



Lincolnshire Pension Fund
Annual Report & Accounts

2025



Local Government Pension Scheme

Annual Report for the Year Ended 31 March 2025

Contents

	Page
1 Overall Fund Management	2
2 Governance and Training	7
3 Financial Performance	27
4 Fund Account, Net Assets Statement and Notes	33
5 Investments and Funding	77
6 Administration	87
7 Actuarial Report on Fund	107
8 External Audit Opinion	110
Appendix A – Full Hyperlink Information	112
Appendix B – Administration Key Performance Indicators (KPI's)	114
Appendix C – Employer Contribution Information	123

Additional Information:

Funding Strategy Statement – available [here](#)

Investment Strategy Statement – available [here](#)

Communications Policy – available [here](#)

Governance Policy & Compliance Statement – available [here](#)

Full hyperlink website addresses of the above documents, and any documents included as hyperlinks within the full report, can be found at Appendix A.

The above four reports, and any documents included as hyperlinks within the full report can also be accessed in hard copy by contacting the Head of Lincolnshire Pension Fund at jo.kempton@lincolnshire.gov.uk.

1 Overall Fund Management

Scheme management & advisors

Administering Authority	Lincolnshire County Council
-------------------------	-----------------------------

Senior Officers

Deputy Chief Executive and Executive Director – Resources	A Crookham
Assistant Director – Finance	M Grady
Head of Lincolnshire Pension Fund	J Kempton
Accounting, Investment and Governance Manager	C Machej

Asset Pool & Operator

Border to Coast Pensions Partnership (Border to Coast)
--

Professional Advisors & Providers

Fund Actuary	Barnett Waddingham
Fund Investment Consultant	Hymans Robertson
Fund External Auditor	KPMG LLP
Fund Custodian	Northern Trust (moved to Caceis 1 April 2025)
Independent Investment Advisor	Paul Watson
AVC Provider	Prudential
Fund Banker	Barclays
Benefits Administration Provider	West Yorkshire Pension Fund (WYPF)
Fund Legal Advisor	Legal Services Lincolnshire

Investment Managers of the Fund as at 31 March 2025

Equities:	Border to Coast Legal and General
Bonds:	Border to Coast
Private Markets:	Morgan Stanley
Private Equity (Legacy):	Aberdeen, Capital Dynamics, Pantheon
Multi Asset Credit:	Border to Coast
Infrastructure (Legacy):	Infracapital, Innisfree, Pantheon
Property:	Aberdeen, Allianz, BlackRock, Border to Coast, Hearthstone, Igloo, Royal London

Risk Management

Risk management is an integral element of managing the Pension Fund. The Pension Fund has a risk register which identifies the major risks associated with managing the Fund. An extract of this register is shown below. This is reviewed by the Pensions Committee annually, and new or changed risks are reported at each quarterly meeting. The risk register had a full review at the October 2024 Committee meeting.

Fund officers hold regular meetings with the Council’s Risk Management team to ensure all key risks are identified, managed and reviewed.

Lincolnshire County Council's (LCC) internal audit team undertake audits across different aspects of the Fund's management. The timing and frequency of their work is determined by a risk-based assessment, which is reviewed annually with the Scheme Manager. The output from audits is reported to the Council's Audit Committee and brought to the Pension Board and Committee as appropriate. In addition, the work of the internal auditors of West Yorkshire Pension Fund, from Bradford Council, provides additional assurance over the administration function and is reported to the Committee and Board regularly.

Assurance from the service suppliers and fund managers appointed by Lincolnshire Pension Fund is obtained thorough the receipt and monitoring of control reports – e.g. ISAE 3402 (AAF 01/06) or SSAE16/70. For 2024/25 reasonable assurance was obtained from all third-party operations.

The table below highlights the key risks split across the areas of Governance, Investment and Pooling, Administration and Operational, and People, and how they are managed.

Information on the nature and extent of risks arising from financial instruments are covered in note 16 of the Pension Fund Accounts and can be found on page 61.

Key risk identified:	A range of risk management controls are in place including:
GOVERNANCE	
Failure to ensure that the Committee's knowledge and understanding of pensions related activities is robust and meets all statutory requirements	Induction training for new Committee members, training policy and annual training plan, opportunities to attend external training sessions and conferences, on-line training platform run by Hymans offering bite size training on demand, regular training at the eight annual Committee meetings, self-assessment, Committee and Board training manual
Governance of asset pooling - management of relationship with Border to Coast, and the potential that this could create an inability to implement asset allocation decisions	Various levels of oversight including Joint Committee, senior officer group and officer operations group, governance review leading to a new Governance Charter published in 2025

Key risk identified: A range of risk management controls are in place including:

INVESTMENT AND POOLING

Required returns not met due to poor strategic allocation and assets not enough to meet liabilities – potential to lead to higher employer contributions	Professional advice is taken from the Independent Investment Advisor and Investment Consultant, appropriate Fund policies, triennial valuations of liabilities, regular reviews of strategic asset allocations, performance is monitored closely by Fund Officers and is regularly reported to the Pensions Committee
Poor long term investment performance or non-compliance from managers, potentially leading to increases in employer contributions	Performance measurement by Fund custodian, regular manager reports, reporting to Pensions Committee, diversification of assets, regular manager meetings, long term investment timeframe
Asset pooling - transition of assets from existing mandates to Border to Coast	Liaison meetings with the Partner Funds and Border to Coast on investments and development, regular communication to Committee, use of professional transition managers, transition plan for pooling all assets
Failure to meet requirements as a responsible investor - across all ESG risks (including climate change and a move to a low carbon economy)	Assistance from Border to Coast, set managers reporting requirements, LAPFF membership, voting and corporate governance policy, RI policy, RI Beliefs, quarterly stewardship paper to Committee, signatory of FRC UK Stewardship Code
Cashflow - not enough income to meet pension payments due	Asset allocation set and reviewed to ensure sufficient cashflows, monthly cashflow monitoring, cashflow review as part of the triennial valuation, income options available from Border to Coast investment vehicles
Government direction of investment pooling creates inefficiencies due to imposed pooling timescale, forced pool or fund mergers, requirements to invest in specific asset classes or meet specific government policies, or distraction from the Fund's objectives	Fiduciary duty and role of the Committee, regular meetings across all levels with Border to Coast and Partner Funds, response to government consultations including 'Fit for the Future', work with Border to Coast on the response to 'Fit for the Future', additional pool offerings and potential pool expansion

Key risk identified:	A range of risk management controls are in place including:
ADMINISTRATION & OPERATIONAL	
The administrator does not perform its functions in accordance with the agreement	Performance indicators reported monthly to Fund officers and quarterly to Committee and Board, horizon scanning for potential legislation changes, benchmarking and Internal Audit reports, compliance reporting and customer surveys
Cyber security breach	WYPF and Bradford Council policies, LCC policies, business continuity plans and training, external provider control reports, internal audit by Bradford Council on WYPF policies and procedures, Bradford Council disaster recovery testing, increased focus on cyber risk
Employers exiting the Fund – increased number of employers exiting the Fund and/or reducing covenant strengths	Admission agreements, pass-through policy, exit credit policy, bonds/guarantees, covenant monitoring, contribution monitoring, employer communication, employer focused Pension Fund Representative roles
Fraud risk not managed effectively, leading to potential financial loss or damaged reputation	Separation of duties, internal and external audit, monthly reporting, reconciliation procedures, regular National Fraud Initiative reporting, ongoing review of high-risk (overseas) pensioners
Changes in legislation not implemented correctly, currently McCloud and Pensions Dashboard	Regular meetings with and reporting from WYPF, LCC staff appropriately qualified and aware of legal requirements, Pension Fund managed in line with statutory regulations, membership of professional networks e.g. Pensions UK, Pension Board oversight, working closely with software supplier to develop admin system, Head of Lincolnshire Pension Fund member of Pensions UK LA Committee.
Late contributions and poor overall employer performance	Finance Technician role in the team is largely focussed on monitoring employer performance, employers of concern are monitored more closely, regular meetings with PFR's at WYPF to ensure employers are meeting their statutory responsibilities
Risks arising from the Fund's relationship with administering authority (e.g. reliance on shared policies and resources)	Interaction with departments from Head of Lincolnshire Pension Fund as part of Senior Leadership Team, reporting line to Assistant Director – Finance, team's involvement in cross-council groups e.g. resources risk management and change influencers, ensuring there is a clear understanding of Scheme Manager role and responsibilities

Key risk identified:	A range of risk management controls are in place including:
PEOPLE	
Loss of key staff and loss of knowledge and skills	Diversified staff / team, look at other authorities with best practices to ensure LCC positions still desirable, attendance at pensions user groups, procedure notes, section meetings / appraisals, regular team building, Border to Coast and partner funds relationships, training requirements and qualifications, LCC team structure increased by two posts which are career grades and offer a structured training and progression plan

2 Governance and Training

Fund Governance Structure

The Fund's Governance Compliance Statement can be found [here](#) (full hyperlink available at Appendix A). The following sections detail how the Fund has complied with this.

Committee Structure and Role

Lincolnshire County Council, as Administering Authority for the Fund, has delegated the investment arrangements of the Pension Fund to the Pensions Committee (the "Committee"), who decide on the investment policy most suitable to meet the Fund's liabilities. Terms of Reference for the Committee are set out in the [Council's Constitution](#) (full hyperlink available at Appendix A).

The Committee is made up of County Councillors, and employer and scheme member representatives (detailed in the table below). This ensures that both employers, who bear the financial risk of the Fund, and scheme members who will be, or are, receiving benefits from the scheme, are involved in the decision-making process. All members of the Committee have full voting rights. All Committee members are required to follow the Fund's [Code of Conduct](#) (full hyperlink available at Appendix A) and, in addition, councillors are also required to follow the code of conduct set out within the constitution.

Body/category of bodies represented:	Membership
Lincolnshire County Council (elected Councillors)	8
District Council Representative	1
Small Scheduled Body Representative	1
Academy Sector Representative	1
Scheme Member Representative (Lincolnshire County Council)	1
Total:	12

Pensions Committee Members as at 31 March 2025

County Councillors

M G Allan
P Ashleigh-Morris
A W Briggs (Vice Chairman)
S Bunney
P E Coupland (Chairman)
T J N Smith
E W Strengiel
M J Overton MBE

District Council Representative

P Key (West Lindsey District Council)

Representative of Small Scheduled Bodies

S Larter (Witham & Humber Drainage Boards)

Representative of the Academy Sector

T Hotchin (De Aston School Academy Trust)

Scheme Member Representative

J Balchin (Lincolnshire County Council)

The Committee meetings are split across two areas - Investment and Stewardship, and Administration and Governance. Each area has four quarterly meetings, making a total of eight Pension Committee meetings each year. These meetings allow for oversight and challenge across all areas of the Fund. Additional meetings may be convened where required.

A record of movements of Committee members throughout the year can be seen below:

Committee member changes year ending 31 March 2025	Joined	Left
Cllr M J Overton MBE	June 2024	

The only Committee membership movement seen during the period April 2024 – March 2025 is Cllr. M J Overton MBE joining, as of June 2024.

Attendance at Committee meetings throughout 2024/25 can be seen below:

	Apr '24	Jun '24	Jul '24	Sep '24	Oct '24	Dec '24	Jan '25	Mar '25	% attendance
Cllr P E Coupland (Chairman)	✓	✓	✓	✓	✓	✓	✓	✓	100%
Cllr A Briggs (Vice Chairman)	✓	X	✓	✓	✓	✓	✓	✓	88%
Cllr E W Strengiel	✓	✓	✓	✓	✓	✓	✓	✓	100%
Cllr M G Allan	X	✓	✓	✓	✓	X	✓	✓	75%
Cllr P Ashleigh-Morris	X	X	X	X	X	X	X	X	0%
Cllr T Smith	✓	✓	X	✓	✓	✓	✓	✓	88%
Cllr S Bunney	✓	X	✓	✓	✓	X	✓	✓	75%
Cllr M J Overton MBE*	-	X	✓	✓	X	X	✓	X	43%*
S Larter	✓	✓	✓	✓	✓	✓	X	✓	88%
Cllr P Key (district rep)	✓	✓	✓	✓	✓	✓	X	✓	88%
T Hotchin	X	✓	✓	X	✓	✓	✓	✓	75%
J Balchin	✓	✓	✓	✓	✓	X	X	✓	75%
Total Attendance	8	8	10	10	10	7	8	10	
Total Committee size	12**	12	12	12	12	12	12	12	75%

* Cllr M J Overton attended 3 out of a possible 7 meetings, due to only joining the Committee in June 2024

** There was one vacancy in April 2024

The Committee has a fiduciary duty to its scheme members and employers and is required to take account of financially material considerations, whatever their source. This includes environmental, social, and governance considerations. It recognises the vital role of being a responsible asset owner to meet its requirements to be a long-term sustainable investor.

In order to effectively carry out their role, the Committee obtain professional advice as and when required, from suitably qualified persons, including external advisers as set out on Page 2.

Internally, the Committee is supported by Officers of the Council including the Deputy Chief Executive and Executive Director of Resources (S151 Officer to the Fund), Assistant Director – Finance, Head of Legal Services (Monitoring Officer), Head of Lincolnshire Pension Fund, and the Accounting, Investment and Governance Manager.

The key officers involved in the day-to-day management of the Fund are set out below, with relevant qualifications and experience:

Name and title	Experience	Relevant Qualifications	Years Relevant Experience
Jo Kempton Head of Lincolnshire Pension Fund	Jo started in the Pensions team in 1999, as an Investment Officer, and has worked through positions of Assistant Investment Manager, Investment Manager and has been Head of Lincolnshire Pension Fund since 2008. Jo has covered every aspect of Fund Management including internal portfolio management, fund accounting and governance.	IMC	26
Claire Machej Accounting, Investment and Governance Manager	Claire joined the team in 2018, having previously worked as a Head of Finance for the Council in the Corporate team. Claire is a qualified accountant and has completed stage one of the IMC qualification.	CPFA	7
Joshua Drotleff Principal Accounting, Investment and Governance Officer	Josh has worked in the pensions team since 2019. From January 2024 he has been promoted to his current role. Josh has the IMC qualification and is studying to become a member of CIPFA.	IMC (studying CIPFA)	1

Board Structure and Role

The Council established a Local Pension Board (the "Board") under Regulations 105 to 109 of the Local Government Pension Scheme Regulations 2013 (as amended) which operates independently of the Pensions Committee. The purpose of the Board is to assist the Administering Authority in its role as a scheme manager, as set out in the Board's Terms of Reference. Such assistance is to:

- a) Secure compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme, and;
- b) Ensure the effective and efficient governance and administration of the Scheme.

The Board consists of four voting members; two representing Scheme Members and two representing Scheme Employers; and an Independent Chairman. Further details are shown below:

Independent Chairman (non voting)	
Employer Representatives (voting)	Cllr. M A Whittington Peter Allan
Scheme Member Representatives (voting)	

Following the end of his term as Independent Chairman, Roger Buttery stepped down from the Board and was replaced by George Graham. A record of movements of Board members throughout the year can be seen below:

Board member changes year ending 31 March 2025	Joined	Left

Attendance at Board meetings throughout 2024/25 can be seen below:

	July 24	Oct 24	Jan 25	Mar 25	% attendance
R Buttery (outgoing chairman to July 2024)	✓	-	-	-	100%
G Graham (incoming chairman from July 2024)	✓	✓	✓	✓	100%
Cllr M Whittington	X	✓	X	X	25%
P Allan	✓	X	✓	✓	75%
K Cammack	✓	✓	✓	✓	100%
D Vickers	✓	✓	✓	✓	100%
Total Attendance	5	4	4	4	85.7%
Total Board size	5	5	5	5	

At the Board's meeting in March 2025, it was agreed to increase the size of the Board to improve its resilience. Two further appointments were made in July 2025, one employer representative and one scheme member representative.

Pension Fund Knowledge and Skills Policy and Report

As an administering authority of the Local Government Pension Scheme, Lincolnshire County Council recognises the importance of ensuring all staff and individuals charged with the financial management and decision making regarding the Pension Fund are fully equipped with the knowledge and skills to discharge the duties and responsibilities allocated to them. Within the management of the Fund, LCC seeks to appoint individuals who are both capable and experienced. They will provide and arrange training for staff and individuals involved to enable them to acquire and maintain an appropriate level of expertise, knowledge, and skills.

An annual training plan is agreed by the Pensions Committee each year, setting out what training will be covered over the coming year and linking it back to the CIPFA Knowledge and Skills Framework. Knowledge and skills are acquired and maintained through attendance at Pension Committee meetings, as well as through additional training sessions targeting specific areas, and attendance at seminars and conferences. In addition, all members are offered the opportunity to attend the three-day fundamentals training arranged by the Local Government Association (or an equivalent course) and all new members are given a one-to-one training session with the Head of Lincolnshire Pension Fund.

As part of the Committee's training policy, also reviewed annually, all Committee members are required to complete the LGPS Online Learning Academy (LOLA) training tool, as provided by Hymans Robertson, within the first twelve months of appointment, and then refreshed at least every two years.

The Pension Board has its own Training Policy, approved annually, and training is a standing item on their quarterly meeting agenda.

The tables below set out which members of the Committee and Board have completed their mandatory training:

Committee Member	Initial One to One Training	Hymans Robertson LGPS Online Learning Academy
Cllr P E Coupland	Completed	Completed
Cllr A Briggs	Completed	Partially Completed
Cllr E W Strengiel	Completed	Completed
Cllr M G Allan	Completed	Completed
Cllr M J Overton *	Outstanding	Outstanding
Cllr P Ashleigh-Morris	Outstanding	Outstanding
Cllr S Bunney	Completed	Completed
Cllr T Smith	Completed	Completed
Cllr P Key (district rep)	Completed	Completed
Jo Balchin	Completed	Completed
Steve Larter	Completed	Completed
Tom Hotchin	Completed	Completed

*Cllr M J Overton joined the Committee as of June 2024

Board Member	Initial One to One Training	Hymans Robertson LGPS Online Learning Academy
George Graham	Completed	Completed
David Vickers	Completed	Completed
Kim Cammack	Completed	Completed
Cllr M Whittington	Completed	Partially Completed
Peter Allan	Completed	Completed

Training Activity in 2024/25

A full training plan was taken to Pensions Committee in July 2024 to identify training requirements over the coming year. The training plan was linked to specific areas within the CIPFA Knowledge and Skills Framework, which was last updated in 2021.

The eight areas within the Knowledge and Skills Framework are:

1. Pensions legislations and guidance
2. Pensions Governance
3. Funding strategy and actuarial methods
4. Pensions administration and communications
5. Pensions financial strategy, management accounting, report and accounts
6. Investment strategy, asset allocation, pooling, performance, and risk management
7. Financial markets and products
8. Pensions services procurement, contract management and relationship management

The table below details the various areas covered in training and Committee presentations during the year, and the areas within the Knowledge and Skills Framework that they relate to.

As training is undertaken as part of a Committee or Board meeting, the attendance at the training mirrors that of the attendance at meetings in the tables above.

Date	Subject matter	KSF area(s)
11 April 2024 – Committee Meeting (AM only)		
Reports & Training	Stewardship Update Report	2, 6
	Market Update Report	7
	Investment Management Performance Report	6, 7
	Training: introduction to Taskforce on Climate-related Financial Disclosure (TCFD) (Hymans Robertson)	1, 2, 6

Date	Subject matter	KSF area(s)
6 June 2024 – Committee Meeting (AM only)		
Reports & Training	Stewardship Update Report	2, 6
	Market Update Report	7
	Investment Management Performance Report	6, 7
	Asset Pool Transitions	6
	Independent Investment Advisor Discussion	6
Manager Presentation	Border to Coast - Fixed Income	6
11 July 2024 – Committee Meeting (AM only)		
Reports & Training	Local Board Report	2
	Fund Update Report	1, 2, 3, 6, 8
	Pensions Administration Report	1, 4
	Shared Service Pensions Administration Update	4, 8
	Draft Annual Report and Accounts: Draft Accounts and Audit Plan	2, 5
	Annual Training Plan and Policy Review	1, 2
	The Pension Regulators (TPR) General Code	1, 2
	Training: TCFD – Financial Disclosures (Hymans Robertson)	1, 2, 6
11 July 2024 – Board Meeting (PM only)		
Reports & Training	Pension Board Appointments: Appointment of a new Independent Chair	2, 6
	Fund Update Report	1, 2, 3, 8
	Pensions Administration Update	6, 7
	Shared Service Pensions Administration Update	6, 7
	TPR Data Scores	2, 4
	Annual Report and Accounts: Draft Accounts and Audit Plan	2, 5
	TPR General Code	1, 2
	Board Member Training Update Report	1, 2
	Pension Board Work Plan	1, 2
19 September 2024 – Committee Meeting (AM only)		
Reports & Training	Independent Investment Advisor Appointment	6
	Stewardship Update Report	2, 6
	Annual Property and Infrastructure Report	6, 7
	Market Update Report	7
	Investment Management Performance Report	6, 7
	Training: TCFD (Hymans Robertson)	1, 2, 6
Manager Presentation	Morgan Stanley private markets	6

Date	Subject matter	KSF area(s)
17 October 2024 – Committee Meeting (AM only)		
Reports & Training	Local Board Report	2
	Fund Update Report	1, 2, 3, 6, 8
	Pensions Administration Report	1, 4
	Risk Register Annual Review	2, 4
	Performance Measurement Annual Report	2, 6
	Annual Reports and Accounts: Draft Annual Report and External Auditor's Audit Completion Report	5
	Custody Retender and Appointment Recommendation	6, 8
	Border to Coast 2030 Strategy	2, 6
17 October 2024 – Board Meeting (PM only)		
Reports & Training	Fund Update Report	1, 2, 3, 8
	Pensions Administration Update	1, 4
	Temporary Bank Account Report	4
	Risk Register Annual Review	6
	Annual Report and Accounts: Annual Report and External Auditor's Audit Completion Report	5
	Update on Pensions Dashboard	1, 4
	Internal Audit Assurance Report	5
	Board Member Training Update Report	1, 2
	Pension Board Work Plan	1, 2
12 December 2024 – Committee Meeting (AM only)		
Reports & Training	Independent Advisor Market Update Report	6, 7
	Stewardship Update Report	2, 6
	Border to Coast Responsible Investment Policy, Corporate Governance and Voting Guidelines and Climate Change Policy Annual Review	2, 6
	TCFD Progress and Next Steps	1, 2, 6
	LGPS 'Fit for the Future' Investment Consultation	1, 2
	Investment Management Performance Report	6, 7
	Training: Border to Coast Multi-Factor Equities	6
Manager Presentation	Border to Coast - Equities	6

Date	Subject matter	KSF area(s)
16 January 2025 – Committee Meeting (AM only)		
Reports & Training	Local Board Report	2
	Fund Update Report	1, 2, 3, 6, 8
	Pensions Administration Update	1, 4
	Annual TPR Data Scores	1, 2, 4
	Annual Employer Monitoring and Engagement	1, 2, 4
	Training: Cyber Security	2, 4
16 January 2025 – Board Meeting (PM only)		
Reports & Training	Fund Update Report	1, 2, 3, 8
	Pensions Administration Update	1, 4
	TPR Data Scores	2, 4
	Annual Data Analytics Review	4
	Annual Employer Monitoring and Engagement	1, 2, 4
	Training and Work Plan Update	1, 2
	Training: Cyber Security	2, 4
21 March 2025 – Committee Meeting (AM only)		
Reports & Training	Local Board Report	2
	Fund Update Report	1, 2, 3, 6, 8
	Pensions Administration Update	1, 4
	Annual Fund Policies Review	2, 4
	Fund Business Plan and Budget Setting	2, 5
	Annual Reports and Accounts: Review of Accounting Arrangements, Accounting Policies and an Update from the External Auditor	5
	Training: 2025 Valuation introduction	3
21 March 2025 – Board Meeting (PM only)		
Reports & Training	Fund Update Report	1, 2, 3, 8
	Pensions Administration Update	1, 4
	Temporary Bank Account Report	4
	Annual Fund Policies Review	2, 4
	Fund Business Plan and Budget Setting	2, 5
	Annual Report and Accounts: Review of Accounting Arrangements, Accounting Policies and an Update from the External Auditor	5
	Board Membership and Terms of Reference	2
	Pension Board Work Plan and Training Needs	1, 2

As the officer responsible for ensuring that the training policies and strategies are implemented, the Deputy Chief Executive and Executive Director - Resources can confirm that the officers and individuals charged with the financial management of and the decision making for the Pension Fund

collectively possess the requisite knowledge and skills necessary to discharge those duties and decisions required during the reporting period.

