at £0.78m in the balance sheet. Although not considered material to the

Financial Instruments

1.30 Financial Assets and Liabilities are recognised on the Balance Sheet when the Fund becomes a party to the contractual provisions of a financial instrument and are measured at fair value or amortised cost.

Going Concern

1.31 These accounts have been prepared on a going concern basis. The concept of going concern assumes that the Pension Fund will continue in operation for the foreseeable future.

Accounting standards that have been issued but not yet adopted

1.32 The Code of Practice on Local Authority Accounting in the United Kingdom 2026/27 (the Code) has introduced several changes in accounting policies which will be required from 1 April 2026. The following changes if adopted for the financial year 2025/26 are not expected to have a material effect on the Pension Fund's Statement of Accounts

- Amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland - Heritage Assets
- Amendments to IFRS 9 Financial Instruments & IFRS 7 Financial Instruments: Disclosures - Classification & measurement of Financial Instruments.
- Amendments to IFRS 9 Financial Instruments & IFRS 7 Financial Instruments: Disclosures - Contracts referencing nature-dependant electricity.
- Annual Improvements to IFRS Accounting Standards - Volume 11

Critical Judgements in Applying Accounting Policies

1.33 When producing the 2024/25 Statement of Accounts a critical judgement was made in relation to two Secured Income investments with a combined value of £393m. This judgement relates to the level allocated to those investments in the Fair Value Hierarchy. Management has historically classified the holdings as Level 3 due to uncertainty regarding the observability of valuation inputs following COVID-related property market disruption and the gating of redemptions. The decision was made by management to classify them again as Level 3 in the 2024/25 Statement of Accounts. During 2025/26 the Fund received further clarification from the fund managers confirming the availability of observable market inputs and supporting a Level 2 classification. On this basis the investments have been reclassified for the 2025/26 Statement of Accounts.

2 MEMBERSHIP

Membership of the Fund at the year-end was as follows:-

	31 March 2026	31 March 2025
Employed Members	**42,266**	41,658
Pensioners	**42,678**	41,009
Members entitled to Deferred Benefits	**46,020**	45,439
Undecided Leavers	**10,880**	14,064
TOTAL	**141,844**	142,170

The numbers of members have been extracted from the underlying membership records in the live system as at 31 March 2026, including comparative figures

3 TAXATION

(i) Value Added Tax

The Fund's administering authority, Bath & North East Somerset Council, is reimbursed VAT by HM Revenue and Customs and the accounts are shown exclusive of VAT.

(ii) Income Tax

The Fund is a wholly exempt fund and some UK income tax is recoverable from HM Revenue and Customs. Where tax can be reclaimed, investment income in the accounts is shown gross of UK tax.

(iii) Capital Gains Tax

No capital gains tax is chargeable.

(iv) Taxation of Overseas Investment Income

Where the Fund receives interest on overseas government interest bonds portfolios which is gross, a variety of arrangements apply to the taxation of interest on corporate bonds and dividends on overseas equities.

4 CONTRIBUTIONS RECEIVABLE

Contributions receivable are analysed below:-

		2025/26 £'000		2024/25 £'000
Employers' normal contributions				
Scheduled Bodies	**155,171**		**144,957**	
Administering Authority	**19,032**		**17,121**	
Admission Bodies	**6,140**	**180,343**	**7,207**	**169,285**
Employers' deficit Funding				
Scheduled Bodies	**10,955**		**14,741**	
Administering Authority	**1,734**		**1,653**	
Admission Bodies	**(87)**	**12,602**	**1,105**	**17,499**
Total Employer's normal & deficit funding		**192,945**		**186,784**
Employers' contributions - Augmentation				
Scheduled Bodies	**2,472**		**4,293**	
Administering Authority	**377**		**515**	
Admission Bodies	**83**	**2,932**	**74**	**4,882**
Members' normal contributions				
Scheduled Bodies	**54,255**		**50,287**	
Administering Authority	**6,874**		**6,095**	
Admission Bodies	**1,788**	**62,917**	**1,977**	**58,359**
Members' contributions toward additional benefits				
Scheduled Bodies	**404**		**706**	
Administering Authority	**124**		**105**	
Admission Bodies	**47**	**575**	**41**	**852**
Total		**259,369**		**250,877**

Contributions from admission bodies were significantly lower than in the prior year. This decrease is primarily due to the non-receipt of a scheduled deficit recovery contribution from one admission body.

The Members' contributions towards additional benefits above represent members' purchase of added years or additional benefits under the Scheme. Augmentation contributions are paid by employers to meet the cost of early retirements.

A further facility is provided whereby members can make Additional Voluntary Contributions, on a money purchase basis, which are invested in insurance policies with Legal & General, Utmost Life & Pensions or Aviva on behalf of the individual members concerned. These contributions are not part of the Pension Fund and are not therefore reflected in the Fund's accounts. A statement of the value of these investments is given in note 18.

5 BENEFITS PAYABLE

Analysis of Gross Benefits Payable by Type:-

	2025/26 £'000	2024/25 £'000
Retirement Pensions	**216,407**	207,455
Commutation of Pensions and Lump Sum Retirement Benefits	**39,424**	39,194
Lump Sum Death Benefits	**5,130**	3,644
	260,961	250,293

Analysis of Gross Benefits Payable by Employing Body:-

	2025/26 £'000	2024/25 £'000
Scheduled & Designating Bodies	**211,052**	203,609
Administering Authority	**28,716**	25,983
Admission Bodies	**21,193**	20,701
	260,961	250,293

6 PAYMENTS TO AND ON ACCOUNT OF LEAVERS

Leavers

	2025/26 £'000	2024/25 £'000
Refunds to members leaving service	**986**	956
Individual Cash Transfer Values to other schemes	**17,730**	18,504
Group Transfers	**1,327**	602
	20,043	20,062

A group transfer took place between Restart Employment and Skills Limited (Weston College) to Greater Manchester Pension Fund as at 1st July 2024. The value of the transfer is estimated to be approximately £240,000 and will take place in 2026/27.

A further group transfer took place between Offender Learning Services Ltd and Milton Keynes College in Buckingham Pension Fund on 1st October 2025. The transfer value will be determined in 2026/27.

7 MANAGEMENT EXPENSES

Costs incurred in the management and administration of the Fund are set out below.

	2025/26	2024/25
	£'000	£'000
Administrative Costs	**6,070**	4,542
Oversight & Governance Costs	**3,640**	2,970
Investment Management Expenses	**25,679**	22,287
	35,389	29,799
Further Analysis of Management Expenses:-		
Administrative Costs		
Management Costs	**4,287**	3,327
Administration and Processing	**1,423**	938
Service from Administrating Body	**525**	450
Fees and Income	**(165)**	(173)
	6,070	4,542
Oversight & Governance Costs		
Management costs	**1,229**	1,247
Specialist advice and Governance	**2,500**	1,824
Actuarial recharges	**(217)**	(239)
Audit Fees	**128**	138
	3,640	2,970
Investment Management Expenses (Note 7a)	**25,679**	22,287
	35,389	29,799

Management costs within Oversight & Governance Costs include investments, actuarial and accounting staff costs. Audit fees include; the £0.107m external audit fee (2024/25 £0.106m), £0.010m 2025 triennial valuation data testing, £0.003m relating to IAS 19 Assurances for 23/24 and £0.008m relating to IAS 19 Assurances for 25/26. Internal audit costs are included within Specialist advice and Governance.

7a INVESTMENTS MANAGEMENT EXPENSES

2025/26	Total	Management Fees	Performance related fees	Transaction costs
	£000	£000	£000	£000
Equity	0	0	0	0
Pooled Property	1,952	1,937	15	0
Private Infrastructure & Secured Income	3,339	3,339	0	0
Derivatives	429	429	0	0
Pooled Investments *	19,916	16,485	3,427	4
	25,636	**22,190**	**3,442**	**4**
Custody Fees	43			
Total	**25,679**			

2024/25	Total	Management Fees	Performance related fees	Transaction costs
	£000	£000	£000	£000
Equity	0	0	0	0
Pooled Property	2,156	2,163	(7)	0
Private Infrastructure & Secured Income	3,500	3,500	0	0
Derivatives	481	481	0	0
Pooled Investments *	16,105	12,900	3,200	5
	22,242	**19,044**	**3,193**	**5**
Custody Fees	45			
Total	**22,287**			

* Included within Pooled Investments is £3.683m (£1.889m in 24/25). £2.050m of this relates to core investment services. A further £1.643m was paid for Brunel who required capital because of a non-going concern provision in their accounts. This is due to the expectation that the company will be wound up in 2026/27.

Fund Manager Performance Fees include fees that have been accrued but are subject to phased payment or not due to be paid until the realisation of the related assets. Unpaid fees remain subject to variation as a result of future performance. Total fund manager fees include management charges for pooled investments that are settled directly within the pooled vehicles in accordance with the investment management agreement.

The performance fees included in 25/26 represent an increase in the provision for pooled property of £0.015m. For Pooled investments there is a payment in year of £3.015m and an increase in provision of £0.412m . The current total provision for performance fees is included in note 12 Current Asset and Liabilities.

Of the £25.6m of investment management fees, £14.0m relates to the fees paid to the underlying managers of the portfolios managed by Brunel. Fees were higher year on year due to higher returns on assets and asset allocation changes.

8 INVESTMENT INCOME

	2025/26 £'000	2024/25 £'000
Dividends from equities	**39**	17
Income from pooled Property Investments	**23,121**	15,689
Income from other pooled investment vehicles	**61,518**	36,408
Interest on cash deposits	**8,943**	9,149
Other Income	**-**	-
TOTAL	**93,621**	61,263

Brunel operates a securities lending programme for its clients for select portfolios with their custodian, where eligible securities are lent to third parties in exchange for fees paid. The third parties provide collateral which is held for the duration of the loan(s). The income from this programme is not distributed but accumulates within the relevant Brunel pooled fund. At the year end, the Fund had no stock on loan. During the year the Fund's share of stock lending was £0.07m. The Fund does not operate a securities lending programme outside of the Brunel portfolios.

9 CHANGE IN TOTAL NET ASSETS

Change in Market Value of Investments	Value at 31/03/25 £'000	Purchases at Cost £'000	Sales Proceeds £'000	Change in Market Value £'000	**Value at 31/03/26 £'000**
Bonds	-	0	-	-	**-**
Equities	-	-	(279)	279	**-**
Long Term Investments	750	-	-	36	**786**
Pooled Investments-					
- Property	674,285	26,295	(14,378)	4,927	**691,129**
- Non Property	4,903,436	528,160	(452,115)	285,566	**5,265,047**
Derivatives					
- Foreign Exchange Hedge	13,253	33,020	(81,423)	20,785	**(14,365)**
- FTSE Futures	(1,113)	426	(13,185)	12,336	**(1,536)**
Sub Total	5,590,611	587,901	(561,380)	323,929	**5,941,061**
Other Investment Balances:					
- Cash Deposits	183,012				**231,728**
- Amount receivable for sales	364				**58**
- Payable for purchases	(369)				**-**
- Investment Debtors & Creditors	1,043				**1,149**
Total Investment Assets	5,774,661			**323,929**	**6,173,996**

Reconciliation to Fund Account:

	£'000
Change in market value of Investment Assets	323,929
Net Purchases & Sales	26,521
Movement in other Investment Balances	48,885
Movement in Long Term Debtors	(17)
Movement in Current Assets	1,682
Less Net Revenue of Fund	(58,352)
Profits and losses on disposal of investments and change in value of investments	**342,648**

The **Change in Market Value** of investments comprises all gains and losses on Fund investments during the year, whether realised or unrealised.

The **Change in Market Value** for cash deposits represents net gains on foreign currency deposits and foreign exchange transactions during the year.

Derivatives. The purchases and sales of derivatives are shown at the values of the realised profits and losses of the net derivatives transactions.

The Net Revenue of Fund equals the Net Withdrawals / additions including fund management expenses (£35.269m) plus Investment income (£-93.621m) as shown in the Fund account.

Change in Total Net Assets 2024/25

Change in Market Value of Investments	Value at 31/03/24 £'000	Purchases at Cost * £'000	Sales Proceeds * £'000	Change in Market Value £'000	**Value at 31/03/25 £'000**
Bonds	-				**-**
Equities	-				**-**
Long Term Investments	722	-	-	28	**750**
Pooled Investments-					
- Property	680,454	22,604	(25,344)	(3,429)	**674,285**
- Non Property	4,950,627	141,207	(68,225)	(120,173)	**4,903,436**
Derivatives					
- Foreign Exchange Hedge	12,635	26,517	(58,994)	33,095	**13,253**
- FTSE Futures	688	1,159	(6,055)	3,095	**(1,113)**
Sub Total	5,645,126	191,487	(158,618)	(87,384)	**5,590,611**
Other Investment Balances:					
- Cash Deposits	162,500				**183,012**
- Amount receivable for sales	6,333				**364**
- Payable for purchases	(9)				**(369)**
- Investment Debtors & Creditors	1,095				**1,043**
Total Investment Assets	5,815,045			**(87,384)**	**5,774,661**

Reconciliation to Fund Account:

	£'000
Change in market value of Investment Assets	(87,384)
Net Purchases & Sales	32,869
Movement in Other Investment Balances	14,131
Movement in Long Term Debtors	(17)
Movement in Current Assets	1,445
Less Net Revenue of Fund	(29,563)
Profits and losses on disposal of investments and change in value of investments	**(68,519)**

* Purchases and sales for other investment balances have been removed from this note so that it is consistent with the CIPFA Example Accounts.

10 INVESTMENT ASSETS

Further analysis of the market value of investments as set out in the Net Assets Statement is given below:-

		31 March 2026 £'000		31 March 2025 £'000
Non-Property Pooled Investment Vehicles				
Global Equity	2,042,153		1,840,916	
Risk Management Strategy	1,488,770		1,295,182	
Diversified Growth Funds	0		385,269	
Infrastructure	752,935		745,623	
Multi Asset Credit	670,036		369,145	
Hedge Funds	11,024		15,206	
Private Debt	285,818		252,095	
Private Equity	14,311			
		5,265,047		4,903,436
Other Investments				
Pooled Property Investments	691,129		674,285	
Derivative contracts				
• Foreign Exchange Hedge	6,047		21,512	
		697,176		695,797
Cash deposits		231,728		183,012
Investment Income due		1,149		1,043
Amounts receivable for sales		58		364
Total Investment Assets		**6,195,158**		**5,783,652**
Long Term Investments				
Equities		**786**		**750**
Investment Liabilities				
Derivative contracts				
• Foreign Exchange Hedge	(20,412)		(8,259)	
• Derivative contracts: FTSE Futures	(1,536)		(1,113)	
Amounts payable for purchases	-		(369)	
Total Investment Liabilities		**(21,948)**		**(9,741)**
Total Net Investments		**6,173,996**		**5,774,661**

During the year a number of strategic asset allocation changes were implemented including full divestment from the Brunel Diversifying Returns Fund, funding an increase in the Brunel Multi Asset Credit Portfolio and increase in Index-Linked Gilt exposure via the BlackRock QAIF. Additional capital was committed and drawn into the Fund's local impact portfolio, funding investments in affordable housing, renewable energy and small-businesses.

The Long term investment of £0.786m represents Avon Pension Fund's share of the Brunel Pension Partnership. This share represents 10% of the Total Equity, as per Brunel's Statement of Financial Position, as at 30th September 2025.