Pensions Committee Summary 2024/25

Details of the reports presented to the Pensions Committee over the financial year are shown in the table above and highlights the key areas of work of the Committee over the year. Additional information is shown below across the key areas.

Investment Performance

The Fund has an investment objective to meet its liabilities over the long term and to produce a return of 0.75% p.a. over the return produced by the strategic asset allocation benchmark.

The twelve-month period ended 31 March 2025 saw the value of the Fund's investment assets increase by £159.6m to £3,532.4m. The overall investment return of 3.88% was behind the Fund's specific benchmark return of 6.08%. Since inception, the Fund's annualised investment performance of 8.03% is slightly behind the benchmark return of 8.25%.

Over the year, the Committee received detailed quarterly reports and commentary on individual manager performance and received presentations from Border to Coast and Morgan Stanley.

Governance

The Annual Training Plan and Policy was brought to the July meeting, and members were reminded of the mandatory training requirements set out within the policy. The Committee also received a report outlining how the Fund was meeting The Pension Regulator's new General Code of Practice requirements. Required areas of improvement were taken away by officers.

The Committee reviewed the Fund's risk register at the October meeting, to ensure that it covered the key risks of the Fund, and that appropriate controls were in place. Two new risks were added:

- 1) The need to manage changes imposed by central government on the structure of pools or funds; and
- 2) Managing the relationship with the Fund's administering authority, for example managing potential conflicts, such as pressure on employer contribution rate setting as part of the triennial valuation process.

The January meeting covered the annual employer monitoring and engagement paper, to report where employers were not meeting their regulatory requirements, and explain the work undertaken with them where there were concerns. In addition, the data scores submitted to the Pensions Regulator were presented in a report, to understand progress in improving the scores and the data improvement plan that the administrator had in place. The Committee also received Cyber Security training as part of the January meeting.

At the meeting in March the Committee undertook the annual review of Fund policies and approved the Business Plan for the coming three years. Introductory training was delivered on the 2025 triennial valuation by the Fund's actuary, Barnett Waddingham.

Corporate Governance and Stewardship

The Fund expects its appointed investment managers to act as responsible investors and that they fully integrate environmental, social, and governance (ESG) issues into their investment process. It has a Responsible Investment (RI) Policy and Responsible Investment Beliefs that can be found, alongside other policies, on the Fund's [website](#) (full hyperlink available at Appendix A). The Fund works closely with Border to Coast and the other Partner Funds of the asset pool to agree its approach to stewardship and RI.

The Fund is a member of the Local Authority Pension Fund Forum (LAPFF), an organisation that monitors the governance of companies. The LAPFF seeks to protect and enhance shareholder returns by engaging with companies on a wide range of ESG issues, encouraging improvement where required. Officers participated in business meetings throughout the year and attended the Annual Conference in December.

The Fund's Stewardship Code Statement for 2023/24 was again successful in meeting the new standard required under the Financial Reporting Council's 2020 Stewardship Code to explain how it acts as a responsible shareholder and is published on the Fund's [website](#) (full hyperlink available at Appendix A).

Over the year the Committee received training to prepare for the climate reporting requirements that are expected in the near future.

Strategic Asset Allocation

There were no changes to the Strategic Asset Allocation throughout 2024/25.

Pensions Administration

The pensions administration service is performed in a shared service arrangement with West Yorkshire Pension Fund (WYPF). A satellite office for WYPF is based in Lincoln, co-located with the LCC Pension Fund team. More information on the performance of the pensions administrator can be found under Administration at page 87. The Fund works closely with its employers and WYPF to improve all aspects of administering the scheme.

The Committee received regular updates on the administration service including KPI's, the budget, the risk register, and regulatory updates. The Committee were able to question WYPF's Managing Director as part of the July meeting, where assurance was given that the immediate focus of the shared service was collaboration and partnership, with no immediate plans to bring in new partners.

Local Pension Board

The Local Pension Board for the Lincolnshire Pension Fund was set up in April 2015, as prescribed in the Public Service Pensions Act 2013 and the Local Government Regulations 2013. Its oversight role to ensure that the Fund is meeting all the requirements for administration and governance, as set out in the various regulations and by the Pensions Regulator, has been a welcome addition to the governance structure of the Pension Fund.

The Independent Chair of the Board provided an update paper at each of the Pensions Committee's quarterly Administration and Governance meetings, to highlight any areas of concern and to provide assurance to the Committee through the work it had done.

Asset Pooling

The requirement to pool the Fund's assets with other LGPS Funds came into statute in November 2016. Lincolnshire chose to become part of the Border to Coast Pensions Partnership (Border to Coast), alongside ten other partner LGPS funds. Progress has continued to ensure that Border to Coast is able to implement the investment strategy of the eleven partner funds, over the long term.

The oversight of the asset pool is carried out by a Local Government Joint Committee, on which the Chairman of the Pensions Committee sits, and by the Administering Authority as a shareholder. The objective of Border to Coast is to reduce investment costs, improve performance, and increase resilience across the Funds, over the long term.

The Committee were updated quarterly on the work of the Joint Committee, the developments within Border to Coast, and shareholder activity.

In the autumn of 2024, a consultation was received from government titled 'LGPS Fit for the Future', which contained further developments for asset pools and funds. The Committee submitted a response to government and the Fund is working with Border to Coast and other Partner Funds to ensure a successful implementation of these changes.

During the year, the Committee approved the transition of the global equity portfolio managed by Legal and General Investment Managers in the Future World Fund into the Border to Coast Multi-Factor Equity sub-fund. This transition took place in May 2025. In March 2024, the Fund made its first commitment to the Border to Coast Global Core Real Estate sub-fund of £85m, and during the year capital calls totalling ~£15.5m were received. The Committee also approved investment into the Border to Coast UK Real Estate sub-fund, with a commitment of £37.5m being made in April 2025.

Councillor Peter Coupland
Chairman
Pensions Committee

Annual Report of the LGPS Local Pension Board 2024/2025

Foreword

In presenting my first annual report as Independent Chair of the Lincolnshire Local Pension Board it would be wrong for me not to first pay tribute to the work of my predecessor, Roger Buttery, who steered the Board masterfully from its creation to where it is now as an established and positively contributing part of the Lincolnshire Pension Fund's governance.

While there has been much going on in the world of the Local Government Pension Scheme (LGPS), the Board has maintained its focus on ensuring that the Fund is doing the basics right, paying the right pensions to the right people when they are due. While this sounds as though it might be a fairly simple task, the reality within a scheme as complex as the LGPS is anything but and the Fund has continued to make incremental progress on service improvement over the course of the year from an already high base.

The detailed work of the Board is summarised in greater depth in the remainder of this report, but it is only right that I should acknowledge the efforts of the four Board members who volunteer their time to assist the Fund in ensuring that it is meeting its responsibilities to scheme members and employers.

Board Membership and Attendance

The Board's membership is as follows:

Role	Name	Term of Office
George Graham	Independent Chair	4 years from July 2024
Peter Allan	Employer Representative	4 years from July 2023
Mark Whittington	Employer Representative	4 years from July 2021
Kim Cammack	Employee Representative	4 years from July 2023
David Vickers	Employee Representative	4 years from July 2021

The Chair does not have voting rights.

The Board meets the minimum requirements in regulations for both the number of members and the number of meetings held each year. Details of attendance at meetings of the Board can be found at page 10 of this report.

Overall attendance has been good. However, the small membership of the Board does create the risk that meetings could easily be inquorate. At its meeting in March 2025 the Board therefore recommended to the Administering Authority that its membership should be increased to three employer and three scheme member representatives. This recommendation has been agreed, and recruitment of new members will take place in the coming municipal year.

Board Member Knowledge and Understanding

Members of the Board are required by the scheme regulations to maintain an appropriate level of knowledge and understanding of the regulations governing the operation of the Fund and the issues facing the Fund in delivering its services to scheme members and employers.

Learning and development undertaken by members of the Board over the last year is as follows:

- Training on the 2025 Triennial valuation, cyber security and pension dashboards, as part of quarterly Board meetings.
- Completion of Hymans Robertson LGPS Online Learning Academy modules, covering a wide range of LGPS topics.
- Conference attendance, including the Pensions and Lifetime Savings Association Local Authority Conference and Border to Coast Annual Conference.

Other topics have also been covered in training sessions attended individually by Board Members (including: Conflicts of Interest; MHCLG consultation; and the Pensions Review).

Resources

The Board has a budget which covers the cost of the independent chair and Board members, and learning and development activities. The total cost of the Board for 2024/25 was £13.3k (2023/24 £8.8k).

Work Undertaken by the Board in 2024/25

The Board's role as defined in S 5(1) and (2) of the Public Service Pensions Act 2013 is to assist the Administering Authority (in this case Lincolnshire County Council) in the following matters:

- Securing compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme;
- Securing compliance with requirements imposed in relation to the scheme and any connected schemes by the Pensions Regulator;
- Such other matters as the scheme regulations may specify.

The Board's terms of reference are available on the Fund's website [here](#) (full hyperlink available at Appendix A).

The approach adopted by the Lincolnshire Pension Board is to gather assurance over a range of key issues allowing it to provide assurance to the Pensions Committee that there are appropriate arrangements in place or identify areas where further assurance is required to confirm that arrangements are working properly.

Over the course of 2024/25 the Board has focussed on the following areas:

- **Effectiveness of the Pensions Administration Service**

The Board has received regular reports from West Yorkshire Pension Fund (WYPF) as the Fund's administrator. The overall performance of the service against key performance indicators has remained reasonably steady although impacted by the ability of the administration system to process certain transactions affected by the McCloud remedy. As with almost all LGPS funds there is a backlog of administration casework and the Board has encouraged WYPF to clearly identify the scale of this and produce a clear plan for its elimination within a reasonable timescale.

The Board has also continued to pursue the issue of the branding of the administration service which causes members of the Lincolnshire Fund some confusion and WYPF has agreed to consider this through its governance arrangements in the coming year.

The Board also expressed concern at the time taken by all parties to complete the legal agreement underpinning the refreshed shared service arrangement with WYPF which has now been signed.

- **Compliance with the Pensions Regulator's General Code**

The Board received two reports on progress with demonstrating compliance with the Pension Regulator's General Code. In general a good level of compliance is being demonstrated. However, the assessment remains incomplete as elements which are the responsibility of WYPF have not been completed and the Board will be following this up in the coming year.

- **Data Quality**

The Board received regular updates on the quality of the fund's data. While the common data score continues to be high, the score for scheme specific data remains below 90%. This is a concern and is driven by a range of legacy data issues which can only be addressed on a case-by-case basis when an individual member retires. WYPF do have an active programme of data improvement and the Board has asked that for internal reporting purposes the legacy issues are excluded from data so that the effectiveness of this programme of work can be established.

- **Risk Management**

The Board reviewed both the Fund and Shared Service risk registers on a regular basis during the year and was content that they both reflected the most significant risks facing the relevant aspects of the Fund's operations.

- **Policy Review**

The Board received the following updated fund policies for comment:

- Communications Policy
- Pensions Administration Policy
- Code of Conduct and Conflicts Policy
- Reporting Breached Procedure

The updates to these policies were not major, simply reflecting minor updates to show changes in personnel and terminology, and the Board considered that the policies presented met the relevant requirements. However, the Board suggested that it should receive future policy reviews prior to the Pensions Committee (rather than afterwards as in this case) as a form of “pre-legislative” scrutiny.

- **Employer Performance**

The Board received an annual report on the performance of employers in relation to the obligations which flow from their participation in the scheme. While there are always a small number of minor areas of non-compliance the Board was pleased to note a very high level of compliance supported by robust monitoring.

- **Wider Sources of Assurance**

The Board received a report from Lincolnshire County Council’s Head of Internal Audit setting out the range of sources of assurance that could be provided in relation to the overall internal control framework for the Fund which is a key area of focus in the Regulator’s General Code. In addition, the Board engaged with the Fund’s external auditor KPMG in relation to the Annual Report and Accounts and received assurance over the quality of the Fund’s control framework and through the fact that the accounts were unqualified. The Board also reviewed the draft Annual Report and was pleased to see the degree of compliance achieved with the new guidance including in areas which were expected to be on a best endeavours basis in the first year.

The Board also continued to seek assurance in relation to the large number of temporary bank accounts being operated on the Fund’s behalf by the administrator. Following urging by the Board over a considerable period, the administrator is now reconsidering their policy in this area with a view to stopping the use of such accounts. The Board welcomed this change in approach which addresses an issue which the Board believes has exposed the Fund to an unnecessary risk.

Conclusion

The Board has derived significant assurance over the operation of the Fund during the year and is therefore able to provide the administering authority with assurance that it is meeting the requirements of the LGPS regulations in all material respects.

George Graham

Independent Chair of the Lincolnshire Local Pension Board

April 2025

Conflicts of Interest

The Committee and Board have a Code of Conduct and Conflicts of Interest policy, that can be found [here](#) (full hyperlink available at Appendix A). This sets out the expectations of members' behaviours and requires members to declare any potential conflicts of interest on appointment, and to update that declaration when necessary.

In addition, at the start of any Committee or Board meeting members are asked to declare any interests to ensure that any potential conflicts can be addressed.

Asset Pool – Oversight & Governance

Border to Coast Pensions Partnership Ltd (Border to Coast) went live in July 2018 as a fully regulated asset management company and is jointly owned by eleven partner funds' administering authorities, with each Fund having an equal share in the company. Border to Coast's role is to implement the investment strategies of the partner funds, through a range of investment sub-funds offering internally and externally managed solutions.

Border to Coast is based in Leeds and has 176 employees. This includes a large team to directly manage assets, alongside a team to select external managers. As an FCA regulated company, Border to Coast must comply with the same requirements as any other asset manager and is subject to company legislation.

At the end of March 2025, Border to Coast had more than £55bn under management across thirteen collective investment vehicles, as well as £18.1bn of Private Market commitments and £0.9bn of Real Estate commitments from partner funds.

Border to Coast has eleven LGPS partner funds – Bedfordshire, Cumbria, Durham, East Riding, Lincolnshire, North Yorkshire, South Yorkshire, Surrey, Teesside, Tyne & Wear, and Warwickshire. The Chairs of the Pensions Committees of these funds sit on a Joint Committee to exercise oversight of the investment performance of the company and report back to, and take feedback from, the various Pensions Committees. In addition, there are two scheme member representatives that have non-voting seats on the Joint Committee, who are nominated by the eleven Partner Funds' Local Pension Boards. The Joint Committee represents the Funds as investors in Border to Coast.

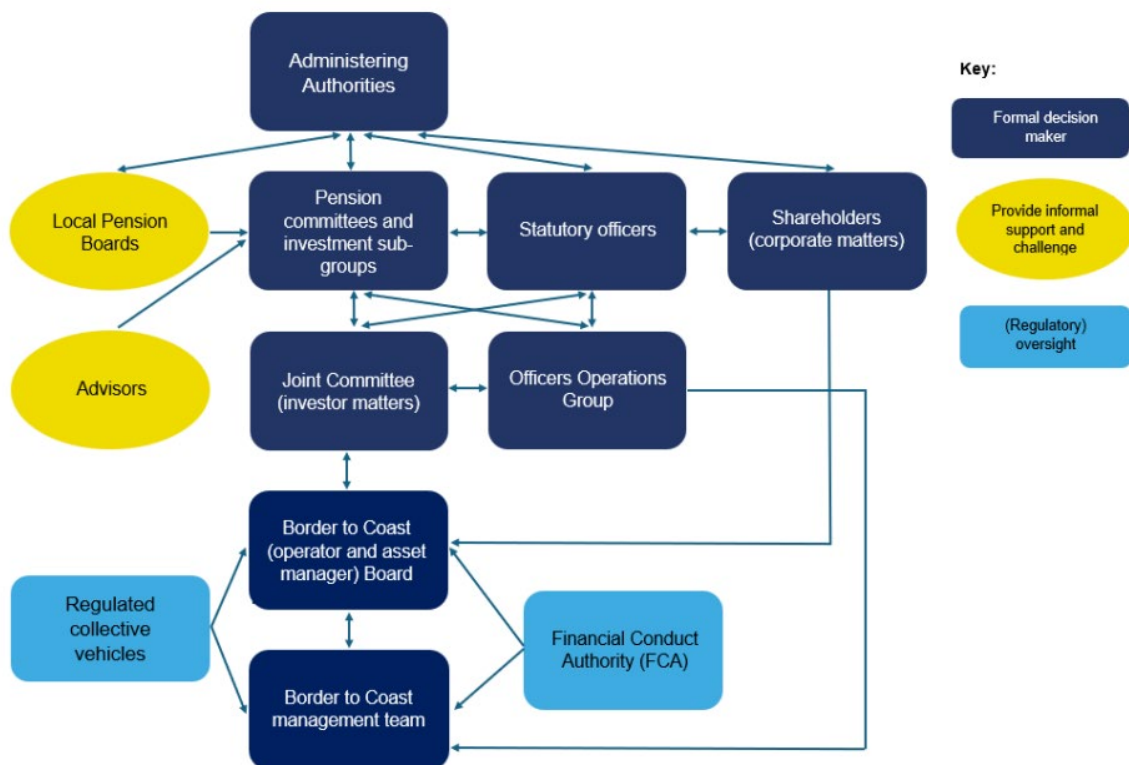
As Border to Coast is jointly owned by the administering authorities of the Pension Funds, there is also a shareholder role that the authorities provide, and the responsibilities are all set out in a shareholder agreement.

Pension Fund Officers provide day-to-day oversight and work closely with Border to Coast to ensure that the company provides the investment vehicles partner funds need to implement their investment strategies.

Border to Coast publish a [Governance Charter](#) (full hyperlink available at Appendix A) to summarise the governance arrangements for the pool, including capturing the structure and roles, responsibility, and authority of the following in relation to Border to Coast:

- The Administering Authorities
- The Pension Committees
- Advisors to Pension Committees
- Local Pension Boards
- The Joint Committee
- Officers Operations Group
- Statutory Officers (including s151s and monitoring officers)
- Shareholders
- Border to Coast Board
- Border to Coast Management Team
- The Financial Conduct Authority (FCA)
- The Depositary (in respect of regulated collective vehicles such as the ACS)

The chart below shows the structure for oversight of Border to Coast.



3 Financial Performance

Income and Expenditure

The Pension Fund budget is split between Administration Costs, Investment Management Expenses, and Oversight and Governance Costs.

- **Administration Costs** include the costs of dealing with Fund members and employers in relation to current and future benefits. This service is provided to Lincolnshire Pension Fund via a Shared Service with West Yorkshire Pension Fund.
- **Investment Management Expenses** include the cost of Fund Managers and the Fund's Custodian.
- **Oversight and Governance Costs** include the cost of the Fund's Actuary, Investment Consultant, external auditor, and other advisors. Actuarial costs incurred by individual employers within the Fund are recharged to that employer. In addition, it includes staffing and accommodation costs associated with running the Fund, costs associated with the Local Pensions Board, and governance costs at Border to Coast.

	Original Budget 2024/25 £000	Actuals 2024/25 £000	Variance £000
Administration Costs			
Shared Service Administration Costs	1,600	1,700	99
Other Costs	1	0	(1)
Investment Management Expenses			
Management Fees	9,540	9,380	(160)
Performance Related Fees	1,500	231	(1,269)
Other Fees (Custody & Transaction Costs)	1,320	1,901	581
Oversight and Governance Costs			
Contracted Services	458	569	112
Recharge of Actuarial Services	(104)	(192)	(88)
Recharge from Administering Authority (including staff costs)	326	353	27
Border to Coast Governance Costs	336	216	(120)
Other Costs	23	38	15
Total	15,000	14,196	(804)

At the end of the year, variances between the original budget and actual expenditure included:

- **Administration Costs:** At the end of the financial year the charge for the administration service from West Yorkshire Pension Fund is reviewed and updated to reflect the actual number of members and the annual charge per member. The actual charge made by West Yorkshire Pension Fund for the administration service for 2024/25 was £19.42 per member (including a £1.00 charge per member relating to McCloud remedy implementation). This cost per member was lower than originally budgeted (£19.77 per member) due to an underspend

from staff vacancies, and a lower than budgeted pay award. However, the Fund saw an increase in actual membership verses the estimate, which has led to the increased in cost versus the budget set.

- Investment Management Expenses:** Investment management and performance related fees are less than the original budget. As the Fund increases the percentage of its assets with Border to Coast, it has benefitted from reduced management fees. The Fund set a budget for £1.5m for performance related fees. During 2024/25 our private markets portfolio did not reach the performance hurdle required for payment. Other fees include both transaction costs and custody fees. Transaction costs exceeded the original budget set due to higher than budgeted expenses relating to withholding taxes (£0.571m).
- Oversight and Governance Costs:** Oversight and governance costs were broadly in line with the budget set. Contracted Services costs exceeded the original budget, however this has been largely offset by the increased income received for Recharge of Actuarial Services. Border to Coast Governance Costs were under budget, mainly due to a refund received for governance costs from 2023/24 received in year (£0.089m).

Contributions received and benefits paid

	2023/24 (£'000)	2024/25 (£'000)
Contributions and Benefits		
Contributions Receivable	(151,367)	(161,190)
Transfers In from other Pension Funds	(13,006)	(16,637)
	(164,373)	(177,827)
Benefits Payable	120,762	135,402
Payments To and On Account of Leavers	6,563	10,767
	127,325	146,169
Net (additions)/withdrawals from dealings with Fund Members	(37,048)	(31,658)

Narrative for the changes in contributions receivable is set out in the paragraphs below.

Transfers into and out of the scheme will vary year on year as employees with existing pensions leave and join the scheme. The Fund is not able to influence these values as the decision is made by the individual employee within the first year of their employment.

All benefits payable are outside of the Fund's control as they are set within regulations, but a key element of the benefits payable increase was due to the 6.7% inflationary increase applied from April 2024.

Contributions Receivable

	2023/24 (£'000)	2024/25 (£'000)
Employers		
Normal	115,362	122,703
Deficit Funding	5,196	5,433
Additional – Augmentation	1,126	867
	121,684	129,003
Employees		
Normal	29,552	32,081
Additional Years	131	106
	29,683	32,187
Total Contributions	151,367	161,190

The main reason for the increase in normal employer contributions is explained by the local government pay award for 2024/25 (the greater of an increase in salary of £1,290 per annum, or 2.5%). The Fund also saw a modest increase in active membership from 25,963 to 26,465 from 31 March 2024 to 31 March 2025.

The increase in employee contributions reflects the Local Government pay award for 2024/25, which applies to most scheme employers.