DERIVATIVES ANALYSIS

Open Forward Currency Contracts

Settlement	Currency Bought	Local Value 000	Currency Sold	Local Value 000	Asset Value £'000	Liability Value £'000
Up to one month	EUR	36,720	GBP	31,936	**198**	**(8)**
Up to one month	JPY	2,583,000	GBP	12,284	**58**	**-**
Up to one month	USD	136,023	GBP	102,972	**241**	**(60)**
Up to one month	GBP	13,121	JPY	2,583,000	**786**	**(7)**
Up to one month	GBP	32,434	EUR	36,720	**319**	**(12)**
Up to one month	GBP	104,516	USD	136,023	**1,783**	**(420)**
One to six months	EUR	3,919	GBP	3,445	**5**	**(10)**
One to six months	JPY	-	GBP	-	**-**	**-**
One to six months	USD	29,239	GBP	21,859	**329**	**-**
One to six months	GBP	158,821	EUR	180,024	**828**	**(208)**
One to six months	GBP	62,957	JPY	12,915,000	**907**	**(167)**
One to six months	GBP	424,741	USD	571,609	**68**	**(9,117)**
Six to twelve months	GBP	30,894	EUR	35,221	**-**	**(196)**
Six to twelve months	GBP	12,492	JPY	2,583,000	**-**	**(59)**
Six to twelve months	GBP	506,116	USD	678,041	**198**	**(9,997)**
Six to twelve months	USD	27,197	GBP	20,364	**328**	**-**
Six to twelve months	EUR	-	GBP	-	**-**	**-**
Six to twelve months	JPY	-	GBP	-	**-**	**-**
More than twelve months	GBP	82,552	USD	108,474	**-**	**(153)**
Total					**6,047**	**(20,412)**
	Net forward currency contracts at 31st March 2026					**(14,365)**
	Open forward currency contracts at 31 March 2025				**21,512**	**(8,259)**
	Net forward currency contracts at 31st March 2025					**13,253**

Exchange Traded Derivatives held at 31 March 2026:-			
Contract Type	Expiration	Book Cost	Unrealised Gain/(Loss)
		£'000	£'000
FTSE equity futures	June 2026	80,470	-1,536
Exchange Traded Derivatives held at 31 March 2025:-			
FTSE equity futures	June 2025	71,485	-1,113

A derivative is a financial contract between two parties, the value of which is determined by the underlying asset. Investment in derivatives may only be made if they contribute to a reduction of risks and facilitate efficient portfolio management.

The UK Equity futures contracts are held to facilitate efficient portfolio management for a passively managed investment where the costs of investing directly in UK equities would be significant.

Forward “over the counter” foreign exchange contracts are held to reduce the impact of fluctuations in the exchange rate between sterling and the other currency.

Investment Assets by Manager

The proportion of the market value of investment assets managed by each external manager and in house Treasury Management at the end of the financial year was:-

	31 March 2026 £'000	**%**	31 March 2025 £'000	%
Investments managed by Brunel Pension Partnership:				
BlackRock Risk Management Strategy	**1,488,770**	**24.0**	1,295,199	22.3
Brunel Renewables Portfolio	**245,416**	**4.0**	235,618	4.1
Brunel Secured Income Portfolio	**606,516**	**9.8**	620,690	10.7
Brunel Multi Asset Credit	**670,037**	**10.9**	369,145	6.4
Brunel Global Sustainable Equity	**698,574**	**11.3**	648,956	11.2
Brunel Paris Aligned Developed Equity	**509,148**	**8.2**	441,806	7.7
Brunel Diversified Returns Fund	**-**	**-**	385,269	6.7
Brunel UK Property	**195,899**	**3.2**	188,821	3.3
Brunel Global High Alpha Equity	**779,136**	**12.6**	726,463	12.6
Brunel Private Debt	**285,818**	**4.6**	252,095	4.4
Avon Transition Fund	**-**	**-**	5	-
	5,479,314	**88.6**	**5,164,067**	**89.4**
Investments managed outside Brunel Pension Partnership:				
BlackRock	**55,508**	**0.9**	23,701	0.4
Record	**66,733**	**1.1**	85,350	1.5
Partners Group	**83,463**	**1.4**	89,333	1.5
TT International	**324**	**-**	308	-
IFM Investors	**267,678**	**4.3**	246,967	4.3
Schroder Investment Management	**13,818**	**0.2**	13,228	0.2
Avon Local Impact Fund	**71,537**	**1.2**	42,243	0.7
JP Morgan	**11,024**	**0.2**	15,206	0.3
Custodian Cash	**67,919**	**1.1**	64,539	1.1
Long Term Investment	**786**	**-**	750	-
Treasury Management	**55,892**	**0.9**	28,969	0.5
	694,682	**11.3**	610,594	10.5
TOTAL NET INVESTMENTS	**6,173,996**	**99.9**	5,774,661	99.9

11 SINGLE INVESTMENTS OVER 5% OF THE FUND

The following investments represent more than 5% of the net assets of the fund.

Investments	**Value at 31st March 2026**	**% of Net Asset**	Value at 31st March 2025	% of Net Asset
	£'000		£'000	
BlackRock Risk Management Strategy	**1,488,770**	**24.06%**	1,295,199	22.38%
Brunel Global High Alpha Equity	**779,136**	**12.59%**	726,463	12.55%
Brunel Global Sustainable Equity	**698,574**	**11.29%**	648,956	11.21%
Brunel Paris Aligned Developed Equity	**509,148**	**8.23%**	441,806	7.64%
Neuberger Berman Brunel Multi Asset Credit Fund	**389,670**	**6.30%**	213,733	3.69%

12 CURRENT ASSETS AND CURRENT LIABILITIES

Provision has been made in the accounts for debtors and creditors known to be outstanding at 31 March 2026.

Debtors and creditors included in the accounts are analysed below:-

		31 March 2026 £'000		31 March 2025 £'000
CURRENT ASSETS				
Contributions Receivable				
- Employers	**15,030**		**13,846**	
- Members	**5,146**		**4,807**	
Discretionary Early Retirement Costs	**702**		**480**	
Other Debtors	**820**	**21,698**	**1,401**	**20,534**
CURRENT LIABILITIES				
Management Fees	**(729)**		**(994)**	
Provision for Performance Fees	**(2,987)**		**(2,560)**	
Lump Sum Retirement Benefits	**(2,742)**		**(2,714)**	
Contributions received in advance	**-**		**-**	
Other Creditors	**(1,884)**	**(8,342)**	**(2,592)**	**(8,860)**
NET CURRENT ASSETS		**13,356**		**11,674**

The provision for Performance Fees includes fees that have been incurred but are subject to phased payment or not due to be paid until the realisation of the related assets. They remain subject to variation as a result of future performance.

12a LONG TERM DEBTORS

Provision has been made in the accounts for long term debtors known to be outstanding at 31 March 2026.

	31 March 2026 £'000	31 March 2025 £'000
Reimbursement of lifetime tax allowances	**223**	240

The Lifetime tax allowance (LTA) was introduced in 2006 and subsequently abolished from 5 April 2024. The LTA limited the amount of pension and lump sum that could be paid without an extra tax charge. Avon Pension Fund have members who elected for a debit to be put on their pension, in exchange for APF paying the tax charge upfront when they exceeded the LTA. These debits create a long- term debtor in the accounts.

13 CONTINGENT LIABILITIES

There were no contingent liabilities as at 31 March 2026. (31 March 2025 £Nil)

14 EVENTS AFTER THE BALANCE SHEET DATE

There have been no events after 31 March 2026 that require any adjustment to these accounts. Please refer to note 1.29 for further details on the wind up of Brunel Pension Partnership Ltd which is viewed as a non-adjusting event for these Accounts.

15 ACTUARIAL PRESENT VALUE OF PROMISED RETIREMENT BENEFITS FOR THE PURPOSE OF IAS 26

IAS 26 requires the present value of the Fund's promised retirement benefits to be disclosed, and for this purpose the actuarial assumptions and methodology used should be based on IAS 19 rather than the assumptions and methodology used for funding purposes. The assumptions adopted are shown in Appendix B.

The movement in the value of the Fund's promised retirement benefits for IAS 26 is as follows:

	£m
Start of period liabilities	**5,612**
Interest on liabilities	320
Net benefits accrued/paid over the period*	(80)
Actuarial losses / (gains) - see below	(46)
End of period	**5,806**

*this includes any increase in liabilities arising as a result of early retirements

Key factors leading to actuarial gains above are:

• **Change in financial assumptions:** Corporate bond yields increased over the year, with a corresponding increase in discount rate from 5.8% p.a. to 6.2% p.a. The long-term assumed CPI also increased over the year from 2.6% p.a. to 2.9% p.a. The net effect is a reduction in liabilities.

• **Change in demographic assumptions:** As noted in Appendix B, the mortality assumptions have been updated to reflect the latest mortality study carried out for the 2025 actuarial valuation. This acts to slightly increase the liabilities.

• **Pension increases / inflation experience:** The figures allow for the impact of actual CPI over the year compared to the start of period assumption (experience to September 2025 fed into the April 2026 pension increase of 3.8%, and actual inflation from that point will feed into the 2027 increase). As inflation over the year was higher than the long-term assumption, this slightly increases the liabilities.

• **Allowance for 2025 actuarial valuation results:** The figures allow for the now completed 2025 actuarial valuation of the Fund. The effect of this is a reduction in liabilities.

Appendix A - additional considerations

The "McCloud judgment": The figures above allow for the impact of the judgment based on the remedy and the data provided for the 2025 actuarial valuation.

GMP indexation: The above figures allow for the provision of full CPI pension increases on GMP benefits for members who reach State Pension Age after 6 April 2016.

Market volatility: There was significant volatility in markets both shortly before and after the accounting date. The period-end figures reflect market conditions as at the accounting date, but do not allow for any subsequent experience.

Virgin Media Court Case: Our current understanding is that, while HM Treasury are still assessing the implications, they do not believe the case is relevant to public service pension schemes. Given this, and the unknown impact on benefits even if it were to be required, we have not made any allowance for the Virgin Media judgment.

Appendix B – financial and demographic assumptions

To assess the liability value of the benefits, we have used the following assumptions as at 31 March 2026 (the 31 March 2025 assumptions are included for comparison):

Financial Assumptions	**31st March 2026**	31st March 2025
Rate of return on investments (discount rate)	**6.20% per annum**	5.8% per annum
Rate of CPI Inflation / CARE benefit revaluation	**2.90% per annum**	2.6% per annum
Rate of pay increases	**4.40% per annum**	4.1% per annum
Rate of increases in pensions in payment (in excess of GMP) / Deferred revaluation	**3.00% per annum**	2.7% per annum

Post retirement mortality assumptions (normal health)	**31 March 2026 (M/F)**	31 March 2025 (M/F)
Base mortality table	**SAPS 4 / SAPS 4 middle**	SAPS 4 / SAPS 4 middle
Future improvements	**CMI 24 1.5%**	CMI 23 1.5%
Additional parameters	**Core Underlying**	S=7, A=0 W20=W21=0%, W22=W23=15%
Non-retired members (current age 65):		
Weightings	**104% / 93%**	99% / 92%
Life expectancies at age 65		
Retired members (current age 65):	**23.2 / 26.1**	23.2 / 26.1
Weightings	**97% / 90%**	94% / 94%
Life expectancies at age 65	**22.1 / 24.6**	22.0 / 24.1

The start of period assumption is set based on the most recent mortality analysis as at the previous accounting date (so from the 2022 actuarial valuation), but with:

- a best estimate long-term improvement rate of 1.5%
- an update to the future improvement model (CMI 2023)
- an update to the base tables (S4 tables, with a reweighting to maintain consistency with the underlying mortality analysis)

The end of period base tables are set based on the updated analysis undertaken as part of the 2025 actuarial valuation (note that the 1.5% improvement rate is still our best estimate assumption).

Other demographic assumptions

The other demographic assumptions as at the start of period are the same as those used for 2022 actuarial funding valuation – full details are set out in the formal report on the actuarial valuation dated March 2023.

Those as at the end of period are the same as those used for 2025 actuarial funding valuation – full details are set out in the formal report on the actuarial valuation dated March 2026.

15a VALUE OF PROMISED RETIREMENT LIABILITIES

	31 March 2026	31 March 2025
	£m	£m
Value of Net Assets per NAS	**6,188**	5,787
Present Value of promised retirement benefits	**(5,806)**	(5,612)
IAS 26 Surplus/(Deficit) in the Fund	**382**	175

Liabilities have been projected using a roll forward approximation from the latest formal funding valuation as at 31 March 2025

16 TRANSFERS IN

During the year there were no group transfers into the fund.

17 AGENCY SERVICES

The Fund makes payments with regard to added year benefits awarded by the Employer to Local Government Pension Scheme members, including related pension increases. The Fund also pays a small number of other pension supplements. These are not funded by the Fund and are recharged in full. They are not included in the Fund Account.

	2025/26	2024/25
	£'000	£'000
Benefits Paid and Recharged	**5,633**	5,896

The Fund also administered £4.6m pension payments on behalf of the Teachers' pension scheme (£5.1m in 2024/25). They are not included in the Fund Account. The Teachers' employers also pay for the cost of providing this service. On 1st February 2024 administration of the Fire Service was transferred to West Yorkshire Pension Fund.

18 ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVC's)

Scheme members may make Additional Voluntary Contributions that are invested in insurance policies. From January 2023 the main provider moved from Aviva to Legal & General. There are members still with Aviva or Utmost Life & Pensions due to their type of investments, however.

The total value of the assets invested and contributions paid, on a money purchase basis, with these AVC providers was:-

	Contributions paid 2025/26	**Market value 31 March 2026**	Contributions paid 2024/25	Market value 31 March 2025
	£000	**£000**	£000	£000
Legal & General	**2,465**	**8,120**	1,393	6,331
Aviva	**0**	**165**	0	163
Utmost Life & Pensions	**0**	**8**	0	16
	2,465	**8,293**	1,393	6,510

AVC contributions are not included in the Fund's financial statements as they do not come under the requirements of Regulation 4(1)(b) of the Pension Scheme (Management and Investment of Funds) Regulations 2016 regarding regulation 69(1)(a) of the Local Government Pension Scheme Regulations 2013.

19 RELATED PARTIES

Committee Member Related:-

In 2025/26 £54,546.73 was charged to the Fund in respect of Allowances paid to the voting Members of the Avon Pension Fund Committee (£48,248.77 in 2024/25).Six voting members (including one B&NES Councillor) were members of the Local Government Pension Scheme during the financial year 2025/2026. (Five voting members and one non-voting member in 2024/25, including one B&NES Councillor Member).

Independent Member Related:-

Three Independent Members were paid allowances of £14,309, £18,223 and £16,034 respectively during the year for their work in relation to the Pension Fund Committee and the Investment Panel. All three Members were paid in respect of the full year. They are entitled to claim reasonable expenses which are included in the above allowances. The Independent Members are not eligible to join the Local Government Pension Scheme.

Employer Related:-

During the year 2025/26 the Fund paid B&NES Council £611,776 for administrative services (£536,075 in 2024/25). Various Employers paid the Fund a total of £334,730 for pension related services including pension's payroll and compiling data for submission to the actuary (£139,226 in 2024/25).

Pension Board Related:-

In 2025/26 £8,836 was charged to the Fund in respect of Allowances and expenses paid to the Members of the Pension Board (£8,895 in 2024/25). Six members of the Pension Board were members of the LGPS during 2025/2026 (Four members in 2024/2025).

Brunel Pension Partnership Limited

Brunel Pensions Partnership Limited (BPP Ltd. Company number 10429110) was formed on the 14th October 2016 to oversee the investment of pension fund assets for Avon, Buckinghamshire. Cornwall, Devon, Dorset, Environment Agency, Gloucestershire, Oxfordshire, Somerset, and Wiltshire Funds.

Each of the 10 administering authorities, including Bath & North East Somerset Council own 10% of BPP Ltd. In 2025/26 the Pension Fund paid BPP £3,683,044 (2024/25 £1,888,622).

Following Government LGPS pooling reforms, Brunel's proposal was rejected, requiring Avon Pension Fund to transition to LPPI Ltd. During the period, Brunel entered wind-up, and Bath & North East Somerset Council became a shareholder in LPPI Holdings Ltd, establishing a related party relationship to be reflected in future disclosures.

20 KEY MANAGEMENT REMUNERATION

The key management personnel of the Fund are those persons having the authority and responsibility for planning, directing and controlling the activities of the Fund, including the oversight of these activities. The key management personnel of the Fund are the Head of Pensions and the Director of Financial Services, Assurances and Pensions. It does not include the Director of Finance (S151) who was appointed on 1st January 2026 and signed off these accounts. The Director of Financial Services, Assurances and Pensions was the Interim S151 Officer between 1st April 2025 and 31st December 2025.

	31 March 2026 £'000	31 March 2025 £'000
Proportion of salary Recharged to Avon Pension Fund	**151**	135
Proportion of employers contributions recharged to Avon Pension Fund	**30**	30
	181	165

21 OUTSTANDING COMMITMENTS

As at 31 March 2026 the Fund had outstanding commitments relating to investments in Property, Infrastructure, Private Debt and Local Impact funds that will be drawn down in tranches by the Investment Managers, totalling £288.7m (31 March 2025 £340.7m)

22 FINANCIAL INSTRUMENTS

The net assets of the Fund are made up of the following categories of Financial Instruments:

2025/26	Fair Value through Profit and Loss	Assets at amortised cost	Financial liabilities at amortised cost
	£'000	£'000	£'000
Financial Assets			
Long Term Investment	786	-	-
Pooled Investments (Non-Property)	5,265,047	-	-
Pooled Property Investments	691,129	-	-
Derivative Contracts FX Hedge	6,047	-	-
Derivative Contracts Equity Options	-	-	-
Cash	214,290	17,438	-
Other investment balances		1,207	-
Debtors		21,921	-
Total Financial Assets	6,177,299	40,566	-
Financial Liabilities			
Other investment balances	-	-	-
Derivative contracts Futures	(1,536)	-	-
Derivative Contracts FX Hedge	(20,412)	-	-
Creditors		-	(8,342)
Total Financial Liabilities	(21,948)	-	(8,342)
Total Net Assets	**6,155,351**	**40,566**	**(8,342)**

2024/25	Fair Value through Profit and Loss	Assets at amortised cost	Financial liabilities at amortised cost
	£'000	£'000	£'000
Financial Assets			
Long Term Investment	750	-	-
Pooled Investments (Non-Property)	4,903,436	-	-
Pooled Property Investments	674,285	-	-
Derivative contracts Futures	-	-	-
Derivative Contracts FX Hedge	21,512	-	-
Derivative Contracts Equity Options	-	-	-
Cash	166,283	16,729	-
Other investment balances		1,407	-
Debtors		20,774	-
Total Financial Assets	5,766,266	38,910	-
Financial Liabilities			
Other investment balances	-	-	(369)
Derivative contracts Futures	(1,113)	-	-
Derivative Contracts FX Hedge	(8,259)	-	-
Creditors		-	(8,860)
Total Financial Liabilities	(9,372)	-	(9,229)
Total Net Assets	**5,756,894**	**38,910**	**(9,229)**

As all investments are disclosed at fair value (apart from cash held at amortised cost), carrying value and fair value are therefore the same.

Net gains and losses on Financial Instruments

	31st March 2026 £'000	31st March 2025 £'000
Financial assets		
Fair value through profit & loss	**323,929**	36,218
Amortised Cost - realised gains on derecognition of assets		
Amortised cost - unrealised gains	**18,719**	18,865
Financial Liabilities		
Fair value through profit & loss	**-**	(123,602)
Amortised Cost - realised losses on derecognition of assets		
Amortised cost - unrealised losses		
	342,648	(68,519)

23 NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The primary objective of the Avon Pension Fund is to generate positive real investment return above the rate of inflation for a given level of risk to meet the liabilities as they fall due over time. The aim of the investment strategy and management structure is to minimise the risk of a reduction in the value of the assets and maximise the opportunity for asset gains across the portfolio of assets.

The Fund achieves this objective by investing across a diverse range of assets such as equities, bonds, property and other alternative investments in order to reduce exposure to a variety of financial risks including market risk (price, interest rate and currency risk), credit risk and liquidity risk.

Responsibility for the Fund's risk management strategy rests with the pension fund committee. Risk management policies are established to identify and analyse the risks faced by the Fund. Policies are reviewed regularly to reflect changes in activity and in market conditions.

As at 31 March 2026 Brunel Pension Partnership (Brunel) manages £5.5 billion of the Fund's assets while the remaining assets are managed by other external Investment Managers. Managers are required to invest in accordance with the terms of the agreed investment guidelines that set out the relevant benchmark, performance target, asset allocation ranges and any restrictions. The Avon Pension Fund Committee has determined that the investment management structure is appropriate and is in accordance with its investment strategy. The Committee regularly monitors each investment portfolio and its Investment Consultant advises on the nature of the investments made and associated risks.

The Fund's investments are held by State Street Bank and Trust who acts as custodian on behalf of the Fund.

Because the Fund adopts a long-term investment strategy, the high-level risks described below will not normally alter significantly during any one year unless there are significant strategic or tactical changes to the portfolio. The risk management process identifies and mitigates the risks arising from the Fund's investment strategy and policies which are reviewed regularly to reflect changes in market conditions. Although Brunel is the investment manager for a number of asset classes, it appoints a number of underlying managers to each portfolio, so there is sufficient manager diversification within the Fund.

(a) Market Risk

Market risk is the risk of loss from fluctuations in market prices, interest rates, credit spreads and currencies. The Fund is exposed through its investment portfolio to all these risks. The level of risk depends on market conditions, expectations of future price and yield movements and asset allocation. The objective of the investment strategy is to identify, manage and control market risk within acceptable parameters, while optimising the return.

Volatility in market risk is primarily managed through diversification across asset class and underlying investment managers.

Market Price Risk

Market price risk represents the risk that the value of a financial instrument will fluctuate caused by factors other than interest rates or currencies. These changes can be caused by factors specific to the individual instrument, its issuer or factors affecting the market in general e.g., geopolitical or trade tensions and will affect the assets held by the Fund in different ways.

All investments present a risk of loss of capital. By diversifying its investments across asset classes, geography and industry sectors, investment mandate guidelines and managers the Fund aims to reduce its exposure to price risk. Diversification seeks to reduce the correlation of price movements. The risk arising from exposure to specific markets is limited by the strategic asset allocation, which is regularly monitored by the Committee against the strategic benchmark.

The fluctuation in equity prices is the largest source of market risk within the portfolio over the longer term; the maturity profile of the Fund and strong underlying covenants underpin the allocation to equities which are expected to deliver higher returns over the long term. However due to the significant volatility in bond prices over the last few years, the Risk Management Strategies exhibits the highest price volatility in the portfolio. As these assets are a better match for the liabilities, they help reduce the total risk within the Fund.

The Fund has an equity hedging strategy in place to protect from a significant fall in equity values and is structured to protect the downside and to cap the upside above a fully funded position based on the current funding plan. The hedge applies to half of the overall equity exposure.

To limit the financial risk associated with climate change the Fund minimises its exposure to carbon intensive assets through allocations to Paris Aligned and more sustainable equity assets. In addition, it invests in renewable infrastructure projects that will power a low carbon economy. The analysis below does not take account of the potential impact of climate change on asset prices, however climate change scenario modelling is a factor in the triennial valuation of the Fund's liabilities.

Market Price Risk - Sensitivity Analysis

The sensitivity of the Fund's investments to changes in market prices has been analysed using the volatility of returns of the assets held within the Fund (provided by the Fund's advisors). The potential volatilities are consistent with a one standard deviation movement in the change in value of the assets over the three years to 31 March 2026. This analysis assumes all other variables including interest rates and foreign currency exchange rates remain the same.

Movements in market prices could increase or decrease the net assets available to pay benefits by the amounts shown below. However, the likelihood of this risk materialising in normal circumstances is low by virtue of the diversification within the Fund.

The equity hedge does not affect the expected volatility of the equity assets.

The analysis for the year ending 31 March 2026:

Asset Type	Value £'000	% Change	Value on Increase £'000	Value on Decrease £'000
Global Equities	2,040,617	10.3%	2,250,801	1,830,433
Risk Management Strategies	1,488,770	27.8%	1,902,648	1,074,892
Multi Asset Credit	670,036	3.1%	690,807	649,265
Property	691,129	1.2%	699,423	682,835
Fund of Hedge Funds	11,024	3.1%	11,366	10,682
Infrastructure	752,935	10.3%	830,487	675,383
Private Debt	285,818	5.7%	302,110	269,526
Private Equity	14,311	17.5%	16,815	11,807
Long Term Investment	786	17.5%	924	648
Cash & Equivalents	218,570	0.2%	219,007	218,133
Total Investment Assets	6,173,996		6,924,387	5,423,605

The analysis for the year ending 31 March 2025:

Asset Type	Value £'000	% Change	Value on Increase £'000	Value on Decrease £'000
Global Equities	1,839,803	12.0%	2,060,579	1,619,027
Risk Management Strategies	1,295,182	37.8%	1,784,761	805,604
Diversified Return Funds	385,269	7.3%	413,393	357,144
Multi Asset Credit	369,145	6.3%	392,401	345,889
Property	674,285	5.9%	714,068	634,502
Fund of Hedge Funds	15,206	2.9%	15,647	14,765
Infrastructure	745,623	11.0%	827,641	663,604
Private Debt	252,095	6.6%	268,734	235,457
Long Term Investment	750	15.0%	863	638
Cash & Equivalents	197,303	0.6%	198,487	196,120
Total Investment Assets	5,774,661		6,676,574	4,872,748

Interest Rate Risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates which will affect the value of fixed interest and index linked securities, as held through the Fund's Risk Management Strategy and Multi Asset Credit (MAC) portfolio.

The Fund's exposure to interest rate movements on these investments is provided below. Cash includes the cash deposits held against futures contracts.

	31/03/2026 **£'000**	31/03/2025 £'000
Cash and Cash Equivalents	218,570	197,303
Multi Asset Credit	670,036	369,145
Risk Management Strategy	1,488,770	1,295,182
Total	2,377,376	1,861,631

Interest Rate Risk - Sensitivity Analysis

Fluctuations in interest rates can affect both income to the Fund and the value of the net assets to pay benefits. The sensitivity of the Fund's investments to changes in interest rates has been analysed by showing the effect on the value of the Risk Management Strategy and MAC portfolio as at 31 March 2026 of a 100 basis point (1%) change in interest rates. The analysis assumes that all other variables including foreign currency exchange rates remain constant.

The Fund has implemented a strategy to better match or hedge its liabilities with bond assets through its Risk Management Strategies. The primary 'matching' instruments used in these strategies include physical instruments such as fixed interest and index-linked Government bonds (financed through "repurchase" agreements), corporate bonds and derivative instruments such as interest-rate and inflation swaps.

An increase or decrease of 100 basis points (bps) in interest rates would have increased or decreased the net assets by the amount shown below.

As at 31 March 2026		**Change in net assets**	
	Value	**+100 bps**	**-100 bps**
	£'000	**£'000**	**£'000**
Cash and Cash Equivalents	218,570	-	-
Multi Asset Credit	**670,036**	**(18,627)**	**18,627**
Risk Management Strategy	**1,488,770**	**(415,516)**	**415,516**
Total	**2,377,376**	**(434,143)**	**434,143**

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

The same analysis for the year ending 31 March 2025 is shown below:

As at 31 March 2025		**Change in net assets**	
	Value	**+100 bps**	**-100 bps**
	£'000	**£'000**	**£'000**
Cash and Cash Equivalents	**197,303**	-	-
Multi Asset Credit	**369,145**	**(9,266)**	**9,266**
Risk Management Strategy	**1,295,182**	**(280,018)**	**280,018**
Total	**1,861,631**	**(289,284)**	**289,284**

Currency Risk

Currency risk represents the risk that the fair value of financial instruments when expressed in Sterling will fluctuate because of changes in foreign exchange rates. The Fund is exposed to currency risk on investments denominated in a currency other than Sterling. A significant proportion of the Fund's equity portfolio is invested in overseas equities, and there are also investments in overseas property, infrastructure and hedge funds (where the fund units are denominated in foreign currency). When sterling depreciates the sterling value of foreign currency denominated investments will rise and when sterling appreciates the sterling value for foreign denominated investments will fall. The Fund has a passive hedging arrangement in place which reduces the volatility of returns over the longer term (the hedging programme hedges the exposure to the US Dollar, Yen and Euro).

Where an investment manager chooses to hedge against foreign currency movements within their portfolio forward foreign exchange contracts are used.

The following tables summarise the Fund's currency exposure before the Fund's currency hedge is applied. For the global property and infrastructure funds, the share class of the pooled funds held has been used. The Global Equity value includes the equity exposure in the Risk Management Strategies Portfolio.

Currency risk by asset class:

Currency Exposure - Asset Type	**Asset value as at 31st March 2026**	Asset value as at 31st March 2025
	£'000	£'000
Global Equities	**2,766,376**	2,880,550
Global Property Funds	**72,718**	83,445
Diversified Returns Fund	**-**	385,269
Exchange Traded Funds	**55,508**	23,701
Fund of Hedge Funds	**11,024**	15,206
Infrastructure Funds	**46,160**	45,984

Currency Risk - Sensitivity Analysis

The sensitivity of the Fund's investments to changes in foreign currency rates has been analysed using the volatility which is broadly consistent with a one-standard deviation movement in the currencies (where there is a material exposure) over the 3 years to 31 March 2026. This analysis reflects the Fund's passive hedging policy of a 50% hedge ratio on the global equity assets, and a 100% hedge ratio on the global property and hedge fund assets.

The table below discloses the material unhedged exposures (Material' exposures have been defined as amounts of £50m or more in aggregate).

Currency Risk:

Currency	Value at 31 March 2026 £'000	Implied volatility	Value at 31 March 2025 £'000	Implied volatility
USD	934,993	7.1%	852,020	8.3%
EUR	152,312	3.4%	97,541	4.4%
CAD	87,887	4.9%		
YEN	67,325	7.6%	126,718	9.0%
CHF	64,356	5.0%		
NOK	-	0.0%	53,951	9.3%

(b) Credit Risk

Credit risk is the risk that the counterparty to a financial instrument or transaction will fail to meet 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 entire Fund is exposed to credit risk through its underlying investments (including cash balances) and the transactions it undertakes to manage its investments. The careful selection and monitoring of counterparties including brokers, custodian and investment managers minimises credit risk that may occur though the failure to settle transactions in a timely manner.

Contractual credit risk is represented by the net payment or receipt that remains outstanding, and the cost of replacing the derivative position in the event of a counterparty default. Credit risk on exchange-traded derivative contracts is minimised by the various insurance policies held by exchanges to cover defaulting counterparties. Over-the-counter (OTC) derivative contracts are bilateral agreements where the Fund faces the credit risk of the financial counterparty directly. This is the case for forward currency contracts where a line of credit is extended to the Fund in place of a collateral posting agreement (as is the case for exchange-traded contracts). The hierarchy and replacement of an OTC contract on default of one of the counterparties is detailed in the ISDA, which is a market standard legal document governing derivative contracts.