Non-Investment Assets and Liabilities

	2023/24 (£'000)	2024/25 (£'000)
Non-Investment Assets and Liabilities		
Current Assets	30,986	28,756
Current Liabilities	(3,215)	(3,856)
Net Non Investment Assets and Liabilities	27,771	24,900

Current assets include operational cash and contributions due to the fund from scheme employers. Employers have until the 19th of the month following their payroll to pay contributions over to the Fund. At 31 March 2025 outstanding employer contributions were £7.291m and outstanding employee contributions were £1.776m. These amounts vary year on year due to the timing of payments received from employers. Current liabilities include payments due to members (for example, lump sum retirements) and fees due to investment managers.

A further breakdown of current assets and current liabilities can be found in the pension fund accounts at Notes 19 and 20 on page 74.

Employee and Employer Contributions as a percentage of Pensionable Pay

	Pensionable Pay (£'000)	EE's contributions (£'000)	ER's contributions (£'000)	EE's % of Pensionable Pay	ER's % of Pensionable Pay
2022/23	457,194	26,774	108,334	5.9%	23.7%
2023/24	507,291	29,683	121,684	5.9%	24.0%
2024/25	528,175	32,187	129,003	6.1%	24.4%

Late and Overdue Contributions

The below table lists the numbers of employers who have either submitted late contributions data, paid late cash contributions, or both, during 2024/25. The number of active contributing employers in the Fund during 2024/25 was 268.

Month	Late Payment of Contributions	Late Submission of Data	Both Late Payment & Data
April	14	7	1
May	2	24	8
June	1	10	1
July	1	7	0
August	2	8	0
September	2	21	0
October	2	19	0
November	0	6	0
December	2	3	0
January	0	1	0
February	2	0	0
March	9	0	0
Total	37	106	10

Contributions are paid by the employers in the Fund directly into the Lincolnshire Pension Fund bank account, and monthly data submissions are sent to the Fund's administrator, WYPF, through a secure portal.

The timely receipt of contribution payments and data submissions is monitored closely. Late submissions (either in paying cash or in submitting data after the Funds deadline of the 19th of the month following payroll, or where the two elements do not agree) are reported annually to both the Pensions Committee and the Pension Board.

A policy is in place to fine employers where they are late in three of any six months over a rolling six-month period, to cover additional administrative costs. However, the Fund and its administrator

work closely with employers to ensure that employers understand their responsibilities and the processes required to meet them. During the year to 31 March 2025 there were two fines raised to employers (twelve in 2023/24). The Fund has not opted to levy interest on overdue contributions.

Pension Overpayments

Occasionally, pensions are paid in error. When this happens, processes are in place to recover the overpayments. The table below shows a summary of the value of the overpayments involved. Every effort is made to recover these, whilst managing the financial impact on the overpaid pensioners.

Overpayments	2024/25 £'000
Amount outstanding as at 31 March 2025	28

The table below shows a summary of numbers of unique transactions processed during the year:

Analysis of overpayments	2024/25 Number of transactions
Pensions paid during period	315,206
Cases overpaid	74
Cases written off	9
Cases recovered (incl. bf recovered)	44
Cases outstanding as at 31 March 2025	49

Fraud Prevention – National Fraud Initiative

Lincolnshire Pension Fund, West Yorkshire Pension Fund, Hounslow Pension Fund and Barnet Pension Fund are in shared service arrangement hosted by West Yorkshire Pension Fund. The Funds participate twice a year in the National Fraud Initiative (NFI). The data that is submitted includes pensioner, beneficiary and deferred member information for the Local Government Pension Scheme.

A summary of the last five years of NFI results for the **whole shared service** is shown below:

Pensioners, beneficiaries and deferred members	No. of records sent	No. and percentage of mismatches	Over payments identified	Possible frauds	Mismatches carried forward at 31 March
2020/21	286,429	963	0.3%	4	0
2021/22	288,636	1,685	0.6%	15	0
2022/23	329,082	2,379	0.7%	24	0
2023/24	338,572	1,591	0.5%	26	2
2024/25	350,354	2,600	0.7%	20	0

Tracing agents are used regularly to try to track down members where the Fund has lost contact, for example due to unnotified address changes.

There are no other cases of note of fraud, credit losses, provisions, contingent liabilities or impairments during the year.

4 Fund Accounts, Net Assets Statement and Notes

Fund Account - For the year ended 31 March 2025

2023/24 £'000		Note	2024/25 £'000
	Contributions and Benefits		
(151,367)	Contributions Receivable	(6)	(161,190)
(13,006)	Transfers In From Other Pension Funds	(7)	(16,637)
(164,373)			(177,827)
120,762	Benefits Payable	(8)	135,402
6,563	Payments To and On Account of Leavers	(9)	10,767
127,325			146,169
(37,048)	Net (additions)/withdrawals from dealings with Fund Members		(31,658)
13,426	Management Expenses	(10)	14,196
(23,622)	Net (additions)/withdrawals including Management Expenses		(17,462)
	Returns on Investments		
(14,941)	Investment Income	(11)	(17,255)
(295,168)	(Profit)/Loss on Disposal of Investments and Changes in the Value of Investments	(12A)	(109,786)
(7,764)	(Profit)/Loss on Forward Foreign Exchange	(13)	(12,215)
(317,873)	Net Returns on Investments		(139,256)
(341,495)	Net (Increase)/Decrease in the Net Assets Available for Benefits during the year		(156,718)
(3,060,280)	Opening Net Assets of the Fund		(3,401,775)
(3,401,775)	Closing Net Assets of the Fund		(3,558,493)

Net Asset Statement as at 31 March 2025

		Note	
1,182	Long Term Investment Assets	(12)	1,182
3,379,247	Investment Assets	(12)	3,533,979
(6,425)	Investment Liabilities	(12)	(1,568)
3,374,004	Total Net Investments		3,533,593
30,986	Current Assets	(19)	28,756
(3,215)	Current Liabilities	(20)	(3,856)
3,401,775	Net Assets of the Fund Available to Fund Benefits at the end of the Reporting Period		3,558,493

Note: The Fund's financial statements do not take account of liabilities to pay pensions and other benefits after the period end. The actuarial present value of promised retirement benefits is disclosed in Pension Fund Note 18.

Notes to the Pension Fund Financial Statements

Note 1. Description of the Pension Fund

The Lincolnshire Pension Fund (the Fund) is part of the Local Government Pension Scheme and Lincolnshire County Council is the Administering Authority. Benefits are administered by West Yorkshire Pension Fund (WYPF) in a shared service arrangement.

General

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

It is a contributory defined benefit pension scheme to provide pensions and other benefits for pensionable employees of Lincolnshire County Council, the district councils in Lincolnshire and a range of other scheduled and admitted bodies within the county. Teachers, police officers and firefighters are not included as they come within other national pension schemes.

The Fund is overseen by the Pensions Committee, which is a committee of Lincolnshire County Council.

Membership

Membership of the LGPS is automatic for eligible employees, but they are free to choose whether to remain in the scheme or make their own personal arrangements outside of the scheme.

Organisations participating in the Fund include:

- Scheduled bodies, which are local authorities and similar bodies whose staff are automatically entitled to be members of the Fund; and
- Admitted bodies, which participate in the Fund under the terms of an admission agreement between the Fund and the relevant employer. Admitted bodies include charitable organisations and similar not-for-profit bodies, or private contractors undertaking a local authority function following outsourcing to the private sector.

There are 268 contributing employer organisations in the Fund including the County Council and just under 82,500 members as detailed below:

	31 March 2024	31 March 2025
Number of employers with active members	262	268
Number of employees in the Fund:		
- Lincolnshire County Council	9,748	9,971
- Other Employers	16,215	16,494
Total	25,963	26,465
Number of Pensioners:		
- Lincolnshire County Council	18,638	19,460
- Other Employers	10,021	10,713
Total	28,659	30,173
Number of Deferred Pensioners:		
- Lincolnshire County Council	16,492	15,903
- Other Employers	9,678	9,943
Total	26,170	25,846
Total number of Members in the Scheme:	80,792	82,484

Funding

Benefits are funded by contributions and investment earnings. Contributions are payable by active members of the Fund in accordance with LGPS Regulations 2013 and range from 5.5% to 12.5% of pensionable pay. Employer contributions are set based on triennial actuarial funding valuations. Rates paid by employers during 2024/25 were determined at the 2022 Valuation, or when a new employer joins the scheme. Rates paid during 2024/25 ranged from 16.3% to 33.4% of pensionable pay. In addition, 52% of employers are paying monetary amounts to cover their funding deficit.

Benefits

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 Price Index.

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

	Service pre April 2008	Service between April 2008 and March 2014
Pension	Each year is worth $1/80 \times$ final pensionable salary.	Each year is worth $1/60 \times$ final pensionable salary.
	Automatic lump sum of $3/80 \times$ salary.	No automatic lump sum.
Lump Sum	In addition, part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.	Part of the annual pension can be exchanged for a one-off tax-free cash payment. A lump sum of £12 is paid for each £1 of pension given up.

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

Note 2. Basis of Preparation

The financial statements summarise the Fund's transactions for the 2024/25 financial year and its position at year end as at 31 March 2025.

The financial statements have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the Code), which is based on International Financial Reporting Standards (IFRS), as amended for the UK public sector.

The accounting policies set out below (at Pension Fund Note 3) have been applied consistently to all periods presented within these financial statements.

The financial statements report the net assets available to pay pension benefits. They do not take into account obligations to pay pensions and other benefits that fall due after the end of the financial year, nor do they take into account the actuarial present value of promised retirement benefits. The Code gives administering authorities the option to disclose this information in the net asset statement, in the notes to the account, or by appending an actuarial report prepared for this purpose. The Pension Fund has opted to disclose this information in Pension Fund Note 18.

The financial statements have been prepared on a going concern basis.

Accounting Standards That Have Been Issued but Have Not Yet Been Adopted

On an annual basis, the Code requires the Pension Fund to consider the impact of accounting standards that have been issued but have not yet been adopted and disclose information relating to the impact of these standards. For 2025/26 the Code introduces the following changes to the accounting standards:

- IAS 21 The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability) issued in August 2023. The amendments to the standard clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.
- IFRS 17 Insurance Contracts issued in May 2017. IFRS 17 replaces IFRS 4 and sets out principles for recognition, measurement, presentation and disclosure of insurance contracts.
- Changes to the measurement of non-investment assets within the 2025/26 Code including: adaptations and interpretations of IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. These include setting out three revaluation processes for operational property, plant and equipment, requiring indexation for tangible non-investment assets and a requirement to value intangible assets using the historical cost approach.

It is not thought that any of these changes will have a significant impact on the Pension Fund financial statements for 2025/26.

Note 3. Significant Accounting Policies

Fund account – revenue recognition

a. Contributions income

Normal contributions are accounted for on an accruals basis as follows:

- Employee contribution rates are set in accordance with LGPS regulations using common percentage rates for all Funds which rise according to pensionable pay; and
- Employer contributions are set at the percentage rate recommended by the Fund actuary for the period to which they relate.

Employer deficit funding contributions are accounted for on the basis advised by the Fund actuary in the rates and adjustment certificate issued to the relevant employing body.

Additional employers' contributions, for example, in respect of early retirements, are accounted for in the year the event arose.

Any amount due in year but unpaid will be classed as a current financial asset.

b. Transfers to and from other schemes

Transfer values represent the amounts received and paid during the year for members who have either joined or left the Fund. They are calculated in accordance with the LGPS Regulations 2013:

- Individual transfers in/out are accounted for when received/paid, which is normally when the member liability is accepted or discharged.
- Bulk transfers are accounted for in accordance with the terms of the transfer agreement.

c. Investment Income

i) Interest income

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

ii) Dividend income

Dividend income is recognised on the date the shares are quoted ex-dividend. Any amount not received by the end of the reporting period is disclosed in the net assets statement as a current financial asset.

iii) Distributions from pooled funds

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

iv) Changes in the net market value of investments

Changes in the net market value of investments are recognised as income/ expense and comprise all realised and unrealised profits/losses during the year. Where the Fund holds accumulation units in pooled funds no dividend or distribution is receivable by the Fund. All dividends and distributions are reinvested in the pooled fund and reflected in the unit price. Changes in the unit price are included in the change in the net market value of investments.

Fund account – expense items

d. Benefits payable

Pensions and lump sum benefits payable are included in the financial statements at the time of payment.

e. Taxation

The Fund is a registered public service scheme under section 1(1) of Schedule 36 of the Finance Act 2004 and as such is exempt from UK income tax on interest received and from capital gains tax on the proceeds of investments sold. Income from overseas investments suffers withholding tax in the country of origin, unless exemption is permitted. Irrecoverable tax is accounted for as part of the overall cost of transactions (e.g. purchase price).

f. Management expenses

The Fund discloses its pension fund management expenses in accordance with the CIPFA guidance: Accounting for Local Government Pension Scheme Management Expenses (2016), using the headings shown below. All items of expenditure are charged to the Fund on an accruals basis.

i) Administrative expenses

All costs associated with pensions administration are charged to the Fund. Associated management, accommodation and other overheads are apportioned to this activity and charged as expenses to the Fund.

ii) Oversight and Governance

All costs associated with the governance and oversight are recharged to the Fund. Associated management, accommodation and other overheads are apportioned to this activity and charged as expenses to the Fund.

iii) Investment management expenses

Investment management expenses are charged directly to the Fund as part of management expenses and are not included in, or netted off from, the reported return on investments.

Fees on investments where the cost is deducted at source have been included within investment expenses and an adjustment made to the change in market value of investments.

Fees for the external investment managers and custodian are agreed in the respective mandates governing their appointments. Broadly, these are based on the market value of the investments under their management and therefore increase and decrease as the value of the investments change.

In addition, the Fund has negotiated with Morgan Stanley Investment Management Ltd (for the Private Markets Portfolio) that an element of their fee will be performance related.

Where an investment manager's fee invoice has not been received by the financial year end, an estimate based upon the market value of their mandate is used for inclusion in the Funds financial statements.

Net assets statement

g. Financial assets

All investment assets are included in the net asset statement on a fair value basis as at the reporting date. A financial asset is recognised in the net asset statement on the date the Fund becomes party to the contractual acquisition of the asset. From this date, any gains or losses arising from changes in the fair value of the asset are recognised by the Fund and are classified as Fair Value through Profit and Loss (FVPL). Any amounts due or payable in respect of trades entered into, but not yet completed at 31 March each year are accounted for as financial instruments held at amortised cost.

The values of investments, as shown in the net asset statement, have been determined at fair value in accordance with the requirements of the Code and IFRS13 (see Pension Fund Note 14). For the purposes of disclosing levels of fair value hierarchy, the Fund has adopted the classification guidelines recommended in Practical Guidance on Investment Disclosures (PRAG/Investment Association, 2016).

Private market, infrastructure, private equity and property venture valuations are based on the most recent valuations provided by managers at the year-end date. Where more up-to-date valuations are received during the financial statement preparation or audit period, their materiality, both individually and collectively will be considered, and the financial statements revised to reflect these valuations, if necessary. If valuations are not produced by the manager at 31 March, then the latest available valuation is used, adjusted for purchases and sales which occur between the valuation date and 31 March.

The investment in the LGPS asset pool, Border to Coast Pensions Partnership, is also carried at fair value. This has been classified as Fair Value through Other Comprehensive Income (FVOCI) rather than FVPL as the investment is a strategic investment and not held for trading.

h. Foreign currency transactions

Dividends, distributions, interest, purchases and sales of investments in foreign currencies have been accounted for at the spot rates at the date of the transaction. End of year spot market exchange rates are used to value cash balances held in foreign currency bank accounts, market values of overseas investments and purchases and sales outstanding at the end of the reporting period. Any gains or losses arising from these transactions are treated as part of the change in the value of investments in the fund account.

i. Derivatives

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

Future value of forward currency contracts is based on market forward exchange rates at the year-end date and determined as the gain or loss that would arise if the outstanding contract were matched at the year-end with an equal and opposite contract. The contracts are valued using Northern Trust closing spot/forward foreign exchange rates on 31 March.

j. Cash and cash equivalents

Cash comprises: cash in hand, deposits and amounts held by external managers. All cash balances are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to minimum risk of changes in value.

k. Financial liabilities

A financial liability is recognised in the net assets statement on the date the Fund becomes legally responsible for that liability. The Fund recognises financial liabilities relating to investment trading at fair value as at the reporting date, and any gains or losses arising from changes in the fair value of the liability between contract date, the year-end date and the eventual settlement date are recognised in the Fund account as part of the Change in Value of Investments.

Other financial liabilities classed as amortised cost, i.e. the amount carried in the net asset statement is the outstanding principal repayable plus accrued interest.

l. Actuarial present value of promised retirement benefits

The actuarial present value of promised retirement benefits is formally assessed on a triennial basis by the scheme actuary in accordance with the requirements of IAS 19 and relevant actuarial standards. At each year end, the promised retirement benefits have been projected using a roll forward approximation from the latest formal funding valuation. As permitted under the Code, the Fund has opted to disclose the actuarial present value of promised retirement benefits by way of a note to the net assets statement (see Pension Fund Note 18).

m. Additional voluntary contributions

The Fund provides an additional voluntary contribution (AVC) scheme for its members, the assets of which are invested separately from those of the Pension Fund. The Fund has appointed Prudential as its AVC provider. AVCs are paid to the AVC provider by employers and are specifically for providing additional benefits for individual contributors. Each AVC contributor receives an annual statement showing the amount held in their account and the movements in the year.

AVCs are not included in the financial statements in accordance with Regulation 4(1)(b) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 but are disclosed as a note for information (see Pension Fund Note 21).

Note 4. Critical Judgements in Applying Accounting Policies

In applying the accounting policies, the Fund is required to make judgements about complex transactions and the value of assets and liabilities where there is an element of uncertainty. Those with the most significant effect include:

- No investments are impaired (further detail on how the fund manages risk are set out in Pension Fund Note 16: Nature and Extent of Risks Arising from Financial Instruments).

Any judgements made in relation to specific assets and liabilities, in addition to information stated in the relevant notes, can also be found in Pension Fund Note 3: Significant Accounting Policies.

Note 5. Assumptions Made About the Future and Major Sources of Estimation Uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for the revenues and expenses during the year. Estimates and assumptions are made, taking into account, historical experience, current trends and other relevant factors. However, the nature of estimation means that the actual outcomes could differ from the assumptions and estimates.

The items in the financial statements for the year ended 31 March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are set out in the table on the next page:

Item	Uncertainties	Effect if actual results differ from assumptions
Actuarial present value of promised retirement benefits (Pension Fund Note 18)	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to: the discount rate used; salary and pension increases; changes in retirement ages; mortality rates; and expected returns on Fund assets. Details about the actuarial method and assumptions selected by the Fund's actuary, Barnett Waddingham, are set out in Pension Fund Note 18.	<p>At 31 March 2025 the present value of the total obligation was estimated by the actuary to be £2,603.5m.</p> <p>The effects of changes in the individual assumptions can be measured. For example:</p> <p>1) a 0.5% increase in the discount rate assumption would reduce future pension liabilities by c. £182.5m.</p> <p>2) a 0.25% increase in earnings inflation would increase the value of future pension liabilities by c. £6.9m.</p> <p>3) a 0.25% increase in the pension increase rate would increase the value of future pension liabilities by c. £95.8m.</p> <p>4) a one-year increase in assumed life expectancy would increase the value of future pension liabilities by c. £95.2m.</p>
Hedge Funds (Pension Fund Note 14)	Some hedge fund investments are not regularly traded and as such there is a degree of estimation involved in the valuation.	A fund manager estimates that the sensitivity of valuation of these assets, included at level three in the fair value hierarchy, is +/-10%. This equates to a +/- £21.8m on a carrying value of £218.5m.
Market Value of unquoted level three investments (including: private markets, infrastructure, other property and private equity) (Pension Fund Note 14)	Private markets, infrastructure, other property and private equity are valued at fair value in accordance with International Private Equity and Venture Capital Valuation Guidelines (2018) and the Special Guidance issued in March 2020 concerning the impact of Covid-19 on valuations. These investments are not publicly listed and as such there is a degree of estimation involved in the valuation.	<p>Level three investments at 31 March 2025 are valued at £539.7m in the financial statements. There is a risk that these investments may be under- or over-stated in the accounts.</p> <p>Private markets by +/-15% or £59.8m on a carrying value of £398.6m.</p> <p>Infrastructure by +/-14% or £8.4m on a carrying value of £60.0m.</p> <p>Property Venture by +/-16% or £12.6m on a carrying value of £78.5m.</p> <p>Private Equity by +/-23% or £0.6m on a carrying value of £2.6m.</p>

Note 6. Contributions Receivable

Contributions receivable are analysed by category below:

	2023/24 £'000	2024/25 £'000
Employers		
Normal Contributions	115,362	122,703
Deficit Recovery Contributions		
Additional – Augmentation Contributions	1,126	867
Members		
Normal Contributions	29,552	32,081
Additional years Contributions	131	106
Total	151,367	161,190

These contributions are analysed by type of Member Body as follows:

	2023/24 £'000	2024/25 £'000
Lincolnshire County Council – Administering Authority	58,630	64,513
Scheduled Bodies	89,059	95,861
Admitted Bodies	3,678	816
Total	151,367	161,190

Note 7. Transfers In From Other Pension Funds

	2023/24 £'000	2024/25 £'000
Individual transfers from other schemes	13,006	14,773
Group transfers from other schemes	-	1,864
Total	13,006	16,637

There were no material outstanding transfers due to the Pension Fund as at 31 March 2025.

During 2024/25 two academy schools transferred into the Lincolnshire Pension Fund. Houghton Regis Academy, a member of The Greenwood Academies Trust and Bowman Academy, a member of C.I.T. Multi-Academy Trust.

Note 8. Benefits Payable

Benefits payable are analysed by category below:

	2023/24 £'000	2024/25 £'000

These benefits are analysed by type of Member Body as follows:

	2023/24 £'000	2024/25 £'000

Note 9. Payments To and On Account of Leavers

	2023/24 £'000	2024/25 £'000

There were no material outstanding transfers due from the Pension Fund as at 31 March 2025.

Note 10. Management Expenses

	2023/24 £'000	2024/25 £'000
Administration Costs	1,513	1,700
Investment Management Expenses	10,966	11,512
Oversight and Governance Costs	947	984
Total	13,426	14,196

The statutory audit fee for the year was £0.094m (£0.083m in 2023/24, plus fee variations of £0.010m).

A further breakdown of the investment management expenses is shown below:

2024/25	Total £'000	Management Fees £'000	Performance Related Fees £'000	Transaction Costs £'000
		711	8	119
Other Managed Funds	4,707	3,719	223	765
Cash				
Custody Fees	279			
Total	11,512			

2023/24	Total £'000	Management Fees £'000	Performance Related Fees £'000	Transaction Costs £'000
Managed by Border to Coast	4,737	3,884	-	853
Unitised Insurance Policies	711	711	-	-
Unit Trusts	913	714	19	180
Other Managed Funds	4,339	3,912	215	212
Cash	-	-	-	-
	10,700	9,221	234	1,245
Custody Fees	266			
Total	10,966			

Note 11. Investment Income

	2023/24 £'000	2024/25 £'000
Equities	28	(673)
Unit Trusts:		
- Property	1,501	1,671
Other Managed Funds:		
- Infrastructure	3,325	3,413
- Private Equity	-	244
- Private Markets	3,898	2,713
- Property	1,414	4,486
Interest on Cash Deposits	4,775	5,401
Total	14,941	17,255

During 2024/25 the Fund reviewed outstanding tax reclaims from segregated equity investments held up to 2020/21. The Fund wrote off £0.682m of reclaims which the custodian believes will not now be received.

Note 12. Investments

	31 March 2024 £'000	31 March 2025 £'000
Long Term Investments		
Unquoted Equity Holding in Border to Coast Pensions Partnership	1,182	1,182
Total Long-Term Investments	1,182	1,182
Investment Assets		
Pooled Investment Vehicles		
Managed by Border to Coast:		
- Bonds	411,138	449,807
- Equities – Global	539,398	521,662
- Equities – Overseas Developed Markets	348,423	349,642
- Equities – UK	277,892	269,997
- Multi Asset Credit	325,269	361,294
- Property	-	15,961
Unitised Insurance Policies:		
- Equities – Global	517,508	529,778
Unit Trusts:		
- Property	130,518	137,378
Other Managed Funds:		
- Infrastructure	66,927	59,999
- Private Equity	3,897	2,642
- Private Markets	568,915	618,355
- Property	98,528	96,937
Total Pooled Investment Vehicles	3,288,413	3,413,452
Other Investment Assets		
Derivatives:		
- Open Forward Foreign Exchange (FX)	-	-
Cash Deposits	88,882	119,703
Investment Income Due	1,952	824
Total Other Investment Assets	90,834	120,527
Total Investment Assets	3,379,247	3,533,979
Investment Liabilities		
Derivatives:		
- Open Forward Foreign Exchange (FX)	(6,425)	(1,568)
Total Investment Liabilities	(6,425)	(1,568)
Total Net Investment Assets	3,374,004	3,533,593

12A Reconciliation of Movements in Investments

2024/25	Market Value at 31 March 2024 £'000	Purchases and Derivative Payments £'000	Sales and Derivative Receipts £'000	Change in Value during the Year £'000	Market Value at 31 March 2025 £'000
Partnership					
Total Long-Term Investment					
Exchange (FX)					
- Investment Income Due	88,882				119,703
	1,952				824
Total Other Investments					
Total Net Investment Assets	3,374,004	5,820,204	(5,812,309)	122,001	3,533,593

2023/24	Market Value at 31 March 2023 £'000	Purchases and Derivative Payments £'000	Sales and Derivative Receipts £'000	Change in Value during the Year £'000	Market Value at 31 March 2024 £'000
	2,948,482	794,395	(749,632)		
				7,764	(6,425)
Other Investment Balances					
- Cash Deposits	75,666				88,882
- Investment Income Due	1,950				1,952
Total Other Investments					
Total Net Investment Assets	3,034,825	4,955,332	(4,932,303)	302,932	3,374,004

12B Investments Analysed by Fund Manager

[illegible]

12C Fund Assets exceeding 5%

The following table sets out where there is a concentration of investments which exceeds 5% of the total value of the net assets of the scheme (exc. holdings in UK Government Securities).

Fund Manager	31 March 2024		31 March 2025	
	£'000	%	£'000	%
Morgan Stanley (Private Markets)	568,915	16.7	618,355	17.4
Legal and General (Future World Fund)	517,508	15.2	529,778	14.9
Border to Coast (Global Equity Alpha)	539,398	15.9	521,662	14.7
Border to Coast (Sterling Investment Grade Credit)	411,138	12.1	449,807	12.6
Border to Coast (Multi-Asset Credit)	325,269	9.6	361,294	10.2
Border to Coast (Overseas Developed Market Equity)	348,423	10.2	349,642	9.8
Border to Coast (Listed UK Equity)	277,892	8.2	269,997	7.6

Note 13. Analysis of Derivatives

The holding in derivatives is used to hedge exposures to reduce risk in the Fund. The use of any derivatives is managed in line with the investment management agreements in place between the Fund and the investment manager.

The only direct derivative exposure that the Fund has is in forward foreign currency contracts. The Fund's private markets investment manager uses forward foreign exchange contracts to reduce exposure to fluctuations in foreign currency exchange rates.

Open Forward Currency Contracts

Settlement	Currency Bought	Local Value '000	Currency Sold	Local Value '000	Asset Value £'000	Liability Value £'000
	GBP	13,720	EUR	22,113	177	
	GBP	574,141	USD	743,133		(1,637)

Profit (Loss) of Forward Currency Deals and Currency Exchange

The profit or loss from any forward deals and from currency exchange is a result of normal trading of the Fund's managers who manage multi-currency portfolios. For 2024/25 this was a profit of £12.215m (£7.764m profit in 2023/24).

Note 14. Fair Value – Basis of Valuation

All investments assets are valued using fair value techniques based on the characteristics of each instrument, where possible using market-based information. There has been no change in the valuation techniques used during the year.

Asset and liability valuations have been classified into three levels, according to the quality and reliability of information used to determine fair values.

Level One – where the fair values are derived from unadjusted quoted prices in active markets for identical assets or liabilities, comprising quoted equities, quoted bonds and unit trusts.

Level Two – where quoted market prices are not available, or where valuation techniques are used to determine fair value based on observable data.

Level Three – where at least one input that could have significant effect on the instrument's valuation is not based on observable market data.

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

Description of Asset	Basis of Valuation	Observable and Unobservable Inputs	Key Sensitivities Affecting the Valuations Provided
Cash and cash equivalents.	Carrying value is deemed to be fair value because of the short-term nature of these financial instruments.	Not Required.	Not Required.
	Average of broker prices	Evaluated price feeds.	Not Required.
Forward foreign exchange derivatives.	Market forward exchange rates at the year-end.	Exchange rate risk.	Not Required.
Pooled property funds where regular trading takes place.	Closing bid price where bid and offer prices are published.		

Description of Asset	Basis of Valuation	Observable and Unobservable Inputs	Key Sensitivities Affecting the Valuations Provided
Level Three			
Pooled property, other investment funds and hedge funds where regular trading does not take place.	Valued by investment managers on a fair value basis each year using PRAG guidance.	NAV-based pricing set on a forward pricing basis.	Valuations are affected by any changes to the value of the financial instrument being hedged against.
Other unquoted and private equities (inc. private markets, infrastructure and private equity).	Comparable valuation of similar companies in accordance with International Private Equity and Venture Capital Valuation Guidelines 2018 and the IPEV Board's Special Valuation Guidance (March 2020).	EBITDA multiple; Revenue multiple; Discount for lack of marketability; and	
Control premium.	Valuations could be affected by material events occurring between the date of the financial statements provided and the pension fund's own reporting date, by changes to expected cashflows, and by any differences between audited and unaudited accounts.		

Sensitivity of assets valued at level 3

The Fund has determined that the valuation methods described above for level three investments are likely to be accurate within the following ranges, and has set out in the table below the consequent potential impact on the closing value of investments held at 31 March 2025.

	Potential variation in fair value (+ /)	Value as at 31 March 2025 £'000	Potential value on increase £'000	Potential value on decrease £'000
Infrastructure	14%	59,999	68,399	51,599
Private Equity	23%	2,642	3,250	2,034
Private Markets:				
- Hedge Funds	10%	218,464	240,310	196,618
- Unquoted Holdings	15%	398,553	458,336	338,770
Property Venture	16%	78,467	91,022	65,912

14A Fair Value Hierarchy

The following table provides an analysis of the financial assets and liabilities of the Pension Fund grouped into levels 1 to 3, based on the level at which the fair value is observable.

Values at 31 March 2025 Observable Fair Value	Quoted Market Price Level 1	Using Observable Inputs Level 2	With Significant Unobservable Level 3	Total
	£'000	£'000	£'000	£'000
Financial assets at fair value through profit and loss:				
<u>Pooled Investment Vehicles:</u>				
Managed by Border to Coast		1,952,402	15,961	1,968,363
Unitised Insurance Policies		529,778		529,778
Unit Trusts		137,378		137,378
Other Managed Funds	1,338	34,431	742,164	777,933
Derivatives: Forward Foreign Exchange				
Cash	17,532			17,532
Derivatives: Forward Foreign Exchange		(1,568)		(1,568)
		(1,568)		(1,568)
Unquoted Equity Holding in Border to Coast Pensions Partnership			1,182	1,182
			1,182	1,182
Net Investment Assets	18,870	2,652,421	759,307	3,430,598

Values at 31 March 2024	Observable	Quoted Market Price Level 1	Using Observable Inputs Level 2	With Significant Unobservable Level 3	Total
Fair Value		£'000	£'000	£'000	£'000
Pooled Investment Vehicles:					
Managed by Border to Coast			1,902,120		1,902,120
Unitised Insurance Policies			517,508		517,508
Unit Trusts			130,518		130,518
Other Managed Funds			40,131	698,136	738,267
Derivatives: Forward Foreign Exchange			-		-
Cash		13,208			13,208
		13,208	2,590,277	698,136	3,301,621
Financial liabilities at fair value through profit and loss:					
Derivatives: Forward Foreign Exchange			(6,425)		(6,425)
			(6,425)		(6,425)
Financial assets at fair value through other comprehensive income and expenditure:					
Unquoted Equity Holding in Border to Coast Pensions Partnership				1,182	1,182
				1,182	1,182
Net Investment Assets		13,208	2,583,852	699,318	3,296,378

14B Reconciliation of Fair Value Measurements within Level 3

2024/25	Market value at 31 March 2024	Purchases during the year and derivative payments	Sales during the year and derivative receipts	Unrealised gains/(losses) *	Realised gains/(losses) *	Market value at 31 March 2025
	£'000	£'000	£'000	£'000	£'000	£'000
Private Markets	3,897	(70)	(1,053)	1,563	(1,695)	2,642
	568,915	137,687	(110,616)	15,809	5,222	617,017
					164	78,467
Unquoted Equity Holding in Border to Coast Pensions Partnership	1,182	-	-	-	-	1,182
Total	699,318	158,138	(115,548)	13,344	4,055	759,307

2023/24	Market value at 31 March 2023	Purchases during the year and derivative payments	Sales during the year and derivative receipts	Unrealised gains/(losses) *	Realised gains/(losses) *	Market value at 31 March 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Infrastructure	68,498	1,839	(1,623)	(1,798)	11	66,927
Private Equity	6,123	223	(2,620)	(868)	1,039	3,897
Private Markets	455,250	135,084	(40,634)	11,087	8,128	568,915
Property Venture	41,187	19,379	(755)	(1,414)	-	58,397
Unquoted Equity Holding in Border to Coast Pensions Partnership	1,182	-	-	-	-	1,182
Total	572,240	156,525	(45,632)	7,007	9,178	699,318

* Unrealised and realised gains and losses are recognised in the profit and losses on disposal and change in market values line of the Fund account.

15A Classification of Financial Instruments

		31 March 2025			
		Fair value through profit & loss	Assets at amortised cost	Liabilities at amortised cost	Fair value through comprehensive income
		£'000	£'000	£'000	£'000
Other Investment Balances		17,532	116,418		
Sundry Debtors			824		
			4,749		
Derivatives: Forward Foreign Exchange	(1,568)				
Other Investment Balances					
Sundry Creditors				(2,022)	
		3,429,416	121,991	(2,022)	1,182

31 March 2024				
	Fair value through profit & loss	Assets at amortised cost	Liabilities at amortised cost	Fair value through comprehensive income
	£'000	£'000	£'000	£'000
Sundry Debtors		3,914		
	3,301,621	97,435		1,182
Financial Liabilities				
Derivatives: Forward Foreign Exchange	(6,425)			
Other Investment Balances				
Sundry Creditors			(1,489)	
	(6,425)	-	(1,489)	-
	3,295,196	97,435	(1,489)	1,182

15B Net Gains and Losses on Financial Instruments

All realised gains and losses arise from the sale or disposal of financial assets that have been derecognised in the financial statements. The fund has not entered into any financial guarantees that are required to be accounted for as financial instruments.

	2023/24 £000	2024/25 £000
Financial Assets		
Fair Value through Profit and Loss	295,168	109,786
	295,168	109,786

Note 16. Nature and Extent of Risks Arising from Financial Instruments

Risk and Risk Management

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

Responsibility for the Fund's risk management strategy rests with the Pensions Committee. Risk management policies have been established to identify and analyse the risks faced by the Pension Fund's operations. These are reviewed regularly to reflect changes in activity and market conditions.

a) Market Risk

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

To mitigate market risk, the Fund invests in a diversified pool of assets to ensure a reasonable balance between different categories, having taken advice from the Fund's Investment Consultant. The management of the assets is split between a number of managers and investment vehicles with different performance targets and investment strategies. Risks associated with the strategy and investment returns are included as part of the quarterly reporting to the Pensions Committee where they are monitored and reviewed.

Other Price Risk

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

The Fund is exposed to share and derivative price risk. This arises from investments held by the Fund for which the future price is uncertain. All securities investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instrument.

The Fund's investment managers mitigate this price risk through diversification, and the selection of securities and other financial instruments is monitored by the Fund to ensure it is within limits specified in the Fund's investment strategy.

Other Price Risk - Sensitivity Analysis

Following analysis of historical data and expected investment return during the financial year, the Fund, in consultation with a fund manager, has determined that the following movements in market price are reasonably possible for 2025/26; assuming that all other variables, in particular foreign exchange rates and interest rates, remain the same (prior year comparatives are shown below):

Asset Type	Value at 31 March 2025	Potential market movements (+/)	Value on Increase	Value on Decrease
	£'000		£'000	£'000
UK Equities	269,997	18%	318,596	221,398
Global Equities	1,051,440	18%	1,240,699	862,181
Overseas Equities	349,642	18%	412,578	286,706
Bonds	449,807	7%	481,293	418,321
Multi Asset Credit	361,294	8%	390,198	332,390
UK Property	199,884	16%	231,865	167,903
Overseas Property	50,392	16%	58,455	42,329
Infrastructure	59,999	14%	68,399	51,599
Private Equity	229,922	23%	282,804	177,040
Private Debt	63,816	12%	71,474	56,158
Private Real Assets	108,712	15%	125,019	92,405
Other Alternatives	83	15%	95	71
Hedge Funds	218,464	10%	240,310	196,618
Total Assets Available	3,413,452		3,921,785	2,905,119

Asset Type	Value at 31 March 2024	Potential market movements (+/)	Value on Increase	Value on Decrease
	£'000		£'000	£'000
UK Equities	277,892	16%	322,355	233,429
Global Equities	1,056,906	16%	1,226,011	887,801
Overseas Equities	348,423	16%	404,171	292,675
Bonds	411,138	6%	435,806	386,470
Multi Asset Credit	325,269	7%	348,038	302,500
UK Property	188,915	15%	217,252	160,578
Overseas Property	40,131	15%	46,151	34,111
Infrastructure	66,927	14%	76,297	57,557
Private Equity	235,257	23%	289,366	181,148
Private Debt	50,274	12%	56,307	44,241
Private Real Assets	69,077	15%	79,439	58,715
Other Alternatives	555	15%	638	472
Hedge Funds	217,649	8%	235,061	200,237
Total Assets Available	3,288,413		3,736,892	2,839,934

Interest rate risk

The Fund recognises that interest rates can vary and can affect both income to the Fund and carrying value of fund assets, both of which affect the value of the net assets available to pay benefits. A Fund Manager, and experience, suggests that a movement of +/- 100 basis points (+/- 1.0%) in interest rates from one year to the next is likely (+/-150 basis points in 2023/24).

Interest rate risk – sensitivity analysis

The analysis that follows assumes that all other variables, in particular exchange rates, remain constant, and shows the effect in the year on the net assets available to pay benefits of a +/- 1.0% change in interest rates. This analysis demonstrates that a 1.0% increase in interest rates will not affect the interest received on fixed interest assets but will reduce their fair value, and vice versa. Changes in interest rates do not impact on the value of cash and cash equivalent balances but they will affect the interest income received on those balances.

Assets Exposed to Interest Rate Risk:

Exposure to interest rate risk	Value at 31 March 2025	Percentage movement on 1.0% change in Interest Rates	Impact of 1.0% increase	Impact of 1.0% decrease
	£'000	£'000	£'000	£'000

Exposure to interest rate risk	Value at 31 March 2024	Percentage movement on 1.5% change in Interest Rates	Impact of 1.5% increase	Impact of 1.5% decrease
	£'000	£'000	£'000	£'000

Income Exposed to Interest Rate Risk	Interest Receivable 2024/25	Percentage movement on 1.0% change in Interest Rates	Impact of 1.0% increase	Impact of 1.0% decrease
	£'000	£'000	£'000	£'000
Cash Deposits, Cash and Cash Equivalents	5,401	81	5,482	5,320
Bond Funds				

Income Exposed to Interest Rate Risk	Interest Receivable 2023/24	Percentage movement on 1.5% change in Interest Rates	Value on 1.5% increase	Value on 1.5% decrease
	£'000	£'000	£'000	£'000
Cash Deposits, Cash and Cash Equivalents	4,775	72	4,847	4,703
Bond Funds	-	-	-	-
Total	4,775	72	4,847	4,703

Currency risk

Currency risk represents the risk that future cash flows will fluctuate because of changes in foreign exchange rates. The Fund is exposed to currency risk on any cash balances and investment assets not denominated in UK sterling. Following analysis of historical data and in consultation with an investment manager, the Fund considers the likely volatility associated with foreign exchange rate movements to be not more than 9%, as measured by one standard deviation (8% in 2023/24). A 9% strengthening/weakening of the pound against various currencies in which the Fund holds investments would increase/decrease the net asset available to pay benefits as follows:

Currency risk – sensitivity analysis

Asset Exposed to Currency Risk	Value at 31 March 2025	Potential Market Movement	Value on Increase	Value on Decrease
	£'000	£'000	£'000	£'000
Asset Exposed to Currency Risk	Value at 31 March 2024	Potential Market Movement	Value on Increase	Value on Decrease
	£'000	£'000	£'000	£'000
Overseas Hedge Funds	217,649	17,412	235,061	200,237
Overseas Infrastructure	15,540	1,243	16,783	14,297
Overseas Other Alternatives	555	44	599	511
Overseas Private Debt	49,408	3,953	53,361	45,455
Overseas Private Equity	235,256	18,820	254,076	216,436
Overseas Property	40,131	3,210	43,341	36,921
Overseas Real Private Assets	68,509	5,481	73,990	63,028
Total	627,048	50,163	677,211	576,885

b) Credit Risk

Credit risk represents the risk that the counterparty to a transaction or a financial instrument will fail to discharge an obligation and cause the Fund to incur a financial loss. Assets potentially affected by this are investment assets and cash deposits. 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 Fund is

additionally exposed to credit risk through its daily treasury activities. Credit risk may also occur if an employing body, not supported by central government, does not pay its contributions promptly, or defaults on its obligations.

The Pension Fund's bank account is held at Barclays, which holds an 'A+' long term credit rating (Fitch Credit Rating Agency), and it maintains its status as a well-capitalised and strong financial organisation. The management of the cash held in this account is carried out by the Council's Strategic Finance Manager - Treasury, in accordance with an agreement signed by the Pensions Committee and the Council. The agreement stipulates that the cash is pooled with the Council's cash and managed in line with the policies and practices followed by the Council, as outlined in the CIPFA Code of Practice for Treasury Management in the Public Services and detailed in its Treasury Management Practices. At 31 March 2025 the balance at Barclays was £102.247m (£79.895m at 31 March 2024).

The Pension Fund closely monitors employer contributions each month. All contributions from employers, due to the Fund for March 2025, were received by the end of May 2025. The Fund's default policy for admission bodies joining the Fund is under a pass-through arrangement. Under a pass-through arrangement, the letting authority retains the pensions risk. The admission body is responsible for paying the agreed contribution rate and also additional costs as set out in each admission agreement e.g. redundancy and early retirement costs.

c) Liquidity risk

Liquidity risk represents the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund takes steps to ensure that it has adequate cash resources to meet its commitments.

The Fund holds a working cash balance in its own bank account to cover the payment of benefits and other lump sum payments. At an investment level, the Fund holds a large proportion of assets in instruments that can be liquidated at short notice (pooled equities and bonds), normally within a week. As at 31 March 2025, these assets totalled £2,120.886m (£2,094.359m as at 31 March 2024), with a further £133.950m held in cash (£104.777m as at 31 March 2024).

Currently, the Fund is cash flow positive each month (i.e. contributions received exceed pensions paid). This position is monitored regularly and reviewed at least every three years alongside the Triennial Valuation.

Note 17. Funding Arrangements

In line with the Local Government Pension Scheme Regulations 2013, the Fund's actuary undertakes a funding valuation every three years for the purpose of setting employer contribution rates for the forthcoming triennial period. The last such valuation took place as at 31 March 2022 and the next valuation is due to take place as at 31 March 2025.

Description of Funding Policy

Details of the funding policy are set out in the Funding Strategy Statement (FSS), in summary, the key points are to:

- Ensure that pension benefits can be met as and when they fall due over the lifetime of the Fund;
- Ensure the solvency of the Fund;
- Set levels of employer contribution rates to target a 100% funding level over an appropriate time period and using appropriate actuarial assumptions, while taking into account the different characteristics of participating employers;
- Build up the required assets in such a way that employer contribution rates are kept as stable as possible, with consideration of the long-term cost efficiency objective; and
- Adopt appropriate measures and approaches to reduce the risk, as far as possible, to the Fund, other employers and ultimately the taxpayer from an employer defaulting on its pension obligations.

Further details are contained in the FSS.

Actuary's Statement

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

Asset value and funding level

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

- The market value of the Fund's assets as at 31 March 2022 was £3,071m.
- The Fund had a funding level of 101% i.e. the value of assets for valuation purposes was 101% of the value that they would have needed to be to pay for the benefits accrued to that date, based on the assumptions used. This corresponded to a surplus of £18m.

Contribution Rates

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

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

The primary rate of contribution on a whole Fund level was 24.1% of payroll p.a. The primary rate as defined by Regulation 62(5) is the employer's share of the cost of benefits accruing in each of the three years beginning 1 April 2023.

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

Details of each employer's contribution rate are contained in the Rates and Adjustments Certificate in Appendix 5 of the triennial valuation report.

Assumptions

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

Financial Assumptions	Assumptions used for the 2022 valuation
Demographic Assumptions	Assumptions used for the 2022 valuation
Post-retirement mortality:	
<i>Base tables</i>	S3PA tables
<i>Projection model</i>	CMI 2021
<i>Long-term rate of improvement</i>	1.25% p.a.
<i>Smoothing parameter</i>	7.0
<i>Initial addition to improvements</i>	0.0% p.a.
<i>2022/21 weighting parameter</i>	5%

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

Updated position since the 2022 valuation

Assets

Investment returns on the Fund's assets over the three years to 31 March 2025 have been higher than assumed at the previous actuarial valuation. The Fund also has a positive cash flow and so the market value of assets at 31 March 2025 has increased since the formal valuation.

Liabilities

Inflation over the three years to 31 March 2025 has been higher than the long-term average assumed at the 2022 valuation. However, this has been largely offset by changes in financial assumptions underlying the valuation funding model. The value of liabilities has overall increased mainly due to interest accruing on those liabilities and due to further accrual of members' benefits over the period.

Overall position

Both the value of assets and the value of liabilities are estimated to have increased by similar amounts and so the funding level is estimated to be similar to that at the last formal valuation.

The 2025 valuation of the Fund is now underway, which will set revised contributions for all employers due over the period from 1 April 2026 to 31 March 2029.

The Fund also continues to monitor the funding level using LGPS Monitor on a regular basis.

Matthew Paton FFA

Associate, Barnett Waddingham LLP

Note 18. Actuarial Present Value of Promised Retirement Benefits

In addition to the triennial funding valuation, the Fund's actuary, also undertakes a valuation of the pension fund liabilities adopting methods and assumptions that are consistent with IAS19 on an annual basis.

Introduction

Pension expense calculations have been undertaken in respect of pension benefits provided by the Local Government Pension Scheme (the LGPS) to members of the Lincolnshire Pension Fund as at 31 March 2025. The calculations take into account current LGPS Regulations, as amended, as at the date of this report.

The LGPS is a defined benefit statutory scheme administered in accordance with the regulations and currently provides benefits based on career average revalued earnings. Full details of the benefits being valued are as set out in the Regulations as amended and summarised on the LGPS website here and the Fund's membership booklet.