Forward currency contracts are entered into by the Fund's managers, especially the currency hedging manager, Record. These contracts are subject to credit risk in relation to the counterparties of the contracts. The responsibility for managing these contracts and counterparty risk rests with the managers. Counterparty management is evaluated as part of the due diligence process prior to appointing a manager.

The derivative instruments held within the Risk Management Strategy are fully collateralised on a daily basis with cash and/or gilts. Management of collateral is delegated to the manager who has access to a pool of eligible collateral (gilts, cash and equities). Daily collateralisation mitigates credit risk to a large extent as in the event a counterparty defaults sufficient assets are held to re-establish any lost position at the prevailing market rate.

The Fund's bond portfolios have significant credit risk through their underlying investments. This risk is managed through diversification across sovereign and corporate entities, credit quality and maturity of bonds. The market prices of bonds incorporate an assessment of credit quality in their valuation which reflects the probability of default (the yield of a bond will include a premium that will compensate for the risk of default).

The MAC portfolio is comprised of assets with the following array of credit ratings as at 31st March 2026:

Credit Rating	Value £'000
AAA	9,151
AA+ to AA-	7,844
A+ to A-	24,284
BBB+ to BBB-	94,180
BB+ to BB-	227,110
B+ to B-	240,103
CCC-	30,679
Unrated	36,718

The Fund is subject to credit risk within its general debtors although none of these would represent a material risk to the Fund. General debtors were £0.8m for 2025/26 (£1.4m for 2024/25)

Another source of credit risk is the cash balances held to meet operational requirements or by the investment managers at their discretion. Internally held cash is managed on the Fund's behalf by the Council's Treasury Management Team in line with the Fund's Treasury Management Policy which sets out the permitted counterparties and limits. Investment cash balances held by the Fund and managers are invested with the custodian in diversified money market funds rated AAA.

The cash held under the Treasury Management arrangements and by the custodian as at 31 March 2026 was £214.3m. This was held with the following institutions:

	31st March 2026		31st March 2025	
	Rating	Balance £'000	Rating	Balance £'000
Custodian's Liquidity Fund				
State Street Global Services	AAA	158,523	AAA	137,420
Money Market Funds				
Goldman Sachs Global Treasury Fund	AAA		AAA	10
Aberdeen Liquidity Fund	AAA	10,000	AAA	9,990
Federated Investors	AAA	10,000	AAA	9,930
State Street Global Advisors	AAA	10,000	AAA	3,970
CCLA - The Public Sector Deposit Fund	AAA	6,000	AAA	-
Morgan Stanley	AAA	7,040	AAA	-
Invesco	AAA	8,000	AAA	1,500
Bank				
NatWest Special Interest Bearing Account	AA-	141	A+	370
Handelsbanken	AA	4,580	AA	3,090
NatWest Current Account	AA-	6	A+	3

The balance on the Custodian's Liquidity Fund includes cash held across all mandates.

Brunel may conduct security lending within pooled equity portfolios. For the year ending 31 March 2026 the Fund had no stock on loan. During the year the Fund's share of stock lending income was £0.07m.

(c) Liquidity Risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund's investment strategy and cash management policy ensure that the Fund has adequate cash to meet its working requirements including pension payments. Cash flow forecasts are prepared to manage the timing of and changes to the Fund's cash flows. The Fund has access to an overdraft facility for short term cash needs, although this is rarely utilised.

The Fund has immediate access to its cash holdings and a substantial portion of the Fund's investments consist of readily realisable securities, in particular equities even though they are held in pooled funds. In addition, the Fund invests in a range of Exchange Traded Funds that provide a similar liquidity profile to cash so that capital calls from the private market portfolios can be managed efficiently. The main liabilities of the Fund are the benefits payable as they fall due over a long period and the investment strategy reflects the long-term nature of these liabilities. As a result, the Fund is able to manage the liquidity risk that arises from its investments in less liquid asset classes such as property, infrastructure, private debt and fund of hedge funds which are subject to longer redemption periods and cannot be considered as liquid as the other investments. As at 31 March 2026 the value of the illiquid assets was £1,750m, or 28% of the total Fund assets (31 March 2025: £1,688m which represented 29% of the total Fund assets).

24 FAIR VALUE HIERARCHY

Fair value is the value at which the investments could be realised within a reasonable timeframe. The Fund measures fair values using the following fair value hierarchy that reflects the subjectivity of the inputs used in making an assessment of fair value. This hierarchy is not a measure of investment risk but a reflection of the ability to value the investments at fair value. Transfers between levels are recognised in the year in which they occur. The hierarchy has the following levels:

• Level 1 – Asset and liabilities where the fair value is derived from unadjusted quoted prices in active markets for identical assets or liabilities.

• Level 2 – Assets and liabilities where quoted market prices are not available but uses inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. For example where an instrument is traded in a market that is not considered to be active, or where valuation techniques based significantly on observable market data are used to determine fair value.

• Level 3 – assets and liabilities where at least one unobservable input used to measure fair value could have a significant effect on the valuation and the Fund's holding in these pooled funds is not immediately realisable at the net asset value.

Fair Value Hierarchy

The basis of the valuation of each class of investment asset is set out below.

Description of Asset	Fair Value Hierarchy	Basis of Valuation	Observable and unobservable inputs	Key sensitivities affecting the valuations provided
Market quoted investments	Level 1	Published closing bid price ruling at year end.	Not required.	Not required.
Exchange traded futures	Level 1	Published exchange prices at the year end.	Not required.	Not required.
Forward currency contracts	Level 2	Market forward exchange rates at the year end	Price of recent transactions in identical instruments, exchange rate risk	Not required.
Pooled Investment vehicles including unitised insurance policies and other managed funds	Level 2	Closing bid price where bid and offer prices are published; closing single price where single price published.	NAV based pricing set on a forward looking basis.	Not required.
Pooled property funds (Open Ended)	Level 2	Closing bid price where bid and offer prices are published; closing single price where single price published. Market values are in accordance with RICS valuation standards and FV processes with IPEV guidelines.	NAV based pricing set on a forward looking basis using transactional data and cash flow forecasts.	Not required.
Private Debt	Level 3	Private Debt investments are valued at the end of each quarter by the underlying fund manager and annually appraised by a 3rd party for appropriateness. The valuation method employed for each asset is at the discretion of the valuer but must fall within the standards prescribed by the relevant accounting bodies as appropriate (US GAAP and IFRS) and be in accordance with IPEV guidelines.	Initial recognition cost, principal repayments, effective interest method, impairment reductions	Valuations could be affected by material events occurring between the date of the financial statements provided and the Fund's own reporting date, by changes to expected cash flows and any differences between audited and unaudited accounts.
Private Equity	Level 3	Private Equity investments are valued at the end of each quarter by the underlying fund manager and annually appraised by a 3rd party for appropriateness. The valuation method employed uses a number of different market and income valuation methods as well as comparable market transaction prices. The market values are in accordance with IPEV guidelines.	Market transactions; market outlook; cash flow projections; last financings; multiple projections.	Valuations could be affected by material events occurring between the date of the financial statements provided and the Fund's own reporting date, by changes to expected cash flows and any differences between audited and unaudited accounts.
Hedge Funds	Level 3	Closing bid price where bid and offer prices are published; closing single price where single price published. Market values are determined as of the last calendar day of each month. Where the underlying investment funds do not report a month end NAV on a timely basis, the NAV will be determined using the most recently available month end valuation as well as other relevant information available including market inputs that may impact the performance of a particular fund.	NAV based pricing set on a forward looking basis.	Valuations can be affected by material events between the date of the financial accounts provided and the Fund's own reporting date, by changes to expected cash flows and by any differences between the audited and unaudited accounts.
Limited Partnerships and closed ended funds (Property)	Level 3	Valued using a number of different market and income valuation methods as well as comparable market transactions prices. The market values are in accordance with IPEV guidelines.	Market transactions; market outlook; cash flow projections; last financings; multiple projections.	Valuations could be affected by material events occurring between the date of the financial statements provided and the Fund's own reporting date, by changes to expected cash flows and any differences between audited and unaudited accounts.
Infrastructure funds	Level 3	Infrastructure investments are valued regularly by the underlying manager, and appraised annually by 3rd parties for appropriateness, or by independent valuation firms. The valuation method is employed for each asset at the discretion of the appointed valuer but must fall within the standards prescribed by the relevant accounting bodies as appropriate (US GAAP and IFRS) and be in accordance with IPEV guidelines.	Infrastructure investments are typically valued on a discounted cash flow approach, utilising cash flow forecasts. Valuations are cross-checked with public market information and recent transactions.	Valuations could be affected by material events occurring between the date of the financial statements provided and the Fund's own reporting date, by changes to expected cash flows, significant increases and decreases in the discount rate and any differences between audited and unaudited accounts.
Long Term Investments - Equities	Level 3	Brunel Share Capital is valued at the Equity value as stated in Brunel Pension Partnership Statement of Accounts	Earnings and revenue multiples; discount for lack of marketability; control premium	Valuations could be affected by material events occurring between the date of the financial statements provided and the Fund's own reporting date, by changes to expected cash flows and any differences between audited and unaudited accounts.

In instances where an asset can fluctuate in the amount of observable inputs / comparators the fund holds it at the higher of the levels that it would fall

The following sets out the Fund's financial assets and liabilities measured at fair value according to the fair value hierarchy at 31 March 2026.

	Level 1	Level 2	Level 3	Total
	£'000	£'000	£'000	£'000
Pooled Investments:-				-
Equities	55,295	1,986,858	-	**2,042,153**
Risk Management Strategy	-	1,488,770	-	**1,488,770**
Fund of Hedge Funds	-	-	11,024	**11,024**
Diversified Return Funds	-	-	-	**-**
Multi Asset Credit	-	670,036	-	**670,036**
Property	-	573,415	117,714	**691,129**
Infrastructure	-	-	752,935	**752,935**
Private Debt	-	-	285,818	**285,818**
Private Equity			14,311	**14,311**
Long Term Investment	-	-	786	**786**
Cash and Cash Equivalents	209,563	-		**209,563**
Derivatives: Forward FX	-	(14,365)	-	**(14,365)**
Derivatives: Futures	(1,536)	-	-	**(1,536)**
Investment Debtors/Creditors	1,207	-	-	**1,207**
	264,529	**4,704,714**	**1,182,588**	**6,151,831**

The fair value hierarchy as at 31 March 2025 was:

	Level 1	Level 2	Level 3	Total
	£'000	£'000	£'000	£'000
Pooled Investments:-				-
Equities	23,691	1,817,225		**1,840,916**
Risk Management Strategy	-	1,295,182		**1,295,182**
Fund of Hedge Funds	-		15,206	**15,206**
Diversified Return Funds	-	385,269		**385,269**
Multi Asset Credit	-	369,145		**369,145**
Property	-	166,778	507,507	**674,285**
Infrastructure	-		745,623	**745,623**
Private Debt	-		252,095	**252,095**
Long Term Investment	-		750	**750**
Cash and Cash Equivalents	166,283			**166,283**
Derivatives: Forward FX	-	13,253		**13,253**
Derivatives: Futures	(1,113)			**(1,113)**
Investment Debtors/Creditors	1,038			**1,038**
	189,899	**4,046,852**	**1,521,181**	**5,757,932**

Noting the increased availability of observable market data Pooled Property Investments valued at £400,034k have been reclassified from level 3 to level 2. Transfers between levels are recognised in the year in which they occur and this reclassification has no impact on the prior year comparative values.

Reconciliation of Fair Value measurements within Level 3

Level 3	Market value 31 March 2025	Transfer into Level 2	Purchases during the year and derivative payments	Sales during the year and derivative receipts	Unrealised gains / losses	Realised gains / losses	**Market value 31 March 2026**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Property	507,507	(400,035)	15,107	(9,119)	17,923	(13,669)	**117,714**
Fund of Hedge Funds	15,206		-	(3,859)	(296)	(27)	**11,024**
Infrastructure	745,623		221,446	(215,440)	1,004	302	**752,935**
Private Debt	252,095		63,221	(25,006)	(4,492)	-	**285,818**
Private Equity			9,471	(493)	5,333		**14,311**
Long Term Investment - Equities	750				36		**786**
	1,521,181	**(400,035)**	**309,245**	**(253,917)**	**19,508**	**(13,394)**	**1,182,588**

Reconciliation of Fair Value measurements within Level 3

Level 3	Market value 31 March 2024	Transfer into Level 2	Purchases during the year and derivative payments	Sales during the year and derivative receipts	Unrealised gains / losses	Realised gains / losses	**Market value 31 March 2025**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Property	518,587		11,869	(16,154)	(6,064)	(731)	**507,507**
Fund of Hedge Funds	17,575		-	(3,570)	888	313	**15,206**
Infrastructure	674,975		65,196	(6,787)	12,266	(27)	**745,623**
Private Debt	203,367		54,410	(6,503)	821	-	**252,095**
Long Term Investment - Equities	722				28		**750**
	1,415,226	**-**	**131,475**	**(33,014)**	**7,939**	**(445)**	**1,521,181**

Sensitivity of assets valued at Level 3

Having consulted its investment advisor, and analysed historical data and market trends, the Fund has determined that the valuation methods used for Level 3 assets are likely to be accurate to within the following ranges on the closing value of the investments held at 31 March 2026.

	Assessed valuation range +/-	Value at 31 March 2026	Value on increase	Value on decrease
		£'000	£'000	£'000
Property	10%	117,715	129,487	105,944
Fund of Hedge Funds	10%	11,024	12,126	9,922
Infrastructure	15%	752,935	865,875	639,995
Private Debt	15%	285,818	328,691	242,945
Private Equity	20%	14,311	17,173	11,449
Long Term Investment - Equities	20%	786	943	629
Total		**1,182,589**	**1,354,295**	**1,010,883**

The same analysis for 31 March 2025:

	Assessed valuation range +/-	Value at 31 March 2025	Value on increase	Value on decrease
		£'000	£'000	£'000
Property	10%	507,507	558,258	456,756
Fund of Hedge Funds	10%	15,206	16,726	13,685
Infrastructure	15%	745,623	857,466	633,779
Private Debt	15%	252,095	289,910	214,281
Long Term Investment - Equities	15%	750	863	638
Total		**1,521,181**	**1,723,222**	**1,319,139**

25 EMPLOYING BODIES

For a full list of employers, see section 3. Financial performance, Table 3.1 Employer contribution rates Year Ended 31 March 2026

5. Investments and Funding

The Fund's investment objective is to fund future pension payments to its members, at a cost which is affordable for local employers.

Investment Strategy Statement

The Investment Strategy Statement (ISS) sets out principles which guide decision making for investing assets and ensures consistency with the Funding Strategy. A wide range of investments ensure the Fund diversifies risk and achieves an optimal risk/return profile.

The ISS also sets out the Fund's core beliefs, the process for ensuring suitability of investments, key risks the Fund is exposed to, and how these risks are managed. It also includes the Fund's perspective on responsible investing, local investments and the approach to pooling assets with other LGPS funds.

The ISS is reviewed every three years. The latest version of the ISS, agreed in March 2026, is available on our website. www.avonpensionfund.org.uk/about-fund/investments

Investment Strategy

The investment strategy aims to deliver returns required to fund pension liabilities over time at an affordable cost for employers, with investment risk managed to limit volatility of employer contributions. It needs to balance the competing objectives of maximising financial returns, protecting asset values, and funding pension liabilities. The Committee periodically reviews its investment strategy to ensure it continues to reflect the Fund's liability profile and funding strategy. The last review took place in November 2025 and focussed on refining the existing strategy and formalising allocations to Natural Capital and Local investments.