This report is prepared in accordance with the actuary's understanding of IAS26 and complies with Technical Actuarial Standard 100: General Actuarial Standards (TAS 100) as issued by the Financial Reporting Council (FRC). In calculating the disclosed numbers, they have adopted methods and assumptions that are consistent with IAS19.

This report should be read in conjunction with the post accounting date briefing note for disclosures as at 31 March 2025. A copy of this can be requested from the Fund.

Valuation Data

Data Used

The following items of data have been used in the calculations:

- 31 March 2022 - results of the latest funding valuation;
- 31 March 2024 - results of the previous IAS26 report;
- 31 March 2025 - actual Fund returns to;
- 31 March 2025 - Fund asset statement;
- 31 March 2025 - Fund income and expenditure items to; and
- 31 March 2025 - details of any new unreduced early retirement payments out to.

The data is provided by the administering authority and has been checked for reasonableness by the actuary, including consistency with previous valuation data where relevant and is sufficient for this purpose. Although some of these data items have been estimated, the actuary does not believe that they are likely to have a material effect on the results of this report. There have not been any material changes or events since the data was prepared.

Employer Membership Statistics

The table below summarises the membership data, as at 31 March 2022.

Member Data Summary	Number	Salaries / Pensions £'000	Average Age
Active Members	24,013	397,111	46
Deferred Pensioners	28,653	30,628	49
Pensioners	25,949	85,232	72

Payroll

The total estimated pensionable payroll for the employers in the Fund is £519,702,000 for the year to 31 March 2025 (£478,740,000 for the year to 31 March 2024).

Unfunded benefits

Unfunded benefits are excluded from the calculations as these are liabilities of employers rather than the Fund.

Early retirements

The calculations include 19 new early retirements during the year which were not allowed for at the previous accounting date. The total annual pension that came into payment was £204,400 (46 in the previous financial year totalling £253,200).

Assets

The return on the Fund (on a bid value to bid value basis) for the year to 31 March 2025 is calculated to be 3.88% based on actual Fund returns as set out in the data section above.

The estimated asset allocation for Lincolnshire Pension Fund as at 31 March 2025 is as follows (noting that due to rounding they may not total 100%):

Asset Breakdown	31 March 2024		31 March 2025	
	£'000	%	£'000	%
Equities	1,683,221	50%	1,671,080	47%
Bonds	461,537	14%	513,623	15%
Property	229,045	7%	250,276	7%
Cash/temporary investments	85,592	3%	120,141	3%
Infrastructure	136,004	4%	168,710	5%
Absolute Return Fund	778,729	23%	809,763	23%
Total	3,374,003	100%	3,533,593	100%

Actuarial methods and assumptions

Details of the actuarial methods and derivation of the assumptions used can be found in the 31 March 2025 briefing note (a copy of this can be requested from the Fund). The key assumptions used are set out below.

Financial Assumptions	31 March 2024	31 March 2025
	% p.a.	% p.a.
Discount Rate	4.90%	5.85%
Pension Increases (CPI)	2.90%	2.90%
RPI inflation	3.20%	3.20%
Salary Increases	3.90%	3.90%

Projected unit method is used in the calculations.

The actuary has allowed for actual ONS CPI inflation observed between March 2024 and March 2025, this is reflected in the experience loss/(gain) on defined benefit obligation figure in the results.

The demographic assumptions adopted are consistent with those used for the most recent Fund valuation, which was carried out as at 31 March 2022, except for an update of the CMI projection model. Details of the post-retirement mortality assumption are set out in the table on the next page; further details of the demographic assumptions adopted can be found in the briefing note corresponding to this report, and the Fund's actuarial valuation report.

Post Retirement Mortality	31 March 2024	31 March 2025

The assumed life expectancies, based on the assumptions set out above, are set out in the table below:

Life Expectancy from age 65 years	31 March 2024	31 March 2025
	20.8	20.8

Fund Duration

The estimated Macaulay duration of the Fund as at the accounting date, using the assumptions set out above is 16 years.

Results

The net surplus as at 31 March 2025 is estimated to be £930,051m.

Net pension asset in the statement of financial position as at:	31 March 2024 £'000	31 March 2025 £'000
Present value of the defined benefit obligation	(2,929,372)	(2,603,542)
Fair value of Fund assets (bid value)	3,374,003	3,533,593
Net surplus/(liability) in balance sheet	444,631	930,051

The present value of the defined benefit obligation consists of £2,577.376m (£2,896.446m as at 31 March 2024) in respect of vested obligation and £26.166m (£32.926m as at 31 March 2024) in respect of non-vested obligation.

The figures presented in this report are prepared on an IAS19 basis and therefore will differ from the results of the 2022 triennial funding valuation (see Pension Fund Note 17) because IAS19 stipulates the discount rate applied.

Note 19. Current Assets

	31 March 2024 £'000	31 March 2025 £'000
Contributions due - Employers		
Contributions due - Employees		
	3,914	4,749
Short Term Debtors	15,091	14,509
Cash Balances	15,895	14,247
Cash Balances	15,895	14,247

Note 20. Current Liabilities

	31 March 2024 £'000	31 March 2025 £'000
Short Term Creditors:		
Contributions - paid in advance	(22)	(6)
Creditors Relating to Members	(1,704)	(1,828)
Sundry Creditors	(1,489)	(2,022)
Total Current Liabilities	(3,215)	(3,856)

Note 21. Additional Voluntary Contributions

Scheme members may make additional contributions to enhance their pension benefits. All Additional Voluntary Contributions (AVC) are invested in a range of investment funds managed by the Prudential plc. At the year end, the value of AVC investments (excluding any final bonus) amounted to £7.761m (£7.596m in 2023/24). Member contributions of £0.738m (£0.766m in 2023/24) were received by the Prudential and £1.600m (£1.800m in 2023/24) was paid out to members in the year to 31 March 2025.

The value of AVC funds and contributions received in the year are not included in the Fund Account and Net Assets Statement.

Note 22. Related Party Transactions

Lincolnshire County Council

The Lincolnshire Pension Fund is administered by Lincolnshire County Council. During the reporting period, the Council incurred costs of £0.353m (£0.303m in 2023/24) in relation to the administration of the Fund and was subsequently reimbursed by the Fund for these expenses.

The Council is also the single largest employer of members of the Pension Fund and contributed £51.039m (£46.445m in 2023/24) to the Fund in 2024/25. All monies owing to and due from the Fund were paid by the statutory deadline and accounted for in the financial year.

The Treasury Management section of the Council acts on behalf of the Pension Fund to manage the cash position held in the Pension Fund bank account. This is amalgamated with the Council's cash and lent out in accordance with the Council's Treasury Management policies. During the year, the average balance in the Pension Fund bank account was £85.949m (£74.272m in 2023/24) and interest of £4.582m (£3.825m in 2023/24) was earned over the year.

Pensions Committee

Each member of the Pension Fund Committee is required to declare their interests at each meeting and is also asked to sign an annual declaration disclosing any related party transactions. Three Committee members: J Balchin (Employee Representative), S Larter (Small Scheduled Bodies Representative) and T Hotchin (Academy Sector Representative) were contributing members of the Pension Fund during 2024/25. S Larter (Small Scheduled Bodies Representative) is also a deferred member of the scheme. Cllr M Allen, Cllr Mrs Overton and Cllr P Key (District Council Representative) were in receipt of a pension from the Lincolnshire Pension Fund.

Border to Coast Pensions Partnership

Lincolnshire Pension Fund is a minority shareholder in Border to Coast Pensions Partnership. It holds a £1 A share which gives the Fund one vote. The Fund also holds £1.182m (£1.182m in 2023/24) of regulatory share capital (B shares). These are included within long term investments in the net asset statement. At 31 March 2025 the Fund had invested in six sub-funds managed by Border to Coast Pensions Partnership (details shown in Note 12) and 55.7% of fund assets were under the management of Border to Coast at 31 March 2025 (56.4% at 31 March 2024). During 2024/25 the Fund paid Border to Coast £5.102m (£5.875m in 2023/24) to manage these assets and the partnership.

Note 23. Key Management Personnel

The key management personnel of the Fund are the Deputy Chief Executive and Executive Director of Resources, Assistant Director Finance, Head of Lincolnshire Pension Fund, and Accounting, Investment and Governance Manager. The Fund does not employ any staff directly. Lincolnshire County Council employs the staff involved in providing the duties of the Administering Authority for the Fund. The proportion of employee benefits earned by key management personnel relating to the Pension Fund are: £0.148m short term benefits (£0.144m in 2023/24) and £0.036m post-employment benefits (£0.035m in 2023/24).

Note 24. Contractual Capital Commitments

At 31 March 2025 the Fund had outstanding capital commitments (investments) to ten investment vehicles, amounting to £76.962m (£102.096m as at 31 March 2024). These commitments relate to outstanding call payments due on unquoted limited partnerships making investments in private equity, property or infrastructure funds. The amounts 'called' by these funds are irregular in both size and timing over the lifetime of the funds.

Note 25. Events After the Balance Sheet Date

There have been no events after the balance sheet date that require adjustment or disclosure within the financial statements.

5 Investments and Funding

The Fund's [Investment Strategy Statement](#) (ISS) (full hyperlink available at Appendix A) sets out the long term asset allocation to meet the Fund's objectives of paying pensions when they fall due. It links to the [Funding Strategy Statement](#) (FSS) (full hyperlink available at Appendix A), which sets out how employers' contribution rates are set and how employers are managed on entry and exit from the Fund, in that the investment strategy sets out how the assets will be invested to meet the required level of investment growth to ensure that employers are 100% funded over the long term. The FSS is reviewed during each triennial valuation and all employers are consulted on the document before it is approved by the Pensions Committee.

The Fund needs to take risk to help it achieve its funding objectives. It has an active risk management programme in place that aims to help it identify the risks being taken, and put in place processes to manage, measure, monitor and (where possible) mitigate the risks being taken. One of the Committee's overarching beliefs is to only take as much investment risk as is necessary.

The ISS is reviewed alongside the triennial valuation and implementation of changes agreed can take a period of time. The table below shows the movements across the asset allocation from the start of the year to the end of the year, and the target strategic asset allocation as set out in the ISS:

Asset Class	Asset allocation (31 March 2024)	Asset Allocation (31 March 2025)	Target Strategic Asset Allocation
- Border to Coast Overseas Developed Markets	10.0%	10.0%	10.0%
- Legal & General Future World Fund	15.0%	15.0%	15.0%
Diversifying Growth Assets			
- Morgan Stanley Private Markets (incl. legacy PE and Infrastructure)	20.5%		
- Border to Coast Multi Asset Credit	10.0%	10.0%	10.0%
Property			
- UK Commercial Property	4.5%	4.0%	3.15%
- UK Residential Property	2.0%	2.0%	3.15%
- Global Property	1.5%	2.0%	4.2%
Protection Assets			
Fixed Income			
- Border to Coast Sterling Investment Grade Credit	12.5%	12.5%	12.5%
- Cash	1.0%	1.0%	1.0%
	100.0%	100.0%	100.0%

Over the reporting period, eighteen employers joined the Fund and twelve employers left. All employers were managed in line with the FSS.

Both the ISS and FSS are compliant with the statutory guidance.

Investment administration and custody are undertaken by either Northern Trust, as the Fund's custodian, or by the underlying managers own appointed custodians. Following a successful procurement exercise, the Fund transitioned to a new custodian, Caceis, as of 1st April 2025.

Investment Performance 2024/25

Asset Class	Fund Manager	12 month performance to 31 March 2025		
		Fund Manager return %	Benchmark return %	Benchmark
Future World Equity Fund	Legal & General Investment Management	2.5%	2.9%	Product specific index
Global Equity Alpha	Border to Coast	1.6%	4.9%	MSCI All Countries World Index
Overseas Developed Equity	Border to Coast	1.2%	1.9%	Weighted Developed Markets Index
UK Listed Equity	Border to Coast	8.0%	10.5%	FTSE All Share
Property				
Property Unit Trusts	Various	6.7%	6.4%	UK IPD Monthly Index
Property Global	Various	(3.8%)	6.0%	6% per annum
Property UK Residential	Various	0.9%	6.0%	6% per annum
Diversifying Growth Assets				
Private Markets	Morgan Stanley Investment Management	7.1%	10.8%	GBP 3-month SONIA + 6%
Infrastructure	Various	(2.6%)	6.0%	6% per annum
Multi Asset Credit	Border to Coast	7.4%	8.7%	Product specific index
Fixed Interest				
Sterling Investment Grade Credit	Border to Coast	2.8%	2.4%	iBoxx Sterling Non-Gilts Index
Cash	LCC	5.4%	5.0%	SONIA -0.1%
Overall Performance for 12 months		3.9%	6.1%	

Property and Infrastructure managers include:

- Property unit trusts: Aberdeen, Blackrock and Royal London
- Global property funds: Aberdeen, Border to Coast
- Residential property funds: Allianz and Hearthstone
- Infrastructure funds: Infracapital, Innisfree and Pantheon

Environmental, Social, and Governance

The Lincolnshire Pension Fund was again successful in submitting its Stewardship Code Statement (full hyperlink available at Appendix A) for 2023/24, meeting the requirements of the Financial Reporting Council's (FRC) Stewardship Code. The FRC produced the new code in 2020 requiring more detail and examples of outcomes of stewardship. The Fund encourages its external managers and service providers to produce their own statements against the FRC code and requires them to report their engagement and stewardship activity to the Fund.

The Fund is a member of the Local Authority Pension Fund Forum (LAPFF), which is a voluntary organisation comprising of 87 LGPS Funds and seven of the LGPS asset pools. LAPFF exists to promote the investment interests of Local Authority Pension Funds, and to maximise their influence as shareholders in promoting corporate social responsibility and high standards of corporate governance in the companies in which they invest. Further information on the work of the LAPFF can be found at www.lapfforum.org.

The Fund is a member of Pensions UK (previously PLSA), where the Head of Lincolnshire Pension Fund sits on the Pensions UK Local Authority Committee.

The Fund requests that its equity managers vote on all company holdings, wherever possible. Information on the votes cast by these managers is reported to the Pensions Committee in the Stewardship Update report on a quarterly basis, which is available on the Lincolnshire County Council website in the relevant Pensions Committee papers (full hyperlink available at Appendix A).

The Pensions Committee believe that the adoption of good practice in Corporate Governance will improve the management of companies and thereby increase long term shareholder value. The Fund's Responsible Investment (RI) policy and Corporate Governance and Voting policy can be found on the Council's website (full hyperlink available at Appendix A). These policies are aligned with those of our asset pool, Border to Coast, who is responsible for implementing them across the assets that they manage for the Fund. In addition to this, the Committee have their own agreed Responsible Investment Beliefs, which were last reviewed in February 2022, and these can also be found on the website. Any investment decisions that the Committee make are made with consideration of these beliefs.

The Fund works closely with Border to Coast and the other partner funds within the asset pool to ensure that they integrate RI into all their investment activity. Further information on the RI work that Border to Coast does can be found on their website at www.bordertocoast.org.uk.

Accounting for Local Government Pension Scheme Management Expenses

The management expenses incurred by the Fund over the financial year are set out below:

Management Expenses	2024/25 £'000
Administration Costs	1,700
Investment Management Costs	11,512
Oversight and Governance Costs	984
Total Management Expenses	14,196

- **Administrative expenses** - All costs associated with pensions administration are charged to the Fund. Associated management, accommodation and other overheads are apportioned to this activity and charged as expenses to the Fund.
- **Investment management expenses** - Investment management expenses are charged directly to the Fund as part of management expenses and are not included in, or netted off from, the reported return on investments. Fees on investments where the cost is deducted at source have been included within investment expenses and an adjustment made to the change in market value of investments.
- **Oversight and Governance** - All costs associated with the governance and oversight are recharged to the Fund. Associated management, accommodation and other overheads are apportioned to this activity and charged as expenses to the Fund.

Fees for the external investment managers are agreed in the respective mandates governing their appointments. Broadly, these are based on the market value of the investments under their management and therefore increase and decrease as the value of the investments change. Investment manager fees are generally higher where more active risk is taken by the manager, as manager skill is expected in these types of mandate, theoretically leading through to higher returns. Passive products that track an index are generally the cheapest form of investment.

The Fund uses the information required of managers through the Scheme Advisory Board's Code of Transparency to understand implicit costs within an investment product and ensure that manager expenses are reflected as fully and accurately as possible.

Strategic Asset Allocation

The asset allocation is shown on page 77 and reflects the long-term asset allocation agreed by the Pensions Committee. This will be fully implemented over time as the Fund transitions assets to Border to Coast. In the interim, the actual asset allocation may be quite different to the final strategic allocation. For performance measurement purposes the strategic allocation is amended as assets are moved.

Actual Asset Distribution

The actual distribution of assets compared to the long-term strategic allocation is shown in the table below, as at 31 March 2025.

Asset Class	Strategic Allocation %	Range %	Maximum %	Actual Assets £'000 %	
Equity Assets					
UK Equities	5.0	+/-1%	6.0	269,997	7.6
Global and Overseas Equities	40.0	+/-5%	45.0	1,401,082	39.7
Total Equities	45.0	+/-6%	51.0	1,671,079	47.3
Diversifying Growth Assets					
Private Markets (inc. legacy PE & infra)	21.0	+/-3%	24.0	696,994	19.7
Multi-Asset Credit	10.0	+/-2%	12.0	361,294	10.2
Property	10.5	+/-1.5%	12.0	250,448	7.1
Total Diversifying Growth Assets	41.5	+/-6.5%	48.0	1,308,736	37.0
Protection Assets					
Fixed Income	12.5	+/-1.5%	14.0	449,807	12.7
Unallocated Cash	1.0	+/-0.5%	1.5	102,789	2.9
Total Protection Assets	13.5	+/-2%	15.5	552,596	15.6
Total Assets	100.0			3,532,411	100.0

Pooling

In the LGPS (Management and Investment of Funds) Regulations 2016, enacted in November 2016, the Government required all Local Government pension funds to combine their assets into a small number of asset pools, in line with guidance issued by the Secretary of State and meeting the four criteria set out below:

- a. Benefits of scale - a minimum asset size of £25bn;
- b. Strong governance and decision making;
- c. Reduced costs and value for money; and
- d. Improved capacity to invest in infrastructure.

These regulatory changes do not affect the sovereignty of the Lincolnshire Pension Fund, and the pooling of LGPS assets will have no impact on the employee contribution rates or pension entitlement of members of the Fund (pensioners, current employees and previous employees who are yet to draw their pension).

Lincolnshire Pension Fund's solution

Having assessed the various options available, it was decided that the Fund would pool its assets with ten other like-minded funds and create a new entity to implement the investment strategy and manage the investments. Some core principles were agreed at the very beginning, these included:

- One Fund, one vote – regardless of size all Funds will be treated equally;
- Equitable sharing of costs;
- A fully regulated company; and
- To drive efficiencies and work effectively, partner funds must have a complimentary investment ethos, risk appetite and strategy.

The new entity was created by the partner funds, with experts appointed to ensure the structure would meet the needs of the Funds, the requirements of the Financial Conduct Authority (FCA) and the criteria set by Government.

Border to Coast Pensions Partnership

Border to Coast Pensions Partnership Ltd (Border to Coast) went live in July 2018 as a fully regulated asset management company, jointly owned by eleven partner funds' administering authorities, with each Fund having an equal share in the company. Border to Coast's role is to implement the investment strategies of the partner funds, through a range of investment sub-funds offering internally and externally managed solutions.

LGPS: Fit for the Future

In her inaugural Mansion House speech, in the Autumn of 2025, the Chancellor of the Exchequer, Rachel Reeves, announced the launch of a consultation to overhaul the way the LGPS invests to deliver large pools of professionally managed capital in line with international best practice, while embedding investment in local communities as a priority, placing the scheme on a stronger, more sustainable footing in the interest of members, employers, and local taxpayers.

The consultation 'LGPS fit for the future' focused on three areas:

- Asset pooling – optimising pooling for the future;
- Local investment; and
- Good governance of funds and pools.

The Pension Fund submitted a response to the government's consultation in January 2025.

The Government published the consultation outcome on 29 May 2025, and the Pension Schemes Bill was introduced to parliament on 5 June. The Fund is working closely with Border to Coast and other Partner Funds to ensure successful implementation of the requirements of the Bill and any subsequent regulations and guidance.

Asset Transitions

As at 31 March 2025, the Lincolnshire Fund had transitioned assets into six sub-funds at Border to Coast, had approved the transition of global equity holdings with Legal and General Investment Managers into the Multi-Factor Equity sub-fund, and to make a commitment to UK Real Estate in the financial year 2025/26.

The Fund has 55.7% invested in Border to Coast vehicles as at 31 March 2025, compared to 56.4% invested at 31 March 2024. Total assets pooled in line with the Government Directive, which includes assets not directly managed by Border to Coast but also passive funds with a manager where fees have been negotiated by the pool, stood at 70.8% (all assets managed in Border to Coast funds and the investment with LGIM).

Assets not managed directly by Border to Coast

There are six areas that are currently not managed by Border to Coast, as set out below, with the transition plan or reasons as to why they have not been transitioned at this time.

- **Passive Equities – managed by LGIM (15% allocation)**
Border to Coast has developed a Multi Factor Global Equity fund which these assets will transition to. This sub-fund launched in May 2025 and assets from LGIM were transitioned into this sub-fund.

- **UK Commercial Property – managed across a number of funds (3.15% allocation)**

The Committee have approved a long-term ambition to transition to the Border to Coast UK Real Estate sub-fund, however it will take a number of years to fully transition. An initial commitment of £37.5m was made in April 2025.
- **UK Residential Property – managed across a number of funds (3.15% allocation)**

Border to Coast is not currently developing a residential property offering, and the Fund has a 3.15% strategic allocation to this asset class. If an appropriate vehicle is developed, investments will be made and transition of legacy assets will take place where possible.
- **Overseas Property – legacy holding (4.2% allocation)**

The Fund has made its first commitment of £85.0m to the Border to Coast Global Core Real Estate sub-fund but still holds legacy assets in Aberdeen’s European Property Growth Fund, which is in wind-up. Additional funds will be invested in the Border to Coast vehicle as they become available.
- **Private markets – managed by Morgan Stanley (21% allocation)**

A decision was made by the Pensions Committee at its meeting in June 2022 to retain Morgan Stanley for the management of the private markets investments until Border to Coast had a comparable vehicle that provided a fully serviced solution. The Fund is working with Border to Coast on this and it is expected that the private markets portfolio will transition in 2026, with Border to Coast making new commitments and managing the legacy assets.
- **Infrastructure – legacy holdings managed across a number of funds (inc. with 21% allocation to private markets)**

These are closed ended vehicles that were invested in prior to Border to Coast’s vehicles being available and will be held to maturity.

Border to Coast costs and savings for Lincolnshire

Border to Coast have worked with the Partner Funds, and other asset pools, to gather data, agree assumptions, and build a savings model and process that will enable consistent reporting against this key metric going forward. This supports one of the original objectives of pooling, i.e. to reduce costs and deliver value for money. Note: savings from future launches are not included.

The table below details the net savings to date:

Border to Coast Costs and Savings	Cumulative		
	to 2023/24	2024/25	Total
	Actual £m	Actual £m	Actual £m
Implementation Costs – pre-incorporation	0.19	-	0.19
Implementation Costs – post-incorporation	0.24	-	0.24
Share Purchase/ Subscription	1.18	-	1.18
Share Purchase/ Subscription (adj.)	(1.18)	-	(1.18)
Governance Costs	1.54	0.30	1.84
Development Costs	0.28	0.09	0.37
Project Costs	0.61	0.02	0.63
Total Set up and Operating Costs	2.86	0.41	3.27
Transition Costs	0.45	-	0.45
Total Transition Costs	0.45		0.45
Fee savings due to pooling	0.57	-	0.57
Fee Savings – Private Markets	-	-	-
Fee Savings – Public Markets	5.94	1.86	7.79
Fee Savings – Public Markets (add. costs)	(0.20)	(0.09)	(0.29)
Fee Savings – Real Estate UK	-	-	-
Fee Savings – Real Estate Global	-	-	-
One Offs (Crossing deals)	3.28	-	3.28
Other Savings	-	-	-
Total Fee Savings	9.59	1.77	11.36
Net Position	6.28	1.36	7.64
Cumulative Net Position	6.28	7.64	7.64

Asset Table

£m Asset values as at 31 March 2025	Pooled £'000	Under pool management £'000	Not pooled £'000	Total £'000
Equities (including convertible shares)	1,141,301	529,778		1,671,079
Bonds	449,807			449,807
Property	15,961		234,315	250,276
Hedge funds			218,464	218,464
Diversified Growth Funds (incl. multi-asset funds)	361,294			361,294
Private equity			229,922	229,922
Private debt			63,816	63,816
Infrastructure			168,711	168,711
Derivatives			(1,568)	(1,568)
Cash and net current assets			120,527	120,527
Other			83	83
Total	1,968,363	529,778	1,034,270	3,532,411

Supplementary Table

£m Asset values as at 31 March 2025	Pooled £'000	Under pool management £'000	Not pooled £'000	Total £'000
UK Listed Equities	316,281	18,012		334,293
UK Government Bonds	31,397			31,397
UK Infrastructure			33,036	33,036
UK Private Equity				0
Total	347,678	18,012	33,036	398,726

6 Administration

Summary of activity

Lincolnshire Pension Fund (LPF) operates within a shared service arrangement with West Yorkshire Pension Fund (WYPF) to provide Pensions Administration services for members. This arrangement began in April 2015 and was made to improve efficiency and reduce costs in the provision of the Pensions Administration service.

A satellite office for the WYPF administration team is based at County Offices, Lincoln, co-located with the LCC Pension Fund team, to enable scheme members to have a point of contact in Lincolnshire. Members can visit County Offices and speak to someone regarding their pension arrangements.

The monthly data return from employers is a considerable benefit to the administration process and has improved the quality of data held in the administration system, enabling a better service to be provided to scheme members. However, some employers and their payroll providers still need to improve their own processes for submitting accurate data. WYPF continues to work with the Lincolnshire Fund and its employers to improve all aspects of administering the scheme.

The Pensions Committee and Pension Board take a keen interest in the administration of the Fund and receive regular reports and presentations (see the Board's annual report on page 20) on all aspects of the administration service.

The Head of Lincolnshire Pension Fund attends the bi-monthly shared service meetings, with all shared service partners. In addition, as part of the overall governance of the service, the Head of Lincolnshire Pension Fund sits on the Collaboration Board of the shared service, alongside the senior management of WYPF and other shared service partners, to ensure that the original aims of the partnership with WYPF are met.

The service is monitored through a number of performance indicators agreed internally. KPI's as set out within the 2024 LGPS Annual Report guidance are shown at Appendix B. Performance is reported quarterly to the Pensions Committee and Pension Board, and regular meetings are held with WYPF to understand and manage any performance issues. The critical business areas impacting on pensioners and their families take priority, these being members requiring immediate payment for retirements, redundancies, dependants' pensions, and death grants.

Major projects undertaken

WYPF have commenced some major projects over the last 12 months which have taken time and resource across all areas of the administration:

- Pensions Dashboard – A new online management system for pensions is being introduced, making retirement much easier. The 'Pension Dashboard' is designed to consolidate all retirement savings in order that they can be viewed on a single, secure online hub. By engaging with Pensions Dashboard, individuals can identify any gaps in their pensions savings, track down lost pension pots, and ensure their retirement plans are on track. Members can also see their state pension benefits. An integrated service provider was appointed following a full Invitation to Tender (ITT) process and loading and matching data on the new system has been successfully tested .
- Monthly Postings – an upgraded monthly posting system has been developed and launched with employers.
- New Website – a new member focused website has been developed and launched. This has significantly improved member experience with a panel of over 3,000 members helping this development journey. WYPF's website has not been redesigned since the introduction of the Career Average Revalued Earnings (CARE) scheme in 2014. Change was needed to improve member, employer, and fund experiences when using the website and to improve the diversity of media to boost accessibility. Testing to ensure the website is secure was also completed and the site has been passed successfully by Bradford IT and a third-party professional tester.
- Benefits Processing System Automation – three areas have now been through the automation process and journey:
 - Deferred benefit calculations and deferred benefit recalculations (when pay award is agreed after a member has left the deferred benefits need to be recalculated on the new pay figure).
 - Leaver matrix – partial automation of leaver notification triaging has been introduced into UPM, the benefits administration system. UPM identifies early leavers who are entitled to deferred benefits and starts the deferred benefits process. This development means that some deferred benefits are processed entirely by UPM from receipt of the leaver notification to the printing of the deferred benefit letter after it has been processed.
 - Linkings – these are automatic between the same Local Government Fund if the member has a preserved refund and linking quotes and actuals from deferred benefit status.

To date automation has processed over 26,000 individual calculations. Further areas that can be developed and automated will be reviewed over the coming months.

- McCloud – this has been a challenging programme to date due to software supplier date slippage and the legislative timeframe. Recent upgrades to the UPM Civica administration system provide calculations on member records for McCloud. It has now been fully tested, and the deliveries are working as they should be. The latest Civica deliveries included the necessary McCloud sub calculations for some, but not all, individual transactional calculations required.

These deliveries have meant that Service Centre can start processing work, including underpins where applicable, for some new ‘business as usual’ cases that are being processed.

Further information about the necessary bulk calculations from Civica is outstanding. These will enable the administrator to identify and potentially pay any additional payment that is needed for transactions processed since 2014 where the member is eligible for a McCloud underpin.

- GMP Reconciliation – the systematic reconciliation of GMP records has been completed. This has affected over 24,000 members. There is still work to do on this project and this will continue over the coming months.

Data Quality

LGPS Funds are required to report on their data quality to the Pensions Regulator as part of the annual scheme returns. The Pensions Regulator has set a target of 100% accuracy for new common data received after June 2010.

Current data quality figures for the Fund are shown below:

Common data field	Data score %
Forename	100.0
Surname	100.0
Membership status	100.0
Date of birth	100.0
NI number	99.9
Address	96.7
Postcode	96.7

WYPF have implemented a project to procure additional services to improve address related data. This will help to improve the data quality figures.

Records and Administration (Accuracy, Cyber Security, Confidentiality)

Broad arrangements in place for dealing with scheme membership records and benefits administration

WYPF use a specialist pension administration system to manage scheme membership data, benefit calculations, and facilitate member communications. Employers provide monthly data returns ensuring timely updates of information regarding new joiners, leavers, change of hours, change of address, and pensionable pay received including member and employer contributions. The administration team follows established workflows and documented procedures to process member events efficiently and in compliance with our Quality Management System which has been implemented and developed in accordance with the requirements of ISO 9001: 2015

Who undertakes the above activities

The pension administration section is made up of several specialist teams each staffed by trained officers responsible for the day-to-day administration of the pension fund. Oversight and strategic direction are provided by Member Services Managers and the Head of Service Delivery.

Arrangements in place for ensuring accuracy

WYPF conduct regular data cleansing exercises and reconciliations within different systems. Automatic checks are routinely built into workflow processes. Annual benefit statements and pension savings statements help validate information held on our systems. In addition, WYPF carry out internal quality checks and undergo periodic audits (both internal and external). The Pension Regulator's record-keeping standards guide best practice, and WYPF also participate in the National Fraud Initiative to ensure data integrity.

Cyber security

Our members entrust us to hold, manage and process some of their most valuable and sensitive data. A responsible and prudent approach is taken to delivering leading and safe cyber security solutions, working with trusted partners with appropriate governance. WYPF have continued to invest in cyber security across the year.

IT security has three layers of cyber defence and uses The National Cyber Security Centre (NCSC) standards and guidance. Feeds are also taken from the National Institute of Standards and Technology (NIST), the American equivalent. WYPF are committed to providing continuous training to colleagues across the organisation. In addition, there is a dedicated Data Governance Manager, and they have invested in new software and staff training during this year.

Cyber security is a rapidly evolving risk environment, and the WYPF Executive recognises that environments need to keep pace with external threats and risk profiles. Cyber security and IT controls will continue to be strengthened in 2025 and WYPF Executive will maintain a strong focus on this area.

Confidentiality

The shared service delivery continues to be underpinned by its accreditation to the Information Management Certificate - ISO27001. This accreditation is particularly important as it highlights WYPF's continued commitment to information security and provides assurance to our members and customers that we can always protect their data and corporate reputation. An ISMS (Information Security Management System) is a systematic approach to managing sensitive personal and company information so that it remains secure. It includes people, processes, and IT systems by applying a risk management process.

Key Performance Indicators (KPIs)

These are detailed at Appendix B and show various performance metrics including:

- Number, and percentage completion, of cases
- Casework target completion
- Number of member engagements
- Shared service resourcing
- Data quality

Pertinent commentary with regards to individual Key Performance Indicators can be found within Appendix B.

Overall, the KPI's are completed well within the target days but there are some areas that have not met their target percentage:

- **Communication issued with deferred benefit options** – Once a member leaves, they are issued with a letter that confirms the date of leaving and their options. This meets the obligation under the disclosure regulations. The team work on sending the member their benefit options but prioritise urgent work over these cases. This means that some cases are produced outside of the target days, and these cases do not meet the minimum target met percentage. The introduction of automation in some areas of the administration service has meant that some work can be done entirely by the UPM system. Automation has been introduced for the calculation of deferred benefits, and this has significantly reduced the number of outstanding cases and has greatly improved the success rate of the KPI in the months since introduction.
- **Communication issued to scheme member with completion of transfer in** – This area of work had to be stockpiled during 2024/25, as there was a delay in receiving revised factors from the Government Actuary Department (GAD). Once the factors were received these

needed to be updated in UPM so the calculations could be performed. The team began processing the cases and these were done in date order. This had an impact on the cases that met the target days and target percentage.

- **Communication issued to scheme member with completion of transfer out** – This area of work had to be stockpiled due to revised Government Actuary Department (GAD) factors which affected the calculations, and software updates were needed to be able to perform the calculations. WYPF also had to assess all cases for McCloud eligibility before they could be processed. This added an extra stage of administrative work and required two manual calculations for every eligible McCloud case while the pension administration software still needed to be updated. The team continues to complete manual calculations for each eligible case and work their way through the older cases. Until the software updates are received to enable UPM to do the calculations, this area of work will not meet its targets.

KPIs are brought to the Pensions Committee and Pension Board quarterly and any areas that do not meet the standards required are discussed. The Fund understands the reasons behind any underperformance and what is being implemented to rectify the situation, and the Fund does not currently have any cause for concern.

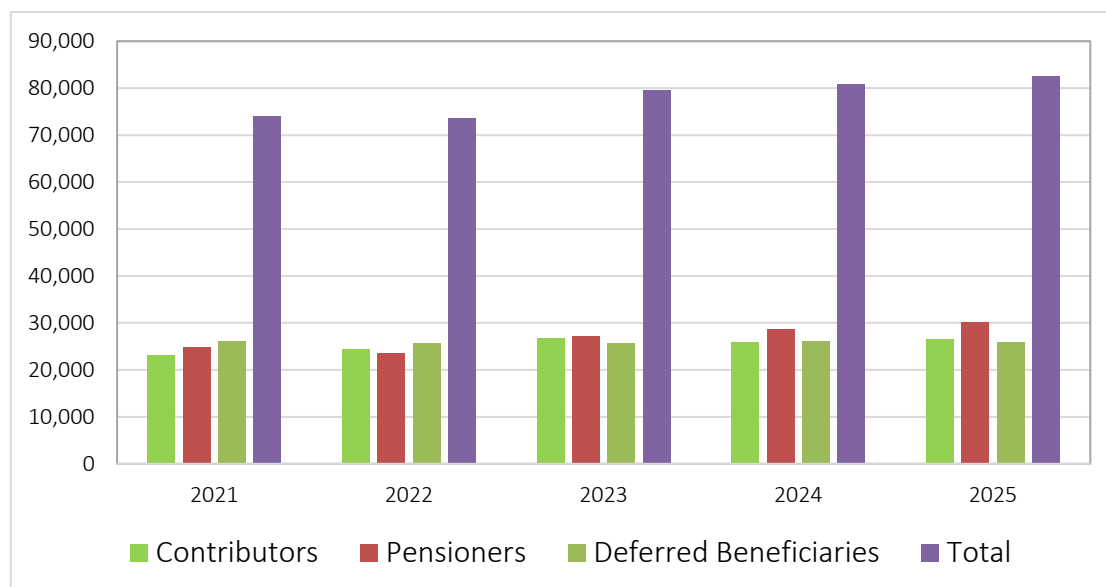
Fund members and employers

Fund members

As can be seen from the chart below, the active membership has increased slightly over the year. The Fund has matured over the last five years, with pensioner and deferred members (those that are no longer in the Scheme but will be entitled to a pension at some point in the future) making up 67.9% of the overall membership. The past year has seen an increase in contributing members and a rise in pensioner members:

Year ended 31 March:	2021	2022	2023	2024	2025
Active Contributors	23,038	24,422	26,691	25,963	26,465
Pensioners (incl. survivor beneficiaries)	24,746	23,536	27,231	28,659	30,173
Deferred Beneficiaries	26,160	25,650	25,651	26,170	25,846
Total	73,944	73,608	79,573	80,792	82,484
Undecided Leavers	383	532	524	588	545

(Note: The numbers disclosed in the table above reflect individual pension records within the administration database, at a point in time. Current and past members of the LGPS may have more than one pension record as a result, for example, of having more than one part time contract of employment with a scheme employer).



Fund employers

Analysis of Active and Ceased Employers in the Fund:

	Active	Ceased	Total
Admitted Body	31	37	68
Designation Body	38	9	47
Scheduled Body	199	9	208
Total	268	55	323

Benefits are funded by contributions from scheme members and their employers, which are invested to produce capital growth and income. This can then be used to pay future pensions and reduce the cost to employers.

Contributions are payable by active members of the Fund in accordance with LGPS Regulations 2013 and range from 5.5% to 12.5% of pensionable pay. Employer contributions are set based on triennial actuarial funding valuations. Rates paid by employers during 2024/25 were determined at the 2022 Valuation, or when a new employer joins the scheme. Rates paid during 2024/25 ranged from 16.3% to 33.4% of pensionable pay. In addition, 52% of employers are paying monetary amounts to cover their funding deficit.

The employer contribution rates (including deficit cash or percentage of payroll amounts where applicable) applying in the year ended 31 March 2025 for all employers are set out in Appendix C, alongside actual cash contributions received from both the employer and the employees for each body.

Communications Policy

The contact centres hosted in Lincoln and in Bradford continue to be a popular way for members to communicate with the Fund about their pensions. Members and employers can also access the WYPF shared service website on the following link: www.wypf.org.uk. Here, members can find information about their pension or log in to their “MyPension” account. The WYPF helpdesk can also be contacted during working hours Monday – Friday on 01274 434 999. To support those unable to access digital resources, communications such as benefit statements, newsletters, and P60s can also be posted. All members can request printed materials or attend in-person sessions, and digital opt-out options are respected.

99% of annual pension benefit statements for active and deferred members (who were entitled to receive one) were produced by the statutory deadline of 31 August 2024. This provides members with information on their benefits accrued to 31 March 2024 and what their potential benefits will be at retirement age, as well as other useful information. Positive feedback has been received from members with the inclusion of information on pensions payable at ages 55, 60, 65 and state pension age, which included any reduction for early payment of pension benefits. Statements were issued electronically through the member secure portal but if a member wanted to receive a paper copy of their statement or they had opted out of online communications their statement was sent to their home address.

Regular newsletters continue to be produced to keep members informed of important pensions news. The shared service has Facebook and X (Twitter) accounts to encourage members of all ages to engage more with their pension through social media.

Members and employers receive information through a wide range of digital and traditional methods. The main sources include:

- The fund website (www.wypf.org.uk), updated continuously with fact sheets, scheme booklets, and tools.
- A secure member self-service portal.
- Regular newsletters, webinars, annual benefit statements, and recorded induction sessions.
- A contact centre and satellite office open weekdays for phone, email, and face-to-face support.
- Social media, YouTube, and GovDelivery for segmented and timely updates.

Our stakeholders

For all the Funds administered by WYPF, stakeholders include:

- Members
- Representatives of members

- Prospective members
- Employing authorities
- Third-party employer service providers

Key objectives

When communicating with members, the aim is to:

- Communicate scheme regulations and procedures in a clear and easy to understand style and help scheme members understand their pension, the benefits and options it provides
- Use plain English for all our communications with stakeholders
- Identify and use the most appropriate communication method to take account of stakeholders' different needs
- Use technologies to provide convenient, up to date and timely information to stakeholders
- Provide timely and sufficient information to scheme members, allowing access through the channel of their choice, so members can make informed decisions about their benefits
- Engage face-to-face when appropriate

Evaluation and continuous development

To ensure expectations are met and to evaluate the effectiveness of communications WYPF use the following methods:

- Feedback questionnaires and focus groups
- Monitoring compliments and complaints
- Customer surveys
- Web feedback using hosted services

To ensure continuous development WYPF will:

- Replace the My Pension platform with a secure member self-service portal which has been developed in-house
- Roll out online chat using Click4Assistance, following successful trials in 2024
- Continue to develop features and engagement tools on the new shared service website
- Build on the successful use of LinkedIn, focussing on recruitment and brand awareness
- Roll out a new, bespoke webinar platform for members and employers
- Evolve member newsletters from pdf productions to fully online communications and test the feasibility of segmented communications to targeted groups of members
- Start to hold regular online 'new member inductions' on the new webinar platform using recorded 'as-live' features
- Review and update the new member welcome letter with a new digital onboarding process

All employers have access to their very own Employer Pension Fund Representative (PFR). The roles and responsibilities associated with being a Local Government Pension Scheme (LGPS) employer are vast and often complex, especially if employers do not have dedicated pensions personnel in their organisations, PFR's help employers meet their responsibilities. The responsibilities for employers are statutory and it is often mandatory for them to participate in the scheme.

The role of the PFR is to provide support with these responsibilities. Part of the Employer Relations Team includes six PFRs who are specialist officers of the LGPS, and they can assist employers with:

- Training on scheme regulations
- Training on employer portals
- Deliver webinars on a routine basis
- Act as a direct point of contact for complex queries
- Help employers understand their roles and responsibilities as an LGPS employer
- Provide member presentations
- Provide support when employers are dealing with a scheme member who has limited life expectancy

The PFRs also provide regular online and in person training which can be accessed by all employers, and all training is recorded and available on the shared service www.wypf.org.uk.

Employer training completed

- Blocks and Quarantines Part 1
- Blocks and Quarantines Part 2
- Walk through the online leaver form
- Information needed for HMRC checks
- Monthly contributions
- Live demo of the new monthly contribution portal
- The ill health process
- Exception reports – action required
- Absence – buying back lost pension
- Employer engagement forum
- Authorised contacts and your year-end responsibilities
- Completing your March return: Steps to success
- Understanding Final Pay
- Understanding Cumulative Pensionable Pay
- Assumed Pensionable Pay

In addition to the programme of webinars that are made available to employers across all funds, the Employer Relations Team also work with individual employers and third-party payroll providers to support one to one training either online or in person. This support includes:

- Employer support meetings / calls
- One to one employer training (covering any area of the LGPS employer responsibilities)
- New employer induction meetings
- System and forms demonstrations
- Data cleansing (outstanding leaver information and membership audits)
- Employer / payroll provider liaison meetings

Member training

The PFRs also provide regular online and in person training (as requested) which can be accessed by all members, and all training is recorded and is available on the website.

‘Engage with your LGPS pension’ sessions completed

- Engage with your LGPS pension – pre-April 2014 joiners
- Engage with your LGPS pension – post-April 2014 joiners
- Engage with your LGPS pension – increasing your benefits

Pensions awareness week (9th September 2024) sessions completed

- LGPS Fundamentals for pre-2014 joiners
- LGPS Fundamentals for post- 2014 joiners
- Understanding your Annual Pension Statement
- Increasing your benefits
- LGPS Fundamentals for deferred members

In addition to the programme of webinars that are made available to members across all funds, the Employer Relations Team also work with individual employers to support with member engagement. The Employer Relations Team will deliver presentations both in person and online for individual employers for their members covering topics, such as:

- Pre-retirement
- Induction
- LGPS overview
- Financial well being
- TUPE (effects on a member’s LGPS pension)
- Redundancy (effects on a member’s LGPS pension)
- Flexible retirement
- One to one serious ill health member visits
- Stall holder at in person events
- Member surgeries

Workshops on ‘Planning for a positive retirement’

In addition to the information available to members from WYPF, the administrator partners with Affinity Connect. The workshops run by Affinity Connect are there to support and guide members who are considering what retirement might mean to them. These sessions are well attended.

The workshops raise awareness of key issues to consider and the decisions that members need to make as they approach this new stage in their life. They are especially useful for members thinking of retiring in the next couple of years but valuable even if they are not yet sure when they want to retire.

Twenty-four retirement courses were delivered to LGPS members during the year. These courses covered the following:

- Planning for the lifestyle changes ahead
- How to maximise the benefits of your state and workplace pensions
- Making the most of your tax-free cash
- Your income options available from your pension
- How you can achieve your retirement goals
- Your wellbeing, lifestyle and estate planning

Workshops on your pension and financial wellbeing course

During the year Affinity Connect have delivered financial wellbeing courses for members; these courses are aimed at anyone who is looking to take check of their finances at any age. Three financial wellbeing courses were delivered, all gaining positive feedback.

These courses look at four key areas to support overall financial wellbeing:

- Understand income and plan spending
- Review and keep track of borrowing
- Plan financial goals and prepare for unexpected costs
- Start to plan for life beyond work, whenever that may be

Also, during this year, Affinity Connect delivered a new course to members which covers pension tax allowances. This course provides information about the annual allowance as well as giving some guidance around any actions that may need to be taken if members are likely to exceed the limits set by HMRC.

The aim of the course is to:

- Understand the key tax relief benefits when funding pensions
- Annual Allowance
- When the Annual Allowance can be higher or lower
- The cap on tax free cash

Potential new admissions

Not everyone is eligible to become an employer in the LGPS. Employers that can be part of the LGPS have had staff transferred in from an eligible employer under TUPE arrangements and will look to become an 'admission body', or they are a qualifying educational organisation (e.g. an academy).

Under 'Employers seeking admission' on the website, potential new employers can access information about the process, check whether they meet the criteria, and understand more about the financial implications. To make sure the application to join is as smooth as possible, there is a dedicated Technical Team to help employers. They can be contacted by phone or e-mail.

If the employer wishes to seek admission, they can complete the application form which can be downloaded from the website. Once the completed form has been sent back it will be reviewed by the Team to check the information provided and confirm that the employer is able to join the fund.

When the admission is complete the employer will be sent a welcome pack which tells them all about the scheme, about us (WYPF and Lincolnshire Pension Fund) and how to pay their pension contributions. A PFR will arrange to demonstrate our administration procedures and will be their first point of contact for any pension queries.

Annual apprenticeship talks – Lincolnshire County Council

The Head of Lincolnshire Pension Fund presented to a group of new apprentices at Lincolnshire County Council, highlighting the importance of thinking about their pensions at an early age, and the benefits that being members of the LGPS brings.

Value for money - Cost per member

The latest published data (2023/24) for all LGPS funds administration costs shows that the Fund's pensions administration cost per member is **£18.05**, the **5th** lowest cost amongst 87 LGPS funds and well below the national average of **£29.73**.