Asset Allocation

Table 5.1 shows asset allocation vs the strategic allocation benchmark, along with index returns from each asset class over 1, 3, 5 years to 31 March 2026.

Table 5.1: Actual and strategic asset allocation – 31 March 2026

Asset Class	31/03/2026 Allocation	Strategic Allocation	Strategic Allocation Range	Index Returns 1 Year	Index Returns 3 Years	Index Returns 5 Years
Global Equity	14.0%	10.5%	31.5% - 51.5%	16.9%	14.8%	11.8%
Sustainable Equity	11.3%	10.5%		18.0%	14.6%	11.0%
Paris Aligned Equities	18.1%	20.5%		15.3%	13.1%	--
Infrastructure	4.3%	4.0%	none	9.3%	9.9%	8.5%
Renewable Infrastructure	4.0%	5.0%	none	3.3%	3.0%	5.2%
Liability Matching Assets (UK Government Bonds)	21.0%	14.0%	none	4.1%	-3.1%	-2.2%
UK Corporate Bonds	3.1%	2.0%	7.0% - 17.0%	4.6%	3.8%	-4.0%
Multi Asset Credit	10.9%	10.0%		8.3%	8.9%	--
Property	4.6%	4.0%	none	4.7%	3.3%	2.6%
Secured Income	9.8%	9.0%	none	3.3%	3.0%	5.2%
Private Debt	4.6%	3.5%	none	8.3%	8.9%	--
Local Impact	1.0%	5.0%	none	7.2%	--	--
Natural Capital	0.0%	2.0%	none	--	--	--
Cash & other	3.1%	0.0%	0.0% - 5.0%	--	--	--
Synthetic Equity Offset*	-9.9%	--	--	--	--	--

SOURCE: Mercer, State Street Bank and Trust. Totals may not sum due to rounding

** The Fund uses synthetic equity instruments, which do not require initial capital outlay but allow the Fund to gain the desired economic exposure to target markets. The synthetic equity offset reflects the difference between the economic exposure to equities and the value of the synthetic exposure based on market prices.*

UK Exposure

Table 5.2: Amount invested in UK assets as at 31 March 2026

£'000s Asset Values as at 31 March 2026	Pooled	Under pool management	Not pooled	Total
UK Listed Equities	94,684	--	--	94,684
UK Government Bonds	--	1,297,469*	--	1,297,469
UK Infrastructure	267,832	--	62,536	330,368
UK Private Equity	--	--	8,378	8,378
Total	**362,516**	**1,297,469**	**70,914**	**1,730,899**

* This reflects an unlevered position, gross of borrowing
Source: Brunel, State Street, BlackRock, IFM

The total invested in UK assets was approximately[1] £1,731m on 31 March 2026, 28% of total assets, an increase of 1% over the year. The Fund also invests in UK corporate bonds, property and equity derivatives. These asset classes are currently beyond the scope of UK asset reporting.

The Fund has committed 3% (£180 million) of the 5% strategic allocation to Local Impact investments which span renewable energy, affordable housing and small business funding. The portfolio, which invests primarily in the South West of the country, was valued at £65.6 million[2] at the end of the year, £33.4m of which is captured within UK Infrastructure and £8.4m in UK private equity. The remaining balance is invested in a UK Affordable Housing fund, which invests in national and local new build schemes.

Pooling of Assets – 31 March 2026 Position

During the year the Fund worked to deliver the Governments 'Fit for the Future' proposals aimed at consolidation of the LGPS sector. Significant preparatory work was undertaken to ensure the successful wind up of the Fund's original pooling partner (Brunel Pension Partnership) and subsequent transition of assets to the Fund's new pooling provider (LPPI) by the Government deadline of 1st April 2026. As this Report covers the period to 31 March 2026, content deliberately reflects pooling arrangements under Brunel.

At 31 March 2026, around 90% of the Fund's assets were either pooled or under pool management. Assets managed outside the pool include the following:

1. Overseas and UK property closed ended funds being wound up.
2. Infrastructure portfolios where selling would incur material transaction costs.

[1] best endeavours basis
[2] inclusive of cash

3. Local Impact Portfolio given the bespoke nature and size of this mandate.

The table below shows how the assets are managed. 'Pooled' means assets where Brunel are accountable for the portfolio. 'Under pooled management' means Brunel is responsible for oversight of the investment.

Table 5.3: Asset table at 31 March 2026

Asset Value £'000s	Pooled	Under pool management	Not pooled	Total
Equities	1,986,858	--	55,295	2,042,153
Diversified Funds	670,037	--	--	670,037
Property	595,933	--	117,833	713,767
Hedge Funds	--	--	11,024	11,024
Private Equity	--	--	8,378	8,378
Private Debt	285,818	--	--	285,818
Infrastructure	451,897	--	301,037	752,935
Derivatives	--	--	-14,365	-14,365
Cash and net current assets	18,114	--	191,434	209,548
Other	--	1,488,770	--	1,488,770
Total	**4,008,657**	**1,488,770**	**670,636**	**6,168,063**

'Other' includes c.£1,300 million of Liability Driven Investing (LDI) assets (including UK Government bonds), c.£190 million in corporate bonds, with the balance being cash and equity derivatives.

Responsible Investment

The Fund's approach to responsible investment is guided by our investment beliefs:

- **Long-term** – a long-term investment horizon enables a strategic approach to capital allocation, ultimately driving attractive investment returns.
- **Diversified** – diversification is core to managing investment risk, enabling a broad spectrum of assets with different risk and return profiles.
- **Responsible** – investing to make a positive real-world contribution promotes sustainable returns, working with like-minded investors to drive positive change.
- **Value for Money** – ensuring the fees that are paid for investments are reasonable in the context of expected performance and management of risks.

- **Active Management** – we believe there is a role for both active and passive management but recognise the challenges around adding value consistently over time.
- **Local Investments** – support regional economic development, address social and environmental challenges and generate attractive risk adjusted returns.

Further information on the Fund's approach to responsible investment can be found here: Responsible investment | Avon Pension Fund

1. Investment Stewardship

Engagement and voting is managed by underlying investment managers, a dedicated stewardship provider (Federated Hermes EOS) and Brunel directly. Engagement spans environmental, social and governance themes and the Fund takes an active role in developing the engagement plan with stakeholders.

The Fund is a member of a number of industry bodies including the Local Authority Pension Fund Forum (LAPFF), Climate Action 100+ and the Institutional Investors Group on Climate Change (IIGCC). Collaborative initiatives such as these allow the Fund to benefit from scale and magnify the impact of its engagement work.

2. Climate Change

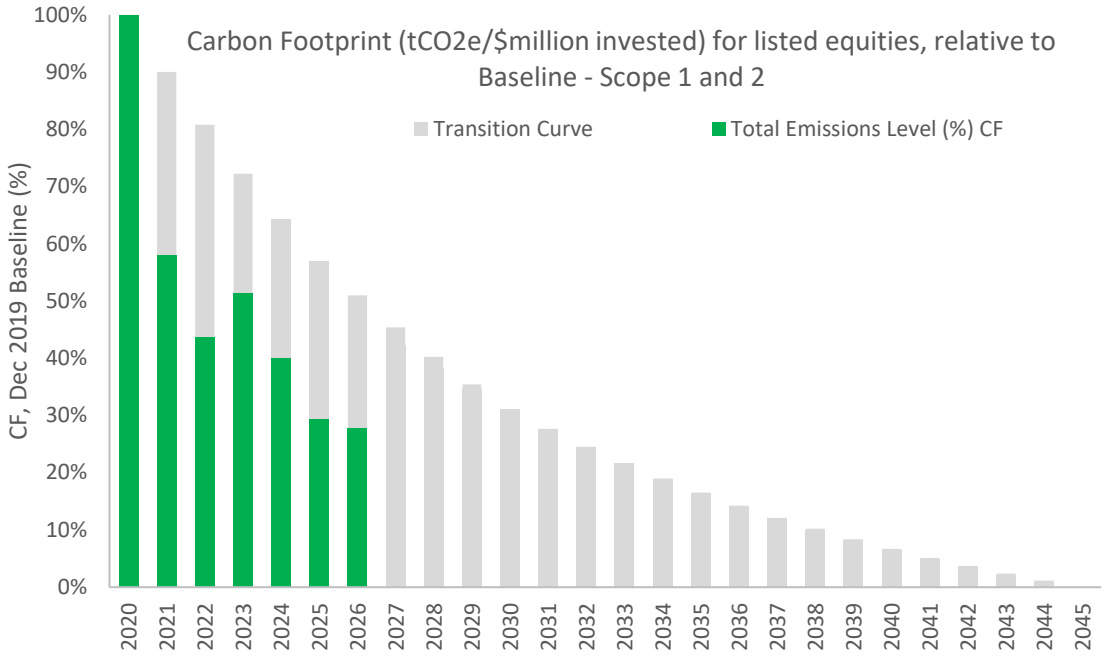
The Fund's target is to achieve Net Zero 2045 – underpinned by interim milestones, including:

- Reducing absolute emissions in its listed equity portfolios 69% by 2030 and 84% by 2035 (vs the 2019 baseline).
- Decarbonising the Corporate Bond portfolio 60% by 2030 and 79% by 2035 vs the 2019 baseline.
- Stewardship: for listed equities, we will ensure 90% of financed emissions in material sectors are aligning or subject to direct or collective engagement by the end of 2027.
- By 2030 the Fund will have divested from developed market equity holdings in high impact sectors which are not aligning to achieve net zero by 2050[3].

All targets are meeting expectations or being exceeded. Over the last 6 years, the carbon footprint of the listed equity portfolio has decreased by 72% relative to the baseline year of 2019/20 and the corporate bond portfolio footprint has decreased by 72%. This is due to a number of factors including a decrease in carbon emissions from the companies we invest in.

[3] Divestment criteria applies to ClimateAction100+ constituent companies

Figure 5.1: Avon Pension Fund – listed equities decarbonisation pathway



Capital allocation is a primary tool helping deliver net zero. On 31 March 2026, the Fund had a combined £1.8 billion in Paris-aligned and sustainable equities. Investment in renewable infrastructure totalled £493 million, invested in established renewable energy such as wind and solar as well as emerging technology such as battery storage and smart grids.

2025/26 Performance

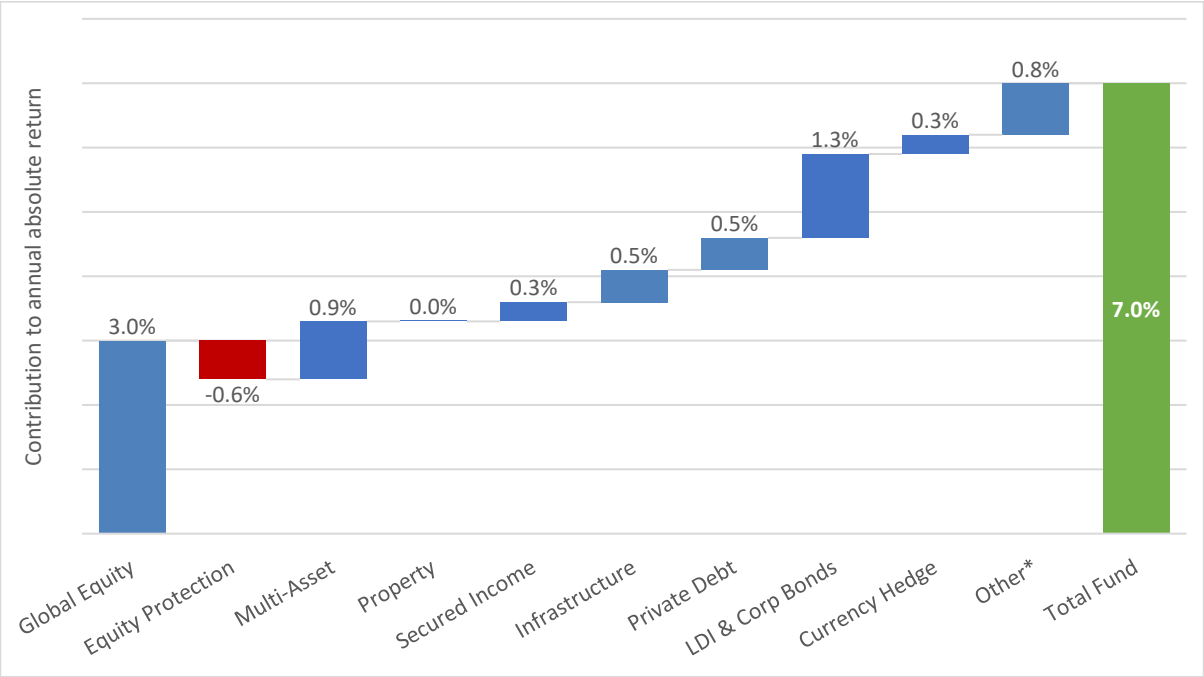
The announcement of new tariffs by the U.S. administration in 2025 triggered a sharp sell-off followed by a rebound in risk assets as trade negotiations unfolded. Positive momentum gathered pace through the year, supported by enthusiasm around artificial intelligence, easing inflationary pressures and improving economic sentiment. Policy uncertainty moderated and corporate earnings proved resilient. Global equity markets hit record highs. Alternative assets, including infrastructure and property, participated in the broad-based strength as investors sought diversification.

However, during the final quarter of the year (Jan-March 2026) optimism gave way to geopolitical shocks and renewed inflation concerns in light of the Iran conflict. Energy prices moved higher and investors began to reassess the outlook for growth and monetary easing. Equities and Government bonds sold off, commodities outperformed and volatility increased across asset classes as central banks adopted a more cautious stance.

In aggregate, the Fund delivered a total return of 7.0% to the year ending 31 March 2026. Figure 5.2 shows the contribution to absolute returns from the individual portfolios. The Fund underperformed its benchmark by 3.5%. Listed equity portfolios were a key driver of relative underperformance, in large part due to the Fund's

underweight exposure to energy which was the primary contributor to global equity gains during the period. Additional drag came from the equity protection strategy as markets rose.

Figure 5.2: 1 Year Total Fund Performance Attribution at 31 March 2026



Source: State Street, Mercer

During the year the funding level increased by 7% to 109%, equating to a surplus of assets over liabilities estimated to be £535 million at 31 March 2026.