In 2023/24 the Fund had a below average total cost per member (administration, investment and oversight & governance) at **£160.19**, the national average for the LGPS in 2023/24 is **£315.07**.

Cost per member 2023/24	Position	Lincolnshire Pension Fund	LGPS Lowest*	LGPS Highest*	LGPS Average
Administration	5 th	£18.05	£7.81	£132.96	£29.73
Investment	13 th	£130.84	£4.60	£1,118.80	£271.38
Oversight and governance	32 nd	£11.30	£0.00	£112.65	£13.96
Total Cost per member**	9th	£160.19	£44.67	£1,190.97	£315.07

* Lowest and Highest costs at each category are individual funds

** Total Cost level is the overall lowest and highest cost funds

The 2024/25 annual cost of managing the Lincolnshire Pension Fund per member, as summarised in Note 10 in the accounts on page 46, is set out below:

	2024/25 budgeted cost per member	2024/25 actual cost per member
Administration	£19.94	£19.87
Investment	£153.90	£134.59
Oversight and governance	£12.94	£11.51
Total Cost per member	£186.78	£165.97

The total actual cost per member was £165.97, compared to a budgeted cost per member of £186.78. Reasons for the any variances can be found in section three of the report – Financial Performance, on page 27.

Dispute resolution

Internal Dispute Resolution Procedure (IDRP)

With pensions being such a complicated issue, it's inevitable that occasionally disagreements between members, employers, and the Fund arise.

When disagreements do happen, the initial approach is to try to resolve them informally and reach an agreement. But this isn't always possible. The scheme provides a formal way for disagreements to be resolved: the internal dispute resolution procedure (IDRP).

The IDRP is a two-stage process.

Stage 1 gives scheme members a chance to have a disagreement reviewed by either the employer or the Fund, depending on whom the dispute is against. The review will be undertaken by an 'adjudicator', specified by the body which was responsible for making the original decision being appealed. The member must apply for a review under Stage 1 within six months of the disagreement coming to light.

If the scheme member or their employer is not satisfied with the outcome of the Stage 1 review they can refer the matter to the administering authority for review under the procedure's second stage ("Stage 2").

A Stage 2 review would be undertaken by a person not involved in the first stage decision. The complainant will need to send the administering authority their complaint in writing six months from the date of the Stage 1 adjudicator's decision. The administering authority will consider the complaint and give their decision in writing. If the member is still unhappy following the administering authority's second-stage decision, they can take their case to the Pensions Ombudsman provided that they do this within three years from the date of the original decision (or lack of a decision) about which they are complaining.

If further help is needed

The Pensions Advisory Service (TPAS) can also help with resolving disputes if both stages of the IDRP have not provided an agreement.

The Pensions Ombudsman settles disputes and investigates complaints that TPAS has not been able to settle. The ombudsman's decision is final and binding on all the parties to a dispute.

Formal complaints received

Stage 1

Date of appeal	Details of complaint	Decision letter sent	Decision
12/02/2024	Member had complained that they had not been given the chance to transfer out and their only option was to take a refund of contributions. WYPF had sent letters about transferring to the member, but these had been sent to an old address and the member had never updated with a new address and WYPF had tried to trace the member.	11/04/2024	Turned down - member had not opted for a transfer out within five years of their date of leaving so their only entitlement under the regulations was a refund of contributions.
16/01/2025	Member's next of kin appealed the decision not to award a child's pension to their son.	01/04/2025	Turned down - financial dependency was considered insufficient for the award of a child's pension.
10/09/2024	Member complained that a transfer out of their benefits to their new LG Fund had taken too long.	01/10/2024	Turned down - delays in providing a transfer out quotation which were unavoidable due to legislation and the complexity of the case.
02/07/2024	Member appealed against being refused an ill health pension.	09/10/2024	Upheld - a Tier 1 ill health pension has now been awarded.

Stage 2

Date of appeal	Details of complaint	Decision letter sent	Decision
17/04/2024	Member had complained that they had not been given the chance to transfer out and their only option was to take a refund of contributions. WYPF had sent letters about transferring to the member, but these had been sent to an old address and the member had never updated with a new address and WYPF had tried to trace the member.	24/06/2024	Turned down - member had not opted for a transfer out within five years of their date of leaving so their only entitlement was to a refund of contributions (previously Stage 1).

Formal complaints (non-IDRP)

During this period, twelve complaints were received from members. The main reasons for the complaints were around retiring and transfers out. All members received a written response.

During this period no complaints or disputes were referred to the Pension Ombudsman but there are two ongoing cases which have yet to receive a response from the Pensions Ombudsman.

Pensions Ombudsman (TPO)

Date of appeal	Details of complaint	Date response sent by WYPF
17/03/2022	Appeal against reason for leaving not being treated as redundancy or on grounds of efficiency meaning unreduced benefits did not apply.	Response provided to TPO explaining the Stage 2 decision – 18/03/2022. Receipt of this acknowledged by TPO – 04/04/2022.
06/01/2023	Appeal against decision to turn down ill health retirement.	Response provided to TPO explaining the Stage 2 decision – 27/01/2023. Receipt of this acknowledged by TPO – 31/01/2023.

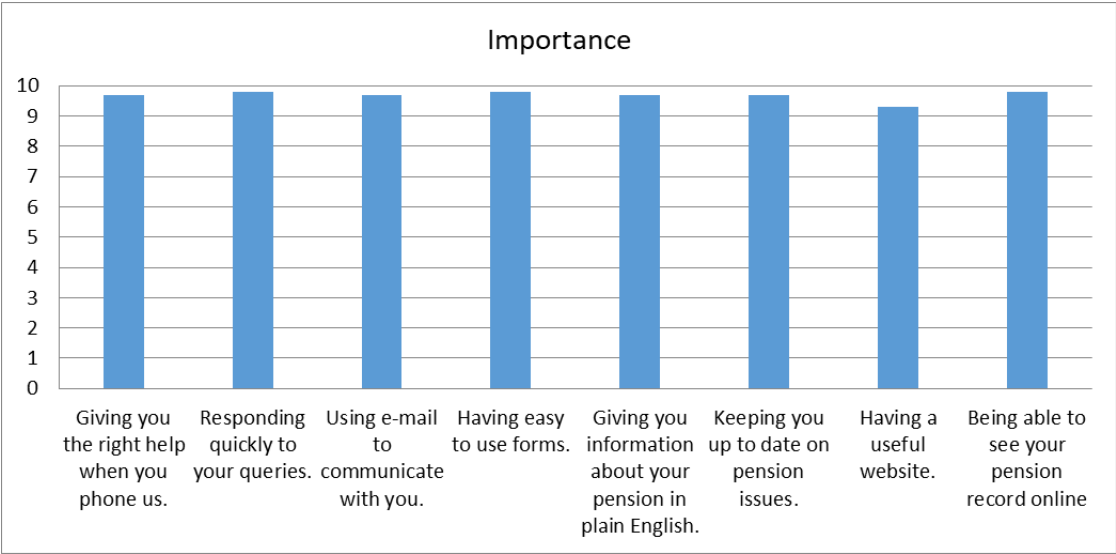
Policing pension schemes

The Pensions Regulator was set up following the 1995 Pensions Act. Its main role is to protect pension scheme members. From 1 April 2015 the Pensions Regulator's remit was extended to cover the administration of public service pension schemes. The Pensions Regulator issued a code of practice on governance and administration of public service pension schemes which provides practical guidance in relation to the exercise of functions under relevant pensions legislation and sets out standards of conduct and practice expected from those who exercise those functions.

Member satisfaction

Customer surveys are regularly sent to a sample of scheme members that have contacted the service centre or been involved in an event (e.g. retirement). In addition, the website has an online form for completion to obtain feedback.

The charts below show how members rate the importance of and satisfaction with the various services described below:



Employer satisfaction

The Employer Relations Team send out employer surveys to all attendees of the online training to ensure the training is meeting the needs of the employers. They can also suggest training they would like to see. Overall, the employer's satisfaction scores are very good, and employers are happy with the training received. The average score across the training is 91.73%.

WYPF also engage with employers through an annual survey which is made available to all employers to provide feedback and responses, 96 responses were received across all the Funds. The survey is issued to all contacts via direct e-mail and in future years WYPF will continue to aim for an increased number of responses.

The overall satisfaction score for the administration service has improved from 81.60% to 84.77% and each Fund also shows an improvement in their individual satisfaction score. For the Fund 16 replies were received, and the satisfaction score was 89.66%, last year it was 80.56%.

Importance and satisfaction tracking

Plotting the gap between the score for how important an area is to the customer against how satisfied they are with service performance allows the identification of the larger gaps easily.

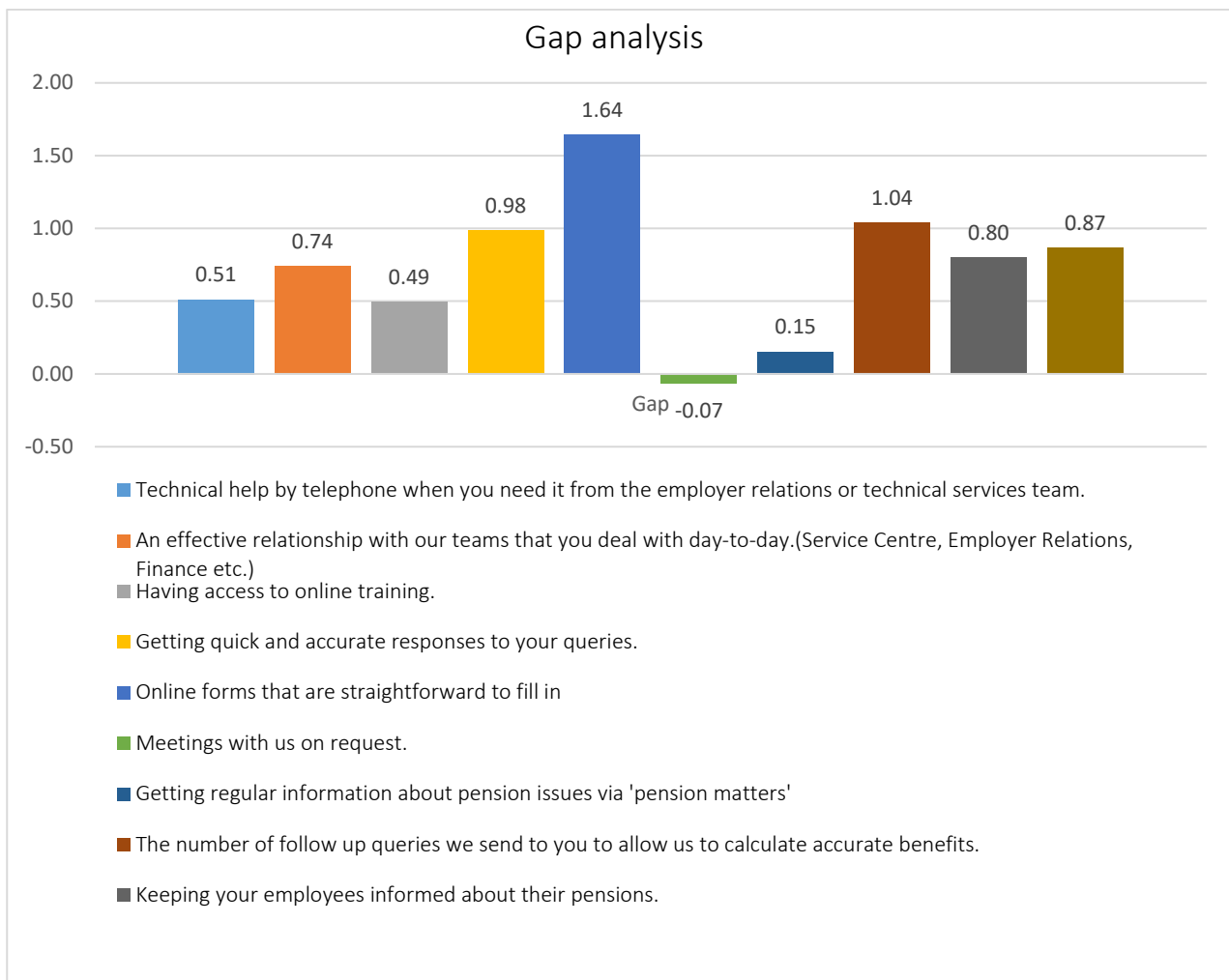
A greater gain in customer satisfaction will be achieved by closing a large gap rather than a small gap. On a 10-point scale, any satisfaction gap above 1 is a point of concern and action needs to be taken. A gap more than 2 should be considered a serious area of concern / improvement. The tables below show the gaps comparison and overall results. In summary the gaps between have narrowed compared to last year so satisfaction scores are closer to importance scores with the largest peaks reduced.

There are two areas which have a gap over 1 or more - 'online forms that are straightforward to fill in', and 'the number of follow up queries we send to you to allow us to calculate accurate benefits'.

For the 'online forms' gap, improvement is being seen where automation of deferred benefits has significantly streamlined the online leaver form. This is the most frequently used online form as well as the one deemed most challenging, and this automation was introduced in September 2024.

With the 'number of follow up queries' gap, the Employer Relations Team have concentrated quite heavily on training employers to use the new leaver forms as well as many different sessions around calculating pay.

The gap on both areas has improved looking at the results from the more recent 2025 survey ('online forms' score of 1.27 vs 1.64, and 'follow up queries' score of 0.61 vs 1.04). The improvement in follow queries may be to do with more employers attending and getting greater value from employer training. This training has equipped employers to better deal with queries, therefore satisfaction has improved because the queries do not seem as difficult to tackle.



7 Actuarial Report

In line with the Local Government Pension Scheme Regulations 2013, the Fund's actuary undertakes a funding valuation every three years for the purpose of setting employer contribution rates for the forthcoming triennial period. The last such valuation took place as at 31 March 2022 and the next valuation is due to take place as at 31 March 2025.

A copy of the actuary's [2022 valuation report](#) can be found on the Fund's website, and results are summarised below.

Description of Funding Policy

Details of the funding policy are set out in the Funding Strategy Statement (FSS), in summary, the key points are to:

- Ensure that pension benefits can be met as and when they fall due over the lifetime of the Fund;
- Ensure the solvency of the Fund;
- Set levels of employer contribution rates to target a 100% funding level over an appropriate time period and using appropriate actuarial assumptions, while taking into account the different characteristics of participating employers;
- Build up the required assets in such a way that employer contribution rates are kept as stable as possible, with consideration of the long-term cost efficiency objective; and
- Adopt appropriate measures and approaches to reduce the risk, as far as possible, to the Fund, other employers and ultimately the taxpayer from an employer defaulting on its pension obligations.

Further details are contained in the Funding Strategy Statement.

Actuary's Statement

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

Asset value and funding level

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

- The market value of the Fund's assets as at 31 March 2022 was £3,071m.
- The Fund had a funding level of 101% i.e. the value of assets for valuation purposes was 101% of the value that they would have needed to be to pay for the benefits accrued to that date, based on the assumptions used. This corresponded to a surplus of £18m.

Contribution Rates

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

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

The primary rate of contribution on a whole Fund level was 24.1% of payroll p.a. The primary rate as defined by Regulation 62(5) is the employer's share of the cost of benefits accruing in each of the three years beginning 1 April 2023.

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

Details of each employer's contribution rate are contained in the Rates and Adjustments Certificate in Appendix 5 of the triennial valuation report.

Assumptions

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

Financial Assumptions	Assumptions used for the 2022 valuation
Market date	31 March 2022
CPI inflation	2.9% p.a.
Long-term salary increases	3.9% p.a.
Discount rate	4.0% p.a.

Demographic Assumptions	Assumptions used for the 2022 valuation
Post-retirement mortality:	
<i>Base tables</i>	S3PA tables
<i>Projection model</i>	CMI 2021
<i>Long-term rate of improvement</i>	1.25% p.a.
<i>Smoothing parameter</i>	7.0
<i>Initial addition to improvements</i>	0.0% p.a.
<i>2022/21 weighting parameter</i>	5%

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

Updated position since the 2022 valuation

Assets

Investment returns on the Fund's assets over the three years to 31 March 2025 have been higher than assumed at the previous actuarial valuation. The Fund also has a positive cash flow and so the market value of assets at 31 March 2025 has increased since the formal valuation.

Liabilities

Inflation over the three years to 31 March 2025 has been higher than the long-term average assumed at the 2022 valuation. However, this has been largely offset by changes in financial assumptions underlying the valuation funding model. The value of liabilities has overall increased mainly due to interest accruing on those liabilities and due to further accrual of members' benefits over the period.

Overall position

Both the value of assets and the value of liabilities are estimated to have increased by similar amounts and so the funding level is estimated to be similar to that at the last formal valuation.

The 2025 valuation of the Fund is now underway, which will set revised contributions for all employers due over the period from 1 April 2026 to 31 March 2029.

The Fund also continues to monitor the funding level using LGPS Monitor on a regular basis.

Matthew Paton FFA

Associate, Barnett Waddingham LLP

8 External Audit Opinion

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LINCOLNSHIRE COUNTY COUNCIL ON THE PENSION FUND FINANCIAL STATEMENTS INCLUDED IN THE PENSION FUND ANNUAL REPORT & ACCOUNTS

Opinion

We have examined the Pension Fund Financial Statements of Lincolnshire Pension Fund ("the Pension Fund") for the year ended 31 March 2025 included in the Lincolnshire Pension Fund Annual Report & Accounts, which comprise the Fund Account, the Net Assets Statement and the notes to the financial statements, including the significant accounting policies in note 3.

In our opinion, the Pension Fund Financial Statements included in the Pension Fund Annual Report are consistent, in all material respects, with the Pension Fund financial statements included in the annual statement of accounts of Lincolnshire County Council ("the Council") for the year ended 31 March 2025 that were approved on 23 January 2026.

Chief Finance Officer's responsibilities

As explained more fully in the Statement of the Chief Finance Officer's Responsibilities, the Chief Finance Officer is responsible for the preparation of the Pension Fund Financial Statements in accordance with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

Auditor's responsibilities

Our responsibility is to report to you our opinion on the consistency of the Pension Fund Financial Statements included in the Pension Fund Annual Report with the Pension Fund financial statements included in the annual statement of accounts of the Authority.

In addition, we read the other information contained in the Pension Fund Annual Report and, if we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

We conducted our work in accordance with Auditor Guidance Note 07 – Auditor Reporting, issued by the National Audit Office in June 2025.

Our audit report on the Authority's annual published statement of accounts that we issued on 27 January 2026 describes the basis of our opinion on those financial statements.

The purpose of our work and to whom we owe our responsibilities

This auditor's statement is made solely to the members of the Authority, 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 the Authority those matters we are required to state to them in such a statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the members of the Authority, as a body, for our work, for this statement, or for the opinions we have formed.



Rashpal Khangura
for and on behalf of KPMG LLP
 Chartered Accountants
 1 Sovereign Street
 Leeds
 LS1 4DA
 27 January 2026

Appendix A Additional Information

Funding Strategy Statement:

<https://www.lincolnshire.gov.uk/downloads/download/272/lincolnshire-pension-fund---governance-and-administration-policies>

Investment Strategy Statement:

<https://www.lincolnshire.gov.uk/downloads/download/271/lincolnshire-pension-fund---investment-policies>

Governance Compliance Statement:

<https://www.lincolnshire.gov.uk/downloads/download/272/lincolnshire-pension-fund---governance-and-administration-policies>

Communications Policy:

<https://www.lincolnshire.gov.uk/downloads/download/272/lincolnshire-pension-fund---governance-and-administration-policies>

Council Constitution:

<https://lincolnshire.moderngov.co.uk/documents/s40041/CONSTITUTION%20-%202021.05.21%20-%20Part%20-%20Articles%20of%20the%20Constitution.pdf>

Pension Fund Website:

<https://www.lincolnshire.gov.uk/finances-budgets/lincolnshire-pension-fund/3>

Pension Fund Code of Conduct and Conflict of Interest Policy:

<https://www.lincolnshire.gov.uk/downloads/file/7700/code-of-conduct-and-conflict-of-interest-policy>

Border to Coast Governance Charter:

<https://www.bordertocoast.org.uk/wp-content/uploads/2025/04/Governance-Charter-2025.pdf>

Stewardship Code submission 2023/24

<https://www.lincolnshire.gov.uk/downloads/file/7742/stewardship-code>

Pensions Committee - papers

<https://lincolnshire.moderngov.co.uk/ieListMeetings.aspx?Committeeld=136>

Appendix B – Key Performance Indicators

KPI Table A – Total number of casework

Ref	KPI	Total number of cases open as at 31 March 2024	Total number of new cases created in the year (1 April 2024 - 31 March 2025)	Total number of cases completed in year	Total % of cases completed in year	Total number of cases completed in 2023/24	Total % of cases completed in 2023/24
A1	Deaths recorded of active, deferred, pensioner and dependent members	1	765	762	99.48%	694	99.86%
A2	New dependent member benefits	24	328	334	94.89%	278	91.75%
A3	Deferred member retirements	27	1197	1185	96.81%	1102	97.01%
A4	Active member retirements	11	791	778	98.36%	726	97.84%
A5	Deferred benefits	1153	3268	3533	79.91%	3564	75.43%
A6	Transfers in (including interfunds in, club transfers)	224	497	458	68.39%	470	69.28%
A7	Transfers out (including interfunds out, club transfers)	350	588	454	70.88%	329	70.92%
A8	Refunds	4	657	651	98.49%	638	98.92%
A9	Divorce quotations issued	5	209	195	91.12%	189	92.30%
A10	Actual divorce cases	2	8	10	100%	5	71.43%
A11	Member estimates requested either by scheme member or employer	23	569	572	96.62%	513	97.33%
A12	New joiner notifications	284	5828	6034	98.69%	5209	94.00%
A13	Aggregation cases	11	2652	2387	89.64%	2402	99.71%
A14	Optants out received after 3 months' membership	0	99	99	100%	76	100%

Commentary
A1 – no applicable commentary
A2 – no applicable commentary
A3 – no applicable commentary
A4 – no applicable commentary
A5 – no applicable commentary
A6 – no applicable commentary
A7 – no applicable commentary
A8 – no applicable commentary
A9 – no applicable commentary
A10 – no applicable commentary
A11 – no applicable commentary
A12 – no applicable commentary
A13 – The figures shown are actual linking cases only. The total % of cases completed in the year 2024/25 has dropped from 2023/24. Staff resource in the Team had reduced due to promotions in the Team. Recruitment to the Team has started with two new members already in place and receiving training which will improve the figures once they are fully trained.
A14 – no applicable commentary

KPI Table B – Time taken to process casework

Ref	Casework KPI	Fund Target	% completed within Fund Target 2024/25	% completed in 2023/24
B1	Communication issued with acknowledgement of death of active, deferred, pensioner and dependent member	10 days	97.54%	98.16%
B2	Communication issued confirming the amount of dependents pension	5 days	90.69%	91.04%
B3	Communication issued to deferred member with pension and lump sum options (quotation)	35 days	95.16%	83.63%
B4	Communication issued to active member with pension and lump sum options (quotation)	10 days	98.35%	96.42%
B5	Communication issued to deferred member with confirmation of pension and lump sum options (actual)	10 days	96.51%	96.46%
B6	Communication issued to active member with confirmation of pension and lump sum options (actual)	10 days	95.11%	95.03%
B7	Payment of lump sum (both actives and deferred)	15 days	95.81%	95.75%
B8	Communication issued with deferred benefit options	20 days	72.63%	48.65%
B9	Communication issued to scheme member with completion of transfer in	35 days	66.45%	49.56%
B10	Communication issued to scheme member with completion of transfer out	35 days	78.16%	74.05%
B11	Payment of refund	10 days	99.84%	100%
B12	Divorce quotation	40 days	99.48%	95.63%
B13	Communication issued following actual divorce proceedings i.e. application of a Pension Sharing Order	80 days	100%	100%
B14	Communication issued to new starters	10 days	96.34%	97.61%
B15	Member estimates requested by scheme member and employer	10 days	92.25%	89.89%

Commentary

B1 – Letter sent on receipt of a notification of death for an active, deferred or pensioner member either by e-mail, phone call or Tell Us Once. The Fund target percentage to send these out in 10 days is 85%.