Risk Management Framework

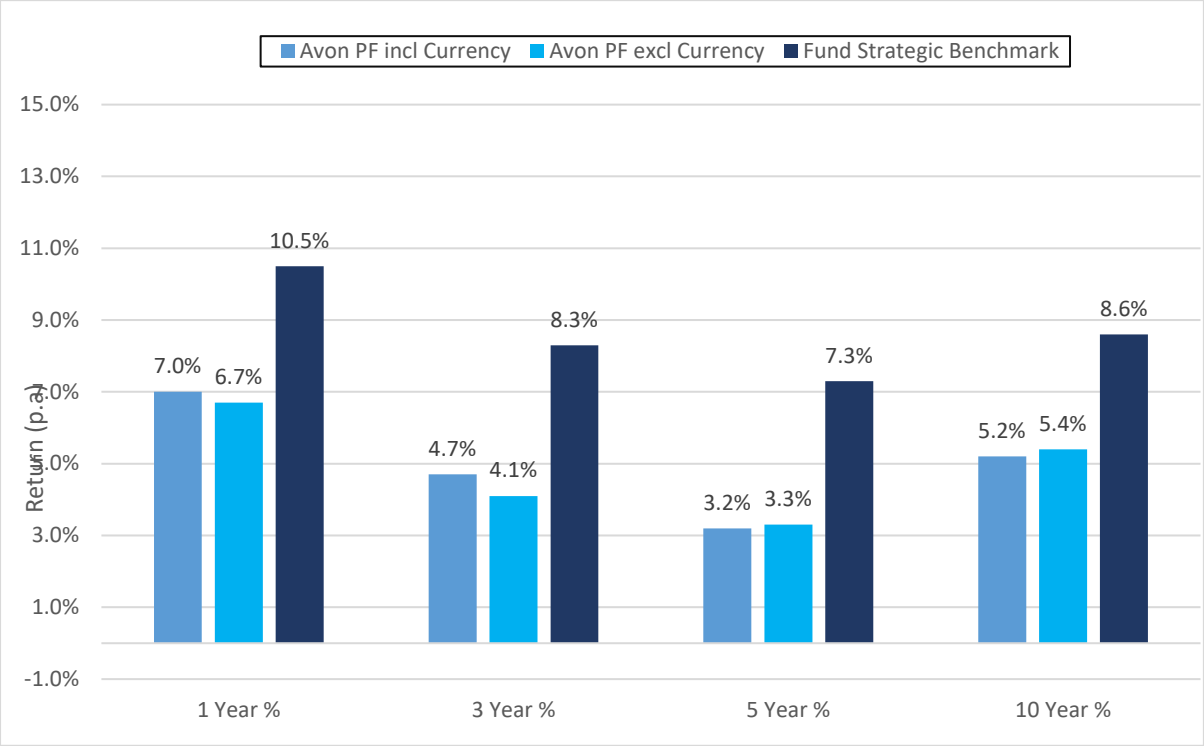
The Fund uses a number of risk management strategies to stabilise contribution plans for employers and to protect the Fund from significant falls in asset values.

Equity Protection shields the Fund's equity exposure vs downside events. As the equity market increased materially during the year, the hedge reduced net equity returns.

The Liability Driven Investment (LDI) framework seeks to increase the Fund's exposure to inflation-adjusted yields to offset the impact of rising inflation and declining interest rates. A strategic interest rate hedge ratio target of 50% (of liabilities) was implemented in October to simplify the LDI portfolio, which now comprises five individual index-linked gilts.

The currency hedge added 0.3% to overall returns as sterling strengthened against the US dollar over the period.

Figure 5.3: Long-term performance



Source: Mercer, State Street Bank and Trust

The table below shows how each of the investment managers have contributed to performance (net of fees) over the 12 months to 31 March 2026.

Table 5.4 – Annual performance against benchmark for each portfolio

Manager	Mandate	Benchmark	1 Year Return	1 Year Benchmark Return
Brunel	Passive Global Equities Paris-aligned	FTSE Developed World PAB	15.2%	15.3%
Brunel	Active Global Sustainable Equities	MSCI ACWI	7.6%	18.0%
Brunel	Active Global Equities	MSCI World	7.3%	16.9%
Brunel	Secured Income – Cycle 1 Secured Income – Cycle 2 Secured Income – Cycle 3	CPI CPI CPI	5.5% 5.4% 1.4%	3.3% 3.3% 3.3%
Brunel	Renewable Infrastructure – Cycle 1 Renewable Infrastructure – Cycle 2 Renewable Infrastructure – Cycle 3	CPI CPI CPI	8.3% 0.5% 8.7%	3.3% 3.3% 3.3%
BlackRock	Passive Global Equities Paris-	MSCI PAB	8.8%	12.4%

Manager	Mandate	Benchmark	1 Year Return	1 Year Benchmark Return
	aligned			
BlackRock	Bespoke Corporate Bonds	Bespoke	4.6%	4.6%
Partners	Global Property	SONIA +4%	-9.3%	8.3%
Brunel	Private Debt – Cycle 2 Private Debt – Cycle 3	SONIA +4% SONIA +4%	11.4% 7.1%	8.3% 8.3%
Brunel	UK Property	MSCI/AREF UK	3.7%	4.7%
Brunel	Multi Asset Credit Fund	SONIA +4%	5.8%	8.3%
IFM	Infrastructure	SONIA +5%	8.4%	9.3%
Blackrock	ETF	Bespoke	10.9%	10.9%
Blackrock	Liability Driven Investing (LDI)	Bespoke	4.5%	4.1%
Local Impact (Multiple)	Octopus Affordable Housing Fund Wessex Gardens LP Foresight Regional Fund	SONIA + 3%	7.8% 0.1% --	7.2% 7.2% --

Source: Mercer, State Street Bank and Trust, Brunel Pension Partnership, Managers

Largest Holdings

Table 5.5: Top 10 largest investment holdings as at 31 March 2026

Holding	£'000s	% of Fund
BlackRock Liability Solutions Fund	1,488,770	24.1%
Brunel Global High Alpha Equity Fund	779,136	12.6%
Brunel Global Sustainable Equity Fund	698,574	11.3%
Brunel Paris Aligned Developed Equity Index	509,148	8.3%
Neuberger Berman Multi Asset Credit Fund *	389,670	6.3%
IFM Global Infrastructure Fund	267,678	4.3%
M&G Secured Income Property Fund*	206,606	3.3%
Brunel Private Debt Cycle II Fund	193,505	3.1%
Standard Life Long-Lease Property Fund *	193,428	3.1%

Holding	£'000s	% of Fund
CQS Global Credit Fund*	143,110	2.3%

** Held in Brunel Portfolios*

Investment Administration

The Fund's custodian is responsible for the safe keeping of the Fund's assets. The custodian acts as the Fund's bank, settling transactions and collecting income as well as providing a range of support services including stock lending and investment accounting.

A separate bank account is maintained to provide transparency and accountability across both the Fund's and the Council's banking arrangements. Responsibility for managing investment cash is delegated to the Council, which operates in accordance with the Treasury Management Policy. This ensures that cash investments are managed consistently with the scheme's agreed risk parameters.

Investment costs

The Cost Transparency Initiative (CTI) provides greater cost clarity for each investment mandate. All of the Fund's managers including Brunel are signatories to the CTI and have provided the data for each of the portfolios. Data has been aggregated and covers the year ending 31 March 2026.

Data in the CTI templates detail underlying fund costs and do not reconcile with costs disclosed in Note 7 in the Statement of Accounts, which include a £1.6m non-going concern provision for the wind up of the Brunel business and fund level performance fees.

Investment management fees are typically based off the value of assets; thus the amount will vary from year to year in line with asset values. Fees are generally lower for listed and liquid portfolios such as bonds and equities, and higher for less liquid assets such as infrastructure. Hence as the asset allocation changes to invest more in less liquid assets, overall costs will rise everything else being equal.

The marginal increase in total ongoing charges from 47 basis points (bps) (2024/25) to 48 bps (2025/26) was driven by asset allocation mix. More capital was invested in private markets portfolios, attracting a higher fixed fee rate and, in some instances, a performance fee. Other ongoing charges such as administrative and governance fees were largely comparable to 2024/25. There was an increase in transaction costs driven by the strategic asset allocation changes implemented in the year.

Table 5.6: LGPS Code of transparency – investment management costs for year to 31 March 2026

Type of cost/fee	Asset pool direct £'000	Asset pool indirect £'000	Asset pool total £'000	Asset pool Bps	Non-asset pool direct £'000	Non-asset pool indirect £'000	Non-asset pool total £'000	Non-asset pool Bps	Fund total £'000	Fund total Bps
1 – ONGOING CHARGES										
Fund and investment management	**14,965**	**310**	**15,275**	**28**	**7,993**	**351**	**8,344**	**123**	**23,619**	**38**
Management fees	9,570	-	9,570	17	4,879	-	4,879	72	14,449	23
Fees and charges paid through NAV	5,747	-	5,747	10	76	-	76	1	5,823	9
Management fee rebates	(1,135)	-	(1,135)	(2)	(403)	-	(403)	(6)	(1,538)	(2)
Indirect fees and charges	-	310	310	1	-	351	351	5	661	1
Performance fees and carried interest	782	-	782	1	3,442	-	3,442	51	4,224	7
Administrative fees	**2,931**	**-**	**2,931**	**5**	**905**	**-**	**905**	**13**	**3,836**	**6**
Governance, regulations and compliance	**1,687**	**-**	**1,687**	**3**	**485**	**-**	**485**	**7**	**2,172**	**4**
Total ongoing charges figure	**19,583**	**310**	**19,892**	**36**	**9,383**	**351**	**9,734**	**143**	**29,627**	**48**
2 - Asset pool shared costs	**2,051**	**-**	**2,051**	**4**	**-**	**-**	**-**	**-**	**2,051**	**3**

Type of cost/fee	Asset pool direct £'000	Asset pool indirect £'000	Asset pool total £'000	Asset pool Bps	Non-asset pool direct £'000	Non-asset pool indirect £'000	Non-asset pool total £'000	Non-asset pool Bps	Fund total £'000	Fund total Bps
3 – PORTFOLIO TRANSACTION COSTS										
Explicit transaction costs	-	2,269	2,269	4	-	214	214	3	2,483	4
Implicit transaction costs	-	3,387	3,387	6	-	(64)	(64)	(1)	3,323	5
Indirect transaction costs	-	4,484	4,484	8	-	3	3	0	4,487	7
Anti-dilution offset	-	(243)	(243)	(0)	-	-	-	-	(243)	(0)
Total transaction costs	**-**	**9,898**	**9,898**	**18**	**-**	**152**	**152**	**2**	**10,050**	**16**
4 - Property expenses	**-**	**2,015**	**2,015**	**4**	**-**	**115**	**115**	**2**	**2,123**	**3**
TOTAL OF ALL COSTS	**21,634**	**12,222**	**33,855**	**62**	**9,383**	**619**	**10,002**	**147**	**43,856**	**71**

The different types of costs itemised in table 5.6 are defined below:

Direct costs are directly invoiced to the Fund or incurred by the segregated mandates and recorded in the custody account.

Indirect costs are charged to the underlying assets, mainly in pooled mandates. The fee rates in basis points (bps) are expressed as a percentage of the value of the assets. The table shows costs for assets in the Brunel pool and those managed directly by the Fund. Assets in the pool include all listed markets assets and private markets allocations to property, infrastructure, secured income and private debt. The Fund's liability and equity risk management strategies are also governed by Brunel fee agreements.

Performance fees for CTI purposes relate to fees paid in 2025/26.

Asset Pool shared costs represent Brunel fees for managing and operating the pool and includes consultancy costs for Brunel client and oversight arrangements.

Transaction costs include broker commissions, transactions taxes, implicit costs, and other transaction costs.

Savings from Pooling

A summary of the costs and savings to date compared to the original business case (budget) is shown in the following table.

Table 5.7: Expected versus Actual Costs and Savings in 2025/26 and cumulative to date

Type of cost	Budget 2025/26 £'000	Budget to date £'000	Actual 2025/26 £'000	Actual To date £'000
Set up costs	0	1,265	0	1,072
Brunel costs	1,085	7,581	2,051[1]	12,123
Internal savings	(318)	(2,302)	(215)	(1,720)
Transition costs	0	7,284	0	8,270
Fee savings	(4,451)	(22,646)	(9,305)	(47,414)
Net Cost/(Saving)	(3,684)	(8,818)	(7,468)	(27,669)

[1]Brunel costs differ from the Statement of Accounts which includes annual rebates.

There have been no set up costs since 2017/18. Capital for the company was provided at the outset through the purchase of shares equivalent to £0.84 million.

Total transition costs of £8.2 million are slightly higher than estimated in the original business case. Ongoing fees paid to Brunel for its core services was £2.1 million in 2025/26, higher than originally estimated due to changes in clients' strategic priorities and enhanced reporting requirements.

Actual savings achieved on manager fees are significantly ahead of plan. Cumulative net savings to date are £27.7 million vs £8.8 million in the business case. A few core drivers explain higher savings than planned:

1) Asset values are higher than estimated.
2) Investments have been made into asset classes not included in the business case such as Multi Asset Credit.
3) Internal savings are lower than expected as the strategic focus of the Fund has changed over time requiring more investment expertise within the Fund overall.

Funding Strategy

The Fund reviews its funding strategy every three years in line with LGPS regulations. The last triennial valuation at 31 March 2025 set out the funding plan for the next three years. At that time the funding level was 106% (meaning the assets covered 106% of the liabilities).

The 2025 funding plan assumed a return on investment of CPI +2.25 – 3.3% per annum. This is a prudent assumption, meaning there is a high probability that it will be achieved. A less prudent return assumption could result in more volatile employer contribution rates. The return assumption is linked to inflation (CPI) as members' benefits are indexed to CPI.

The funding level will vary over time as market prices move and change the value of assets. At 31 March 2026 the funding level was estimated to have risen to 109% based on the 2025 valuation assumptions. The table below summarises the funding level at each valuation since 2004.

Table 5.8: Historical funding level at each triennial valuation

	2004	2007	2010	2013	2016	2019	2022	2025
Assets £m	1,474	2,184	2,459	3,146	3,737	4,818	5,822	5,787
Liabilities £m	1,841	2,643	3,011	4,023	4,355	5,102	6,060	5,448
Funding level	80%	83%	82%	78%	86%	94%	96%	106%

The next triennial valuation will be undertaken at 31 March 2028. This will set the employer contribution rates payable from 1 April 2029.

Funding Strategy Statement

The Funding Strategy Statement (FSS) sets out the framework for how liabilities will be funded over time. The Actuary must comply with the FSS and have regard to the Investment Strategy when setting the contribution rates. The purpose of the FSS is:

1. To provide a clear and transparent fund-specific strategy which identifies how employers' pension liabilities are best met in future by taking a prudent long-term view of funding those liabilities.
2. To determine employer contributions at a level to 'secure the solvency of the pension fund' and the 'long-term cost efficiency' (meaning costs are not deferred for future generations).
3. To maintain as nearly constant an employer contribution rate as possible.

Liabilities are funded through income from the investment portfolio, capital growth, and contributions from employees and employers. Employee contributions are set by regulations, and the Fund determines employer contributions and the investment strategy. Fund returns are a critical component of the mix and substantially determine employer costs. When setting contribution rates, deficit recovery periods and the surplus reserve policy for employers, the Actuary considers an assessment of financial strength and funding sources.

The Fund has a Lower Risk Investment Strategy for employers of lower risk appetite or for those planning to exit. This strategy invests in corporate bonds structured to more closely match the liabilities of such employers. The discount rate at the last valuation for this strategy was 5.4% resulting in lower contribution rates.

To reduce the risk of unexpected increases in liabilities for smaller employers due to ill-health retirements, the Fund operates a 'captive insurance' scheme for all employers to manage such liabilities. It also operates a similar Death in Service captive insurance arrangement.

The 2025 FSS was compiled in accordance with relevant statutory guidance and the guidance issued by MHCLG for preparing and maintaining a Funding Strategy Statement (FSS) dated January 2025. It includes all policies relating to the funding of employer liabilities as well as admission and termination policies including Fixed Payment Plans and Deferred Debt Agreements. The 2025 Funding Strategy Statement is available on our website: www.avonpensionfund.org.uk/about-fund/investments

6. Administration

Administration focuses on providing core services to employers and members:

For employers, the Fund collects their contributions, administers their employees' pensions, and helps employers to efficiently operate the pension and understand their responsibilities, e.g. through training and digital data exchange with employers and payroll providers.

For members, the Fund:

- Maintains and calculates accrued pension benefits.
- Pays their pension in retirement.
- Offers a self-serve portal where members manage personal data and check pension benefits.
- Communicates with members, e.g. via newsletters and annual pension statements.
- Helps members through key life events, e.g. ill health, retirement, death.

Administration Strategy

The administration strategy sets out how the Fund delivers services; the key objectives of the strategy are as follows:

- The Fund proactively complies with all relevant regulations.
- The Fund maintains accurate member and employer records for the purpose of calculating pension benefits and employer liabilities.
- The Fund and employers have appropriate skills and knowledge, with training in place to deliver a high-quality service.
- Member services are delivered to standards set out by the Avon Pension Fund Committee which exceed legal requirements.
- The Fund is encouraging members to engage digitally, to improve service experience and raise operational efficiency.

For further details please see the Administration Strategy on the website:
www.avonpensionfund.org.uk/about-fund/fund-administration

Communications

The Fund's aims to provide relevant, accurate, accessible information for all stakeholders, using plain language and avoiding jargon. We want to support members to make informed decisions about their pension.

While we encourage members to use our digital platforms to improve their service experience, we use different communication channels to fit individual needs, e.g. post, telephone, email, digital.

The Communications Policy outlines how we engage with different audiences.
www.avonpensionfund.org.uk/about-fund/fund-administration.

For members, The Fund:

- Offers a Member website which informs how to manage their pensions and communicates news such as local investment and net zero progress.
- Sends at least one newsletter per year explaining relevant pension issues and encouraging members to engage digitally.
- Issues Annual Pension Statements to active and deferred members summarising their pension accrued to date and forecast at retirement and P60s to retired members.

For employers, the Fund:

- Offers an Employer website which provides guidance on employer responsibilities and how employers can join.
- Sends quarterly newsletters which link to content on the employer website.
- Gives training through 'how to' videos, face-to-face meetings and online sessions.
- Provides a digital welcome pack for new starters promoting the benefits of joining the Fund.

Digital

The Fund uses digital platforms to serve its members and ensure data accuracy.

- Employers are required to submit a monthly data return via the i-Connect portal, to ensure active member records are up to date. They also use webforms to manage member changes, e.g. leavers.

- For members, the Fund is moving towards digital communication, e.g. for annual statements and newsletters, as a material benefit over traditional post. 'My Pension Online' is our member website enabling them to access personal data, to perform pension forecasts, and update their details.

Value for Money Statement

The Fund is committed to making administration of the scheme as efficient as possible. Data below is sourced from SF3 (Pensions) data collated by the Ministry of Housing, Communities and Local Government. The data highlights the Fund's cost performance vs national averages and reflects the latest data available.

Table 6.1: Costs and financial indicators – costs per full time equivalent

Costs per Full Time Equivalent (FTE)	2022/23	2023/24	2024/25
Net admin cost per FTE £'000	51.8	45.8	47.8
National average £'000	81.3	83.6	90.6
Members per FTE	1,793	1,450	1,363
National average	2,910	2,817	2,964

Table 6.2: Costs and financial indicators – costs per member

Costs per member	2022/23	2023/24	2024/25
Investment Management Expenses			
Total cost £'000	19,706	19,241	22,287
Cost per member	158.57	152.87	172.07
National average £	284.23	291.02	303.63
Administration Costs			
Total cost £'000	3,227	3,973	4,542
Cost per member	25.97	31.57	35.07
National average £	37.82	38.91	39.41
Oversight and Governance Costs			
Total cost £'000	2,405	2,504	3,046
Cost per member	19.35	19.89	23.52
National average £	19.49	18.14	21
Total costs £'000	**25,338**	**25,718**	**29,875**
Total cost per member £	**204.05**	**204.33**	**230.66**
Total national average £	**341.54**	**315.35**	**364.04**

SF3 data is made available every October for the previous financial year.

Table 6.3: Number of members in the Fund at 31 March

Number of members in the Fund	2024	2025	2026
Active members	41,642	41,658	42,266
Deferred members	44,653	45,439	46,020
Pensioners	39,605	41,009	42,678
Undecided leavers	14,147	14,064	10,880
Total membership	**140,047**	**142,170**	**141,844**

Membership figure refers to member records, not unique members – one unique member can hold more than one record.

Table 6.4: Age profile of pensioners (those already receiving their pension)

Pensioner age group	Percentage of pensioners
Age 31-40	0.02%
Age 41-50	0.13%
Age 51-60	5.03%
Age 61-70	39.67%
Age 70-80	38.17%
Age 81-90	14.69%
Age 91-100	2.21%
Age 100+	0.08%

Table 6.5: New pensioners (2025/26)

Pensioner type	Number of new pensioners
Ill health retirement	72
Early retirement under 60	428
Retirement at age 60-67	331
Deferred pension	899
Redundancy	35
Late retirement	390
Total	**2,155**

Table 6.6: Number of active employers in the fund (2025/26)

Employers	Active	Ceased	Total
Scheduled body	380	-	380
Admitted body	118	3	121
Total	**498**	**3**	**501**

Key performance data tables A-E

Table A – Total number of cases

Ref	Casework KPI	Cases open 31 March (start position)	Cases created in year (1 April to 30 March)	Cases completed in year	% cases completed in year	Cases completed in previous year	%cases completed in previous year
A1	Deaths recorded from all members	16	616	626	99.05%	616	97.5%
A2	New dependent member benefits	2	457	459	100.0%	471	92.0%
A3	Deferred member retirements	502	4,412	4,539	92.37%	3,630	99.9%
A4	Active member retirements	743	1,282	1,767	87.26%	2,532	83.8%
A5	Deferred benefits	568	4,524	4,961	97.43%	3,162	74.8%
A6	Transfers in	2,054	2,229	2,216	51.74%	2,257	91.3%
A7	Transfers out	904	3,289	2,902	69.21%	2,775	72.8%
A8	Refunds	192	4,397	4,429	97.43%	958	94.6%
A9	Divorce quotations issues	26	533	539	96.42%	246	78.4%
A10	Actual divorce cases	7	27	20	58.82%	11	100.0%
A11	Member estimates	91	1,124	1,179	96.97%	912	91.4%
A12	New joiner notifications	620	11,669	12,231	99.53%	11,521	94.6%
A13	Aggregation cases	3,117	6,599	8,951	92.13%	6,579	63.5%

Table B: Time taken to process casework

Ref	Casework KPI	Suggested fund target	% completed within fund target year	% completed in previous year	Commentary
B1	Communication issued with acknowledgement of death of active, deferred, pensioner and dependent member	5 days	91.63%	71.3%	
B2	Communication issued confirming the amount of dependents pension	10 days	59.61%	70.3%	
B3	Communication issued to deferred member with pension and lump sum options (quotation)	30 Days	73.67%	78.2%	
B4	Communication issued to active member with pension and lump sum options (quotation)	15 days	76.80%	63.8%	
B5	Communication issued to deferred member with confirmation of pension and lump sum options (actual)	15 days	85.88%	82.8%	
B6	Communication issued to active member with confirmation of pension and lump sum options (actual)	15 days	92.30%	85.5%	
B7	Payment of lump sum	15 days	-	-	KPI not currently monitored
B8	Communication issued with deferred benefit options	30 days	91.1%	79.7%	
B9	Communication issued to scheme member with completion of transfer in	10 days	63.43%	21.0%	

Ref	Casework KPI	Suggested fund target	% completed within fund target year	% completed in previous year	Commentary
B10	Communication issued to scheme member with completion of transfer out	10 Days	66.14%	23.8%	
B11	Payment of refund	10 days	85.26%	76.0%	
B12	Divorce quotation	45 days	98.77%	84.7%	
B13	Communication issued following actual divorce proceedings i.e. application of a Pension Sharing Order	15 days	20.00%	38.5%	
B14	Communication issued to new starters	40 days	99.75%	99.8%	
B15	Member estimates requested by scheme member and employer	15 days	90.38%	84.0%	

Table C – Communications and engagement

This table is a percentage of all members we've had including members who've left the fund. As of November 2025, the APF launched a new member website requiring existing members to re-register to the platform.

Ref	Casework KPI	Engagement with online portals	% as at 31 March
C1	% of active members registered	11,817	31.95%
C2	% of deferred member registered	8,609	22.06%
C3	% of pensioner and survivor members	9,165	24.83%
C4	% total of all scheme members registered for self-serve	27,415	25.45%
C5	Number of registered users by age		
	0 - 20	60	0.22%

Ref	Casework KPI	Engagement with online portals	% as at 31 March
	21 - 30	1,140	4.16%
	31 - 40	2,850	10.39%
	41 - 50	4,479	16.34%
	51 - 60	8,175	29.82%
	61 - 70	8,140	29.69%
	71 - 80	2,230	8.13%
	81 - 90	312	1.14%
	Over 90	32	0.12%
C6	% of registered users logged on in the last 12 months	17,432	43.99%
C7	Total number of telephone calls received in year	14,751	
C8	Number of email and online channel queries received	23,954	
C9	Number of scheme member events held in year (total of in-person and online)	11	
C10	Number of employer engagement events held in year (in-person and online)	44	
C11	Number of active members who received a one-to-one (in-person and online)	88	
C12	Times a communication (e.g. newsletter) issued to:		
	a) Active members	6	
	b) Deferred members	6	
	c) Pensioners	7	

During the year performance was generally in line with statutory legal targets. The fund has made a significant reduction in service backlogs during 2025/26 and on average are maintaining service standards for KPI's at 90% or more.

The Fund connected to The Pensions Dashboard in September 2025 and continues to prepare for the public launch date.

Staffing

The Pension Service is split into five management areas: Finance and Investments, Administration, Governance, Technical & Compliance, Business Change.

Table D: Resources

Ref	Resources	Indicator
D1	Total number of all administration staff (FTE)	97.2
D2	Average service length of all administration staff	1 - 5 Years
D3	Staff vacancy rate as %	5.4%
D4	Ratio of all administration staff to total number of scheme members (all staff including management)	1 : 1,460
D5	Ratio of administration staff (excluding management) to total number of scheme members	1 : 1,556

Data Quality

Since the introduction of The Pensions Regulator's Code of Practice 2014 Record Keeping Regulations, the Fund has an improvement plan to improve both the quality of the Fund's data and, also working with individual employers, to improve member data.

Table E: Data Quality

Ref	Resources	Score
E1	Percentage of annual benefit statements issued as at 31 August	Active (94.04%) Deferred (96.18%)
E2	(Short commentary if less than 100%)	Actives - statements not issued where a pension is less than £5.00 unless member email address on record. Deferred – Member marked as 'Gone Away', no valid

Ref	Resources	Score
		address
E3	Common data score	95%
E4	Scheme specific data score	95%
E5	% of active, deferred and pensioner members recorded as 'gone away' with address not known or out of date	
	Active	0.10%
	Deferred	8.81%
	Pensioner	1.43%
E6	% of active, deferred and pensioner members with an email on file	
	Active	60.39%
	Deferred	58.88%
	Pensioner	55.83%
E7	% of employers set up to make digital data submissions	99%
E8	% of employers submitting monthly data on time during the year	90%

Budget Outturn

During the year to 31 March 2026, total administration costs (excluding advisory and investment management) were £6.2 million, 2% below the budget of £6.3 million. Annual investment management fees paid in the year were above budget by £0.5 million at £25.2 million (including non-going concern provision payment to Brunel of £1.6 million). The budget for governance costs was £3.6 million with actual costs on budget also at £3.6 million.

Pensions increase

Deferred and pensioner members

Accrued pensions and pensions already in payment are increase each year in line with the annual Statutory Pensions Increase (Review) Orders, which are based on the published Consumer Price Index (CPI) for the 12 months to 30 September of the previous year. The full increase for 2025/2026 was 3.8%.

Internal Resolution Dispute Procedure (IDRP)

If there is a complaint or dispute against a decision or action by either the Fund or an individual scheme employer, concerning a matter relating to the LGPS, there is a provision within the LGPS regulations for an appeal under the IDRP.

The disputes process follows a set procedure, with the first stage allowing the complainant to ask the body who originally made the decision to review it, namely the individual employer or the administering authority. This must be done within six months of the date of the notification of the decision or the act or omission of the complaint (or such longer period as the adjudicator considers reasonable). Where the complainant remains dissatisfied with the outcome of stage 1, they may refer the complaint to the administering authority for reconsideration under stage 2 of the appeals process. The administering authority has a stage 2 adjudicator who will re-examine the case.

Should the complainant remain dissatisfied after the stage 2 outcome, they may refer the complaint or dispute to the Pensions Ombudsman for determination.

The Internal Disputes Resolution Procedure guidance and forms are available from the Fund and on the website: www.avonpensionfund.org.uk/need-know/help-pension-problems

Where to get outside advice and help?

- **MoneyHelper** gives independent and impartial information about pensions, free of charge, to the public. MoneyHelper is available to assist members and beneficiaries of the Scheme with any pension query. The website is moneyhelper.org.uk

- **Money & Pensions Service:**
  - Bedford Borough Hall, 138 Cauldwell Street, Bedford, MK42 9AP.
  - Pensions helpline is 0800 011 3797

Pensions Ombudsman

- In cases where a dispute has not been resolved through the Internal Disputes Resolution Procedure or with the Money & Pensions Service, an application can be made to the Pensions Ombudsman within 3 years of the event.

- The Ombudsman can investigate and determine any dispute involving maladministration of the scheme or matters of fact or law and their decision is final and binding (unless the case is taken through court on a point of law).
- Website: www.pensions-ombudsman.org.uk
- Email: enquiries@pensions-ombudsman.org.uk
- Tel: 0345 015 4033

Complaints & IDRP cases 2025/2026

During the financial year the Fund received 36 complaints of which 3 went to stage 1 IDRP.

The number of formal Stage 1 IDRP's processed by the Fund totalled 30 of which 24 were a dispute against an employer decision. There were 10 applications under the Stage 2 IDRP process, all of which progressed from Stage 1. Nine of these disputes were originally against the employer.

LGPS policies and guidance for employers and members

The Fund website provides comprehensive details of how the LGPS works and its policies. These can be found at:

www.avonpensionfund.org.uk/about-fund/how-avon-pension-fund-works

www.avonpensionfund.org.uk/thinking-joining/your-local-government-pension

The Fund's employers' website gives LGPS policy details and guidance specifically for employers. These can be accessed at: www.apfemployers.org.uk

General Data Protection Regulations (GDPR)

The Fund takes protection of member data very seriously. The General Data Protection Regulations (GDPR) came into force in May 2018 changing how organisations process data, giving greater protection and rights to individuals.

LGPS funds require various pieces of personal data provided by both the individual member and their employer. To ensure GDPR compliance, every LGPS fund is required to publish a privacy notice setting out why certain data is held, the reason for processing the data, who they share the data with, and the period for which the data will be retained. Within the notice, members are also provided with information about their rights under the legislation. The Fund's privacy notice can be found here: www.avonpensionfund.org.uk/privacy-notice

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7. Actuarial Report on funds

Accounts for the year ended 31 March 2026 – Statement by the Consulting Actuary

29 May 2026

Avon Pension Fund



Mercer Limited No 4 St Paul's Square, Old Hall Street, Liverpool L3 9SJ

www.mercer.com

Mercer Limited is authorised and regulated by the Financial Conduct Authority. Registered in England and Wales No. 984275.