B2 – Calculation of benefits payable for a beneficiary. The Fund target to do the calculation in 5 days is 90%.

B3 – Calculation of deferred benefits payable which are to be brought into payment. The Fund target to send these out in 35 days is 85%.

B4 – Calculation of benefits on retirement. The Fund target to send these out in 10 days is 85%.

B5 – Calculation and payment of deferred benefits. The Fund target to send these out in 10 days is 90%.

B6 – Confirmation of benefits payable on retirement. The Fund target to send these out in 10 days is 90%.

B7 – Calculation and set up of the lump sum payment on retirement. The Fund target to pay these in 15 days is 90%.

B8 - Calculation and set up of deferred benefits on leaving. The Fund target to send these out in 20 days is 85%.

B9 – Payment received, and member informed of linked membership. The Fund target to send these out in 35 days is 85%.

B10 – Payment sent, and member informed that the linking has been completed. The Fund target to make payment in 35 days is 85%.

B11 – Calculation and payment of a refund. The Fund target to make payment in 10 days is 90%.

B12 - Quote requested by member/solicitor of potential benefits to be considered for divorce. The Fund target to send these out in 40 days is 85%.

B13 - Implementation of a pension share order issued by a court. The Fund target to implement this in 80 days is 100%.

B14 -New Starter Welcome letter issued to new starters. The Fund target to send this out in 10 days is 85%.

B15 - Estimate of pension benefits payable if member were to retire. The Fund target to send these out in 10 days is 90%.

KPI Table C – Communications and Engagements

Ref	Engagement with online portals	Year ending 31 March 2025	Year ending 31 March 2024
C1	% of active members registered with MyPension	51.39%	49.65%
C2	% of deferred members registered with MyPension	40.73%	38.67%
C3	% of pensioner and survivor members registered with MyPension	51.32%	47.21%
C4	% total of all scheme members registered for self-service	46.33%	43.48%
C5	Number of registered users by age (see tables below)	See table	See table
C6	% of all registered users that have logged onto the service in the last 12 months	46.47%	45.97%
C7	Total number of telephone calls received in year	3,955	3,287
C8	Total number of email and online channel queries received	9,412	8,763
C9	Number of scheme member events held in year (total of in-person and online)	14	36
C10	Number of employer engagement events held in year (in-person and online)	44	35
C11	Number of active members who received a one-to-one (in-person and online)	2	4
C12	Number of times a communication (i.e. newsletter) issued to:		
	a) Active members	2	2
	b) Deferred members	1	1
	c) Pensioners	1	1

KPI Table C – C5 further information

Registered My Pension users	Year ending 31 March 2024	Year ending 31 March 2025
Up to 19	282	306
20-29	2,450	2,657
30-39	4,882	5,295
40-49	6,076	6,589
50-59	8,226	8,921
60-69	7,584	8,225
70-79	4,747	5,148
80+	2,254	2,444

Commentary

C1 – Members can view their pension record, statements, update personal details and run their own estimates. Active members are being encouraged to sign up as we move to more online communications.

C2 – Members can view their pension record, statements & update personal details. Deferred members are being encouraged to sign up as we move to more online communications.

C3 – Members can view their pension record, P60's & update personal details. Pensioner members are being encouraged to sign up as we move to more online communications.

C4 – We continue to promote the My Pension member portal and there has been an increase in the number of members who have registered over the last 12 months. The launch of the new member portal this year will give members a better experience when using the self-service portal.

C5 – Across all the LG Funds we administer the age profile for those registered for My pension shows many members who are registered are those near to retirement or in the first few years of retirement. When the new portal is launched an e-mail and letter campaign direct to members encouraging them to sign up will also be started.

C6 – We encourage members who have registered for My Pension to check their latest statement every year. If they think anything looks wrong, they can tell their employer straightaway.

C7 – We have a dedicated Contact Centre that are there to help members and take incoming calls. Phone calls remain a popular way to contact us.

C8 – The Contact Centre receive incoming e-mail queries and online channel queries which are indexed to a members record so a member of the appropriate team can send a response. E-mails remain a popular way to contact us.

C9 – The Team continues to deliver member training alongside our partnership with Affinity Connect. The number of scheme member events in 2025 was less than in 2024. This was due to the Team putting more resource into the employer training due to the introduction of a new monthly contribution portal.

events in 2025 were more than in 2024. This was due to the Team putting more resource into employer training due
employer and can include member surgeries or one to one meeting for any members who are retiring on serious ill

KPI Table D – Resources

The table below identifies the numbers of staff across the areas of the shared service providing the administration service.

Ref	Resources	As at 31 March 2025
	Total number of administration staff (FTE)	185.2
D2	Average service length of all administration staff	12.44 years
D3	Staff vacancy rate as a %	9.3%
D4	Ratio of all administration staff to total number of scheme members (all staff including management)	0.23%
D5	Ratio of administering staff (excluding management) to total number of scheme members	0.20%

Commentary
D1 – All pension administration staff
D2 -Time worked in pensions
D3 – Total staff count – 193 & 18 vacancies
D4 – Lincolnshire Pension Fund member number - 85,442 – staff 193
D5 – Lincolnshire Pension Fund member number – 85,442 – staff 170

KPI Table E – Data Quality

Ref	Annual Benefit Statements	
E1	Percentage of annual benefit statements issued as at 31 August 2024	99%
E2	Short commentary if less than 100%	
Ref	Data category	
E3	Common data score	96.40%
E4	Scheme specific data score	89.19%
E5	Percentage of active, deferred and pensioner members recorded as 'gone away' with no home address held, or address is known to be out of date	2.60%
E6	Percentage of active, deferred and pensioner members with an email address held on file	58.91%
Ref		
E7	Percentage of employers set to make monthly data submissions	100%
E8	Percentage of employers who submitted monthly data on time during the reporting year	64%
Commentary		
E1 - see E2		
E2 – 100% were not produced due to data errors from employers. Once we receive a reply from the employer to correct the error the annual benefit statement is produced.		
E3 - Used to identify scheme members and includes name, address, national insurance number and date of birth.		
E4 - Essential to calculate benefit entitlement such as pensionable pay and service history. It also encompasses data relating to events that occur during an individual's membership, for example transfers etc.		
E5 – The percentage of active, deferred and pensioner members who we do not hold a current address for is very low. However, we continue to try trace these members and engage with additional services to find these members.		
E6 - Email addresses are not collected as part of the information an employer sends to create a record. They are collected either during the member portal registration process or ad hoc during contact with the member. We try to encourage members to provide personal emails and not work email addresses. The email will be used to communicate with members for bulk actions like ABSs or newsletters.		
E7 - The percentage of employers reflects the employers as at 31.03.2025.		
E8 - The percentage is worked out from the monthly submissions from March 2024 to February 2025 as those returns were due in the reporting period.		

Appendix C Employer contributions information

Employer name	Primary rate (% pay)	Secondary rate (% pay, plus monetary amount)	Employer contributions £'000	Employee contributions £'000
Scheduled Bodies				
<u>Lincolnshire County Council Pool</u>	-	-	-	-
Lincolnshire County Council	24.1%	-	37,747	10,028
Lincolnshire County Council Schools	24.1%	-	13,292	3,445
Serco	24.1%	-	145	42
GLL	24.1%	-	331	85
Balfour Beatty	24.1%	-	102	27
<u>Police and Crime Commissioner for Lincolnshire Pool</u>	-	-	-	-
Lincolnshire Police Chief Constable	24.4%	-	8,664	2,292
Police & Crime Commissioner	24.4%	-	369	112
<u>City of Lincoln Council Pool</u>	-	-	-	-
City of Lincoln Council	23.4%	£786k	5,451	1,255
Lincolnshire Road Car Company Ltd. (Stagecoach)	17.3%	-	4	1
<u>Individual Employers</u>	-	-	-	-
Boston Borough Council	23.6%	£713k	2,229	387
East Lindsey District Council	23.8%	£674k	3,768	838
North Kesteven District Council	23.6%	£400k	3,828	945
South Holland District Council	23.8%	£241k	2,544	638
South Kesteven District Council	24.8%	-	4,437	1,156
West Lindsey District Council	23.5%	£667k	2,985	636
Small Scheduled Bodies				
<u>Town and Parish Councils</u>	-	-	-	-
Bourne Town Council	26.6%	-1.4%	31	7
Bracebridge Heath Parish Council	26.6%	-1.4%	17	4
Cherry Willingham Parish Council	26.6%	-1.4%	6	1
Deeping St James Parish Council	26.6%	-1.4%	21	5
Fiskerton Parish Council	26.6%	-1.4%	1	0
Gainsborough Town Council	26.6%	-1.4%	41	10
Gedney Parish Council	26.6%	-1.4%	6	1
Greetwell Parish Council	26.6%	-1.4%	2	0
Horncastle Town Council	26.6%	-1.4%	30	7

	-	-	-	-		
Lincoln College		£43k	-	-		
Theddlethorpe Primary School	24.1%		-	-		
					146	31
Waddington Redwood Primary School					95	23

<u>David Ross Education Trust Pool</u>	24.5%	£69k	-	-	
Charles Read Academy				116	28
Hogsthorpe Community Primary School Academy				28	6
Ingoldsby Primary Academy				26	6
Kirton Thomas Middlecott Academy				175	42
Skegness Grammar Academy				225	54
Spilsby Eresby Academy				159	37
Spilsby King Edward VI Academy				184	45
Tattershall Barnes Wallis Academy				228	37
<u>Communities Inclusive Trust Academies Pool</u>	23.3%	£317k	-	-	
Bingham Primary Academy				46	11
Boston Endeavour Academy				312	77
Caythorpe Primary				42	10
Chapel St Leonards Primary School				84	21
Foxfields Academy				180	47
Grantham Additional Needs Fellowship				934	162
Grantham Greenfields Academy				134	34
Grantham Isaac Newton Primary School				148	36
Grantham Poplar Farm School				162	39
Linchfield Community Primary School				131	32
Spalding St Paul Community Primary School				118	28
Spalding Tulip Academy				356	89
Spilsby Woodlands Academy				109	28
<u>Horncastle Education Trust Pool</u>	25.1%	£131k	-	-	
Frithville Primary School				26	6
Horncastle Banovallum School				280	34
Horncastle Education Trust (Head Office)				359	92
Horncastle Queen Elizabeth Grammar School				91	21
Huttoft Primary School				55	12
New York Primary School				35	8
<u>Wellspring Academy Trust</u>	22.7%	£82k	-	-	
Horncastle Community Primary Academy				135	34
Louth Eastfield Infant and Nursery School				156	40
Louth Lacey Gardens Junior School				140	36
Springwell Alternative Academy				633	142
<u>Meridian Trust</u>	24.7%	-4.1%	-	-	
Stamford Welland Academy				160	45
Stamford The Bluecoat School				68	19
<u>Our Lady of Lourdes Catholic Multi-Academy Trust</u>	24.9%	£57k	-	-	

Sleaford Our Lady Of Good Counsel Catholic Primary Academy				58	13
Lincoln Our Lady Of Lincoln Catholic Primary Academy				73	17
Lincoln St Hugh's Catholic Primary Academy				125	28
Grantham St Mary's Catholic Primary School				85	19
Boston St Mary's RC Primary School				77	17
Spalding St Norbert's Catholic Primary School				65	15
Lincoln St Peter & St Paul Catholic Academy				289	54
Stamford St Augustines Catholic Primary Academy				85	19
<u>Tall Oaks</u>	23.6%	£29k	-	-	
Gainsborough Mercer's Wood Academy				95	23
Gainsborough Whites Wood Academy				131	35
Gainsborough Castle Wood Academy				120	22
<u>Kidgate Primary Academy</u>	-	-	-	-	
Kidgate Primary Academy	24.1%	£17k	-	177	38
Carlton Cleaning	24.1%	-	-	2	0
<u>Individual Employers</u>	-	-	-	-	
Alford John Spendluffe Technology College	24.8%	£9k	-	330	76
Alford Queen Elizabeth's Grammar School - A Selective Academy	26.5%	-	-	142	32
Anthem Schools Trust	25.2%	£2k	-	71	18
Aspire Schools Trust (Head Office)	22.9%	-	-	40	14
Bassingham Primary School	27.0%	£9k	-	57	10
Billingborough Primary (CIT)	23.3%	-	-	24	6
Boston Grammar School	24.8%	£7k	-	222	51
Boston High School	25.5%	£24k	-	262	55
Boston St Nicholas Church of England Primary School	23.7%	-	-	73	17
Boston St Thomas Church of England Primary Academy	23.2%	£23k	-	137	29
Boston Tower Road Academy	23.9%	£7k	-	212	49
Boston West Academy	24.1%	-	-	116	27
Boston William Lovell Church of England Academy	25.4%	£39k	-	155	26
Bourne Abbey Church of England Academy	24.1%	£15k	-	497	118
Bourne Academy	25.7%	-	-	488	120

Bourne Grammar School	26.0%	£12k	340	77
Bourne Westfield Primary Academy	25.1%	£6k	320	73
Bowman Academy (CIT)	23.3%	-	40	10
Bracebridge Infant and Nursery School	23.7%	-	45	11
Branston Church of England Infants School	24.0%	£4k	52	11
Branston Community Academy	25.4%	-	421	95
Branston Junior Academy	26.2%	£4k	57	12
Caistor Grammar School	25.0%	-	169	39
Caistor Yarborough Academy	23.2%	-	202	52
Donnington Cowley Academy	25.0%	-	226	53
Edenham Church of England School	26.5%	£9k	37	6
Friskney All Saints CofE Primary Academy	24.4%	-	27	6
Gainsborough Academy	24.0%	-3.5%	169	49
Gainsborough Aegir Specialist Academy	25.3%	£43k	263	49
Gainsborough Benjamin Adlard Community School	24.2%	-4.7%	107	32
Gainsborough Hillcrest Early Years Academy	22.7%	£18k	137	30
Gainsborough Parish Church Academy	23.8%	£18k	163	25
Gainsborough Warren Wood Specialist Academy	23.8%	£31k	204	41
Gedney Church End Primary Academy	21.7%	-	6	1
Gipsey Bridge Academy	26.5%	-	43	9
Gosberton House Academy	22.1%	£39k	182	38
Grantham Kings School	25.7%	£7k	283	65
Grantham National Church of England Junior School	26.0%	£14k	79	14
Grantham Walton Girls	24.6%	-	324	77
Harbour Learning Trust Central Office	21.2%	-	2	0
Harrowby Infant Academy	24.9%	£3k	34	7
Hartsholme Academy	22.4%	£16k	119	26
Helpingham School (Voyage)	23.4%	£0.2k	0	0
Holbeach Bank Academy	24.8%	£6k	48	10
Holbeach Primary Academy	24.1%	£16k	202	44
Horncastle St Lawrence School	23.3%	£52k	277	57
Infinity Academies Trust (Head Office)	26.1%	£1k	105	28
Ingoldmells Academy	23.8%	£18k	73	13
Keelby Primary Academy	26.7%	£18k	88	15
Kesteven & Sleaford High School Selective Academy	26.8%	£15k	217	44
Kesteven and Grantham Academy	27.3%	£29k	369	72
Kirkby la Thorpe CofE Primary Academy	25.6%	£3k	52	11

Leadenham Church of England Primary Academy	19.6%	-	15	4
Lincoln Acorn Free School	24.9%	-	74	18
Lincoln Anglican Academy Trust	24.0%	-	350	112
Lincoln Carlton Academy	22.9%	£13k	140	32
Lincoln Castle Academy	25.6%	-	218	51
Lincoln Christs Hospital School	26.0%	£10k	463	108
Lincoln Ermine Primary Academy	24.2%	-	196	46
Lincoln Fosse Way Academy	24.2%	-	206	48
Lincoln Manor Farm Academy	22.6%	-	64	16
Lincoln Manor Leas Infants School	25.6%	-	72	16
Lincoln Manor Leas Junior	24.4%	£1k	91	21
Lincoln Mount Street Academy	23.6%	-	149	36
Lincoln Sir Robert Pattinson Academy	25.4%	£35k	368	79
Lincoln St Giles Academy	24.1%	£38k	192	36
Lincoln University Technical College	22.3%	£10k	122	33
Lincoln Westgate Academy	24.0%	-	113	26
Little Gonerby Church of England Infants School	25.9%	-	98	19
Long Bennington Church of England Academy	25.8%	£6k	82	17
Long Sutton Primary School	24.4%	£16k	201	42
Louth King Edward VI Grammar School	25.5%	£68k	290	52
Louth St Bernards School	22.8%	£53k	347	77
Louth St Michaels Church of England Primary School	23.4%	£2k	96	23
Lutton St Nicholas Primary School	23.6%	£2k	41	9
Mablethorpe Primary Academy	25.2%	£6k	173	38
Market Rasen De Aston School (Academy)	24.3%	-	323	79
Morton Church of England Primary School	25.7%	£8k	75	14
Nettleham Infants School	24.0%	£12k	78	15
North Kesteven Academy	26.6%	£42k	299	59
North Thoresby Primary School	24.8%	-	42	9
Old Leake Giles Academy	25.0%	£10k	178	40
Pinchbeck East C of E Primary School	25.9%	£8k	117	24
Rauceby Church of England Primary School	27.4%	£2k	79	16
Ruskington Chestnut Street C of E Primary School	26.1%	£13k	96	18
Scothern Ellison Boulters Church of England Academy School	25.7%	-	103	23
Skegness Academy	24.3%	£19k	557	134
Skegness Beacon Primary Academy	23.2%	£2k	96	23

Skegness Infant Academy	25.4%	£33k	175	32
Skegness Junior Academy	25.0%	£7k	155	34
Skegness Seathorne Academy	24.6%	£12k	127	27
Skegness The Richmond School	24.5%	£4k	165	38
Sleaford Browns C of E Primary School	25.2%	£4k	43	9
Sleaford Carres Grammar School (Academy)	24.4%	£23k	269	61
Sleaford St Georges Academy	25.4%	-	861	200
Sleaford William Alvey Church of England School	24.4%	£6k	225	51
South Witham Academy	25.1%	£2k	45	10
Spalding Academy	25.3%	£14k	381	84
Spalding Grammar School Academy	25.2%	£21k	256	56
Spalding Monkshouse Academy	24.0%	£6.1k	188	43
Spalding Parish C of E Day School	25.3%	£5k	172	37
Spalding Primary School	23.9%	£14k	202	43
Spilsby Primary School	25.3%	£28k	144	26
Stamford Malcolm Sargent Primary	24.2%	-	295	70
Stamford St Gilberts Church of England Primary School	26.2%	£5k	105	21
Surfleet Primary Academy	24.1%	£4k	36	7
Sutterton Fourfields CoFE School (LAAT)	25.2%	-	30	7
Swineshead St. Mary's CoFE (LAAT)	24.9%	-	47	11
Tattershall Holy Trinity Church of England Primary	25.8%	£6k	42	8
The Deepings School	26.1%	-6.4%	236	70
The Marton Academy	25.4%	£5k	43	9
Thurlby Community Primary School	23.4%	£1k	67	16
University Academy Holbeach	25.2%	£20k	506	123
University Academy Long Sutton	24.4%	£33k	283	61
Utterby Primary School	24.4%	-	26	6
Voyage Education Partnership	23.4%	£49k	1,673	419
Waddington All Saints Academy	24.5%	£14k	135	28
Wainfleet Magdalene Church of England Academy	25.4%	£4k	102	22
Washingborough Academy	23.8%	£10k	89	19
Welbourn Sir William Robertson Academy	24.0%	£19k	326	75
Welton St Marys Church of England Primary Academy	24.1%	£6k	101	23
Welton William Farr Church of England Comprehensive School	25.7%	-	397	90
West Grantham Academies Trust	24.5%	-	344	83
Weston St Marys Primary School	25.3%	-	13	3

Whaplode C of E Primary School	24.3%	-	55	13
Witham St Hughs Academy	23.9%	£6k	123	28
Woodhall Spa St Andrews Church of England Academy	24.8%	£4k	116	25
Wrangle Primary Academy	24.1%	£0.6k	47	12
Wyberton Primary School	23.4%	£12k	83	18
Community Admission Bodies				
<u>Individual Employers</u>				
Active Lincolnshire	28.4%	-	7	2
Adults Supporting Adults	33.4%	-4.3%	5	1
Lincolnshire Housing Partnership	27.4%	-	-400	1
Platform Housing Group	25.4%	-	-578	0
Drainage Boards				
<u>Individual Employers</u>				
Black Sluice Internal Drainage Board	23.6%	£8k	265	77
Lindsey Marsh Drainage Board	24.0%	-	513	152
North East Lindsey Internal Drainage Board	25.1%	-4.4%	11	4
South Holland Internal Drainage Board	23.5%	£253k	348	26
Upper Witham Internal Drainage Board	24.1%	£11k	121	29
Welland and Deeping Internal Drainage Board	24.0%	£50k	293	72
Witham First Internal Drainage Board	30.1%	-10.8%	53	21
Witham Fourth Internal Drainage Board	24.6%	-	292	108
Witham Third Internal Drainage Board	23.5%	-	316	98
Transferee Admission Bodies				
<u>Individual Employers</u>				
Active Nation	31.5%	-21.5%	2	1
Aspens Catering (Sir Robert Pattinson Academy)	25.4%	-	28	7
Caterlink (David Ross Education Trust)	29.4%	-	10	2
Caterlink (LAAT)	25.4%	-	51	11
Churchill Cleaning Services (Stamford Welland Academy)	24.7%	-	2	1
Healthmatic	23.8%	-	6	1
Hoople	18.7%	-	39	13
Independent Cleaning Services (Caistor Grammar)	24.9%	-	3	1
ICS cleaning (Lincoln Castle Academy)	25.6%	-	7	1
KRAM cleaning (Sir Robert Pattinson Academy)	25.4%	-	8	1
Lex Leisure (Boston Borough Council contract)	23.6%	-	128	32
Lex Leisure (Parkwood Holdings)	25.5%	-	8	2

Magna Vitae Leisure Trust	23.4%	-13.4%	106	76
Marigolds (Heckington Primary)	24.1%	-	0	0
Mellors Catering (Lincoln Castle Academy)	21.1%	-	1	0
Mitie (Lincolnshire Police)	16.3%	-	55	22
Outspoken Training	32.7%	-11.5%	1	0
Reef Cleaning (Giles Academy)	25.0%	-	18	4
Reef Cleaning (Voyage MAT)	23.4%	-	6	2
Serco (2024)	24.1%	-	243	65
Taylor Shaw (Branston Academy)	30.3%	-	2	0
Taylor Shaw (Gainsborough Academy)	24.0%	-	6	1
Taylor Shaw (University Academy Holbeach)	25.2%	-	30	7
Vertas	19.8%	-	2	0
Vinci Construction UK Limited	33.0%	-11.4%	5	2
Reef Cleaning (Sir Robert Pattinson Academy)	25.4%	-	2	1
Aspens (Alford Queen Elizabeth's Grammar)	26.5%	-	9	2
KRAM Cleaning (Inspire Connected Communities Trust)	23.8%	-	5	1
Resolution bodies				
<u>Individual Employers</u>				
Public Sector Partnership Services (PSPS)	23.1%	-	1,917	530