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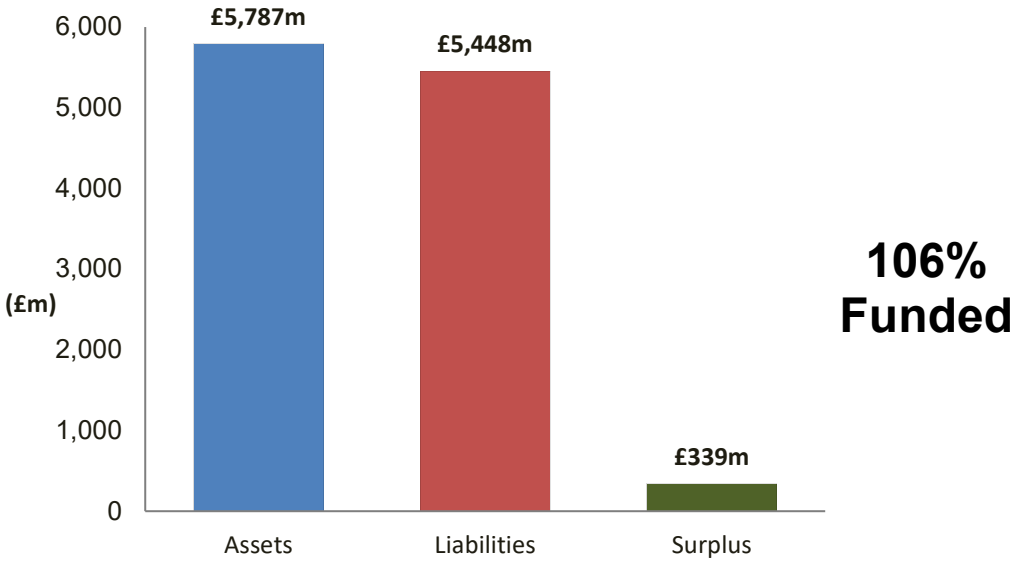
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This statement has been provided to meet the requirements under Regulation 57(1)(d) of The Local Government Pension Scheme Regulations 2013.

An actuarial valuation of the Avon Pension Fund was carried out as at 31 March 2025 to determine the contribution rates with effect from 1 April 2026 to 31 March 2029.

On the basis of the assumptions adopted, the Fund's assets of £5,787 million represented 106% of the Fund's past service liabilities of £5,448 million (the "Solvency Funding Target") at the valuation date. The surplus at the valuation was therefore £339 million.

Figure 1: The actuarial valuation and funding level as at 31 March 2025



The valuation also showed that a Primary Contribution Rate of 16.2% of pensionable pay per annum was required from employers. The Primary Rate is calculated as being sufficient, together with contributions paid by members, to meet all liabilities arising in respect of service after the valuation date.

The funding objective as set out in the FSS is to achieve and maintain a solvency funding level of 100% of liabilities (the solvency funding target). In line with the FSS, where a shortfall exists at the effective date of the valuation a deficit recovery plan will be put in place which requires additional contributions to correct the shortfall. Equally, where there is a surplus it may be appropriate to offset this against contributions for future service, in which case contribution reductions will be put in place to allow for this.

The FSS sets out the process for determining the contributions in respect of any deficit / surplus for each employer. At the 2025 actuarial valuation the average recovery period adopted for employers in deficit was 12 years, and the run off period for employers with a recoverable surplus was also 12 years. The resulting total "Secondary Rate" for 2026/29 was, on average, a surplus offset of approximately £8m per annum (which allows for the contribution plans which

have been set for individual employers under the provisions of the FSS), although this varies year on year.

Further details regarding the results of the valuation are contained in the formal report on the actuarial valuation dated March 2026.

In practice, each individual employer's position is assessed separately and the contributions required are set out in the report. In addition to the certified contribution rates, payments to cover additional liabilities arising from early retirements (other than ill-health retirements) will be made to the Fund by the employers.

The valuation was carried out using the projected unit actuarial method. Full yield curves were used in calculating the liabilities and the approximate single equivalent rates for the main actuarial assumptions used for assessing the Solvency Funding Target and the Primary Contribution Rate, were as follows:

Figure 2: Actuarial assumptions used in the 2025 valuation

Assumption	For past service liabilities (Solvency Funding Target)	For future service liabilities (Primary rate of contribution)
Rate of return on investments (discount rate)		
- Higher risk investment strategy	5.90% per annum	4.85% per annum
- Lower risk investment strategy	5.40% per annum	5.40% per annum
Rate of pay increases (long term)		
- Higher risk investment strategy	4.10% per annum	4.10% per annum
- Lower risk investment strategy	4.60% per annum	4.60% per annum
Rate of increases in pensions in payment (in excess of GMP)		
- Higher risk investment strategy	2.60% per annum	2.60% per annum
- Lower risk investment strategy	3.10% per annum	3.10% per annum

The assets were assessed at market value.

The next triennial actuarial valuation of the Fund is due as at 31 March 2028. Based on the results of this valuation, the contribution rates payable by the individual employers will be revised with effect from 1 April 2029.

Actuarial Present Value of Promised Retirement Benefits for the Purposes of IAS 26

IAS 26 requires the present value of the Fund's promised retirement benefits to be disclosed, and for this purpose the actuarial assumptions and methodology used should be based on IAS 19 rather than the assumptions and methodology used for funding purposes. The assumptions adopted are shown in Appendix B.

The movement in the value of the Fund's promised retirement benefits for IAS 26 is as follows.

Figure 3: Movement in the value of the Fund's promised retirement benefits

Start of period liabilities	**£5,612m**
Interest on liabilities	£320m
Net benefits accrued / paid over the period*	(£80m)
Actuarial (gains) / losses (see below)	(£46m)
End of period liabilities	**£5,806m**

*this includes any increase in liabilities arising as a result of early retirements

Key factors leading to actuarial gains above are:

Change in financial assumptions: Corporate bond yields increased over the year, with a corresponding increase in discount rate from 5.8% p.a. to 6.2% p.a. The long-term assumed CPI also increased over the year from 2.6% p.a. to 2.9% p.a. The net effect is a reduction in liabilities.

Change in demographic assumptions: As noted in Appendix B, the mortality assumptions have been updated to reflect the latest mortality study carried out for the 2025 actuarial valuation. This acts to slightly increase the liabilities.

Pension increases / inflation experience: The figures allow for the impact of actual CPI over the year compared to the start of period assumption (experience to September 2025 fed into the April 2026 pension increase of 3.8%, and actual inflation from that point will feed into the 2027 increase). As inflation over the year was higher than the long-term assumption, this slightly increases the liabilities.

Allowance for 2025 actuarial valuation results: The figures allow for the now completed 2025 actuarial valuation of the Fund. The effect of this is a reduction in liabilities.

Paul Middleman **Mark Wilson**

FIA C.Act FIA C.Act

Mercer Limited

May 2026

Appendix A: Additional Considerations

The "McCloud judgment": The figures above allow for the impact of the judgment based on the remedy and the data provided for the 2025 actuarial valuation.

GMP indexation: The above figures allow for the provision of full CPI pension increases on GMP benefits for members who reach State Pension Age after 6 April 2016.

Market volatility: There was significant volatility in markets both shortly before and after the accounting date. The period-end figures reflect market conditions as at the accounting date, but do not allow for any subsequent experience.

Virgin Media Court Case: Our current understanding is that, while HM Treasury are still assessing the implications, they do not believe the case is relevant to public service pension schemes. Given this, and the unknown impact on benefits even if it were to be required, we have not made any allowance for the Virgin Media judgment.

Appendix B: Financial and demographic assumptions

To assess the liability value of the benefits, we have used the following assumptions as at 31 March 2026 (the 31 March 2025 assumptions are included for comparison):

Figure 4: Financial assumptions

Financial assumption	31 March 2025	31 March 2026
Rate of return on investments (discount rate)	5.80% per annum	6.20% per annum
Rate of CPI Inflation / CARE benefit revaluation	2.60% per annum	2.90% per annum
Rate of pay increases	4.10% per annum	4.40% per annum
Increases on pensions (in excess of GMP) / Deferred revaluation	2.70% per annum	3.00% per annum

Figure 5: Post retirement mortality (normal health)

Mortality Assumption	31 March 2025 (M/F)	31 March 2026 (M/F)
Base mortality table	SAPS 4 / SAPS 4 middle	SAPS 4 / SAPS 4 middle
Future improvements	CMI 23 1.5%	CMI 24 1.5%
Other choices	S=7, A=0 W20=W21=0%, W22=W23=15%	Core Underlying
Increases on pensions (in excess of GMP) / Deferred revaluation	2.70% per annum	3.00% per annum
Non-retired members (currently age 45):		
Weightings	99% / 92%	104% / 93%
Life expectancies at age 65	23.2 / 26.1	23.2 / 26.1
Retired members (current age 65):		
Weightings	94% / 94%	97% / 90%
Life expectancies at age 65	22.0 / 24.1	22.1 / 24.6

The start of period assumption is set based on the most recent mortality analysis as at the previous accounting date (so from the 2022 actuarial valuation), but with:

- a best estimate long-term improvement rate of 1.5%

- an update to the future improvement model (CMI 2023)

- an update to the base tables (S4 tables, with a reweighting to maintain consistency with the underlying mortality analysis)

The end of period base tables are set based on the updated analysis undertaken as part of the 2025 actuarial valuation (note that the 1.5% improvement rate is still our best estimate assumption).

Other demographic assumptions

The other demographic assumptions as at the start of period are the same as those used for 2022 actuarial funding valuation – full details are set out in the formal report on the actuarial valuation dated March 2023.

Those as at the end of period are the same as those used for 2025 actuarial funding valuation – full details are set out in the formal report on the actuarial valuation dated March 2026.

8. External audit opinion

Grant Thornton UK LLP

Independent auditor's statement to the members of Bath and North East Somerset Council on the pension fund financial statements of Avon Pension Fund included within the Avon Pension Fund annual report

Opinion

We have examined the pension fund financial statements of Avon Pension Fund (the 'Pension Fund') for the year ended 31 March 2026 included within the pension fund annual report, which comprise the Fund Account, the Net Assets Statement and the notes to the financial statements, including material accounting policy information.

In our opinion, the Avon Pension Fund financial statements included within the pension fund annual report are consistent, in all material respects, with the audited pension fund financial statements of Bath and North East Somerset Council for the year ended 31 March 2026 and comply with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.

We have not considered the effects of any events between 24 September 2026, being the date we signed our auditor's report on the audited financial statements of Bath and North East Somerset Council, and the date of this statement.

Respective responsibilities of the Director of Finance and the auditor

As explained more fully in the Statement of Responsibilities for the accounts, the Director of Finance is responsible for the preparation of the pension fund's financial statements in accordance with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2025/26.

Our responsibility is to state to the members of Bath and North East Somerset Council our opinion on the consistency of the pension fund financial statements within the pension fund annual report with the financial statements of Bath and North East Somerset Council.

We also read the other information contained in the pension fund annual report and consider the implications for our statement if we become aware of any apparent misstatements or material inconsistencies with the pension fund financial statements. The other information comprises the information included in the pension fund annual report, other than the pension fund financial statements and our auditor's statement thereon.

We conducted our work in accordance with Auditor Guidance Note 07 – Auditor Reporting, issued by the National Audit Office. Our report on the financial statements of Bath and North East Somerset Council describes the basis of our opinion on those financial statements.

Use of this auditor's statement

This statement is made solely to the members of Bath and North East Somerset Council, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our work has been undertaken so that we might state to the members of Bath and North East Somerset Council those matters we are required to state to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bath and North East Somerset Council and the members of Bath and North East Somerset Council as a body, for our work, for this statement, or for the opinions we have formed.

Beth Bowers

Beth Bowers, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Bristol

1 October 2026

9. Glossary

Of terms used in the Annual Report.

Actuary

An independent consultant who advises the Fund and reviews the financial position of the Fund every three years. The Actuary produces a report, known as the actuarial valuation report, which compares the Fund's assets with its liabilities and prescribes the rates at which the employing bodies must contribute. The Fund's actuary is Mercer.

Consumer Price Index (CPI)

CPI is a measure of inflation based on the change in the price of a fixed basket of goods and services. Pension increases in the LGPS are linked to the annual change in CPI to ensure pensions keep up with the cost of living. The difference between CPI and Retail Price Index (RPI) is that CPI excludes some items used in RPI such as mortgage interest payments and Council Tax, and includes other items not used in RPI.

Deferred Pension

The pension benefit held in the Fund for a member who has ceased to contribute as a result of leaving employment or opting out of the pension scheme before retirement age. A deferred pension may normally be claimed at any time between the ages of 55 and 75, but will be reduced if paid before the member's Normal Pension Age or increased if paid after.

Equities

Ordinary shares in UK and overseas companies traded on a recognised stock exchange. Shareholders have an interest in the profits of the company and are entitled to vote at shareholders' meetings.

Fixed Interest Securities

Fixed interest securities are loans made by investors to companies or governments. In return for lending their money, investors receive regular interest payments and repayment of the original amount invested at a specified maturity date. A loan to a company is typically referred to as a corporate bond, while a loan to the UK government is known as a gilt.

- **Corporate Bonds**

Corporate bonds are a type of fixed interest security issued by companies, either in the UK or overseas, to raise capital. Investors lend money to the issuer (company) in return for regular interest payments and the repayment of the loan amount at a specified maturity date.

- **Index-Linked Gilts**

Index-Linked Gilts are a type of gilt issued by the UK Government where the interest payments and the amount repaid at maturity are linked to inflation. Unlike conventional gilts, which pay a fixed level of interest, index-linked gilts provide investors with protection against rising prices by increasing payments in line with inflation.

Fund Benchmark

The Fund benchmark reflects the asset mix determined by the Fund. It is expressed in terms of asset proportions and market indices (e.g. 45% UK Equities invested in the FTSE-Actuaries All Share Index). On this basis a benchmark return can be calculated. The significance of this benchmark is that it represents ‘normal fund policy’.

Hedge Funds

Also known as ‘absolute return funds’, these funds have as their objective a performance target expressed as a margin above the return which can be achieved on cash deposits. The advantage of these funds is that they should achieve a positive return even when the stock market falls.

Independent Members

Voting members of the Avon Pension Fund Committee who are not councillors and who have no political attachments. There are three such members on the Committee, appointed principally because of the financial/investment expertise which they have acquired during their professional careers.

Investment pool

- **Brunel Pension Partnership (Brunel)**

Avon Pension Fund were in the Brunel investment pool from April 2018 to March 2026. Brunel were a partnership of 10 LGPS Funds who pooled the management of their investment assets. The Pension Funds in Brunel were: Avon, Buckinghamshire, Cornwall, Devon, Dorset, Environment Agency, Gloucestershire, Oxfordshire, Somerset and Wiltshire.

- **Local Pensions Partnership Investments (LPPI)**

In April 2026 Avon Pension Fund joined a new investment pool called LPPI. The change came about as part of the government's Fit for the Future reforms to the LGPS. The ten former Brunel partner funds, including Avon Pension Fund, have therefore all moved to different, larger investment pools to meet the government's future pooling requirements.

The nine LGPS Funds in LPPI are: Avon Pension Fund, The Royal County of Berkshire Pension Fund, Cornwall Pension Fund, Devon Pension Fund, Dorset County Pension Fund, Environment Agency Pension Fund, Lancashire County Pension Fund, London Pensions Fund Authority and Somerset Council Pension Fund.

Local government

In the LGPS, 'local government' is a broad term that covers unitary, county and district councils as well as a wide range of other public service and related bodies. The term also covers police and fire civilian staff, a coroner, civil servants engaged in probation provision, a Mayoral development corporation, a conservation board, a valuation tribunal, a passenger transport authority, the Environment Agency, and non-teaching employees of an Academy employer, a sixth form college corporation or a Further or Higher Education Corporation.

Market Value

The price at which an investment can be bought or sold at a given date.

A glossary of pension terms is available on the Avon Pension Fund website:

https://www.avonpensionfund.org.uk/need-know/glossary

Avon Pension Fund

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Alternative formats of this document can be made available on request.

