

## MOVEMENTS IN PENSION FUND MARKET VALUE SINCE 2002

Date	Baillie Gifford					Fidelity							Blackrock	MFS		Schroders	CAAM	GRAND TOTAL
	Balanced Mandate	DGF	Fixed Income	Global Equities	Total	Balanced Mandate	Fixed Income	MAI	Property	Sterling Bond	USD ILF	Total	Global Equities	Global Equities	DGF	MAI	LDI Investment	
31/03/2002	113.3				113.3	112.9						112.9						226.2
31/03/2003	90.2				90.2	90.1						90.1						180.3
31/03/2004	113.1				113.1	112.9						112.9						226
31/03/2005	128.5				128.5	126.7						126.7						255.2
31/03/2006	172.2				172.2	164.1						164.1						336.3
31/03/2007	156				156	150.1						150.1					43.5	349.6
31/03/2008	162				162	151.3						151.3					44	357.3
31/03/2009	154.4				154.4	143						143						297.4
31/03/2010	235.4				235.4	210.9						210.9						446.3
31/03/2011	262.6				262.6	227						227						489.6
31/03/2012	269.7				269.7	229.6						229.6						499.3
31/03/2013#	315.3	26.5			341.8	215.4						215.4			26.1			583.3
31/03/2014@	15.1	26.8	45.2	207.8	294.9		58.4					58.4	122.1	123.1	27			625.5
31/03/2015		45.5	51.6	248.2	345.3		66.6					66.6	150.5	150.8	29.7			742.9
31/03/2016		44.8	51.8	247.9	344.5		67.4					67.4	145.5	159.2	28.3			744.9
31/03/2017		49.3	56.8	335.3	441.4		74.3					74.3	193.2	206.4	28.5			943.8
31/03/2018\$&			58	380	438		75.6	79.2	15.9			170.7	155.2	206.8				970.7
31/03/2019			59.2	416.5	475.7		78.7	78.8	48.6			206.1	11.4	230.2		115.8		1,039.20
31/03/2020			60.9	411.85	472.7		83.5	80.6	47			211.1		220.3		96.1		1,000.30
30/06/2020			65	529.8	594.8		88.4	87.5	45.6			221.5		254.3		106.8		1,177.40
30/09/2020/			65.4	524.8	590.2		89	128.3	44.7			262		259.2		106.6		1,218.00
31/12/2020\				585.3	585.3		91	133	45.5	67.7		337.2		278.8		111.7		1,313.00
31/03/2021				597.7	597.7		85.7	131.4	46.3	64.8		328.2		293.1		110.9		1,329.90
30/06/2021*				621.2	621.2		87.4	134.8	69.5	66.2		357.9		311.2		114.5		1,404.80
30/09/2021				614.6	614.6		86.5	134	71.6	65.4		357.5		319.5		113.3		1,404.90
31/12/2021				602.3	602.3		87.4	132.1	75.5	65.8	14.1	374.9		340		114.2		1,431.40

## MOVEMENTS IN PENSION FUND MARKET VALUE SINCE 2002 CONTINUED

Date	Baillie Gifford		Fidelity							MFS	Schroders	MS	GRAND TOTAL
	Global Equities (LCIV)	Total	Fixed Income	MAI	Property	Sterling Bond	USD ILF	SD CB	Total	Global Equities	MAI	USD Property	
31/03/2022	527.8	527.8	81.2	125.5	77.9	61.2	14.8		360.6	332.9	108.7		1,330.09
30/06/2022	466.7	466.7	73.9	117.1	81.0	56.6	8.6		337.2	318.8	100.7	7.6	1,231.02
30/09/2022	474.4	474.4	65.5	109.8	78.0	50.6	5.3		309.2	329.2	97.6	11.8	1,222.20
31/12/2022	486.0	486.0	67.3	110.2	65.7	53.1	3.9		300.2	348.3	98.0	12.3	1,244.80
31/03/2023 <sup>x</sup>	438.3	438.3	78.6	124.4	65.1	63.5	20.5		352.1	350.2	114.8	14.2	1,269.60
30/06/2023 <sup>y</sup>	454.7	454.7	74.6	120.7	63.9	61.8	20.2		341.2	359.4	113.3	14.1	1,282.70
30/09/2023	435.6	435.6	74.1	118.8	63.1	61.9	13.7		331.6	364.0	113.9	22.9	1,268.00
31/12/2023 <sup>z</sup>	399.9	399.9	79.2	123.0	60.4	66.7	10.2	65.7	405.2	384.3	118.3	25.3	1,333.00

N.B. Custodian valuations may differ to fund manager reports due to different valuation/return calculation methods and / or timing differences.

# £50m Fidelity equities sold in Dec 2012 to fund Standard Life and Baillie Gifford DGF allocations.

@ Assets sold by Fidelity (£170m) and Baillie Gifford (£70m) in Dec 2013 to fund MFS and Blackrock global equities

\$ £32m Blackrock global equities sold in July 2017 to pay group transfer value re Bromley College

& Assets sold by Baillie Gifford (£51m), Standard Life (£29m) and Blackrock (£19m) in Feb 2018 to fund Fidelity MAI and Property funds.

£ Assets sold by Blackrock (£120m) in May 2018 to fund Schroder MAI fund.

^ Assets sold by Blackrock (£20m) in August 2018 to fund Fidelity Property fund

\* Assets sold by Blackrock (£13.7m) in December 2018 to fund Fidelity Property fund.

" Assets sold by Blackrock (£11.6m) in May 2019 to fund Fidelity MAI

/ Assets sold by Baillie Gifford (£41.2m) in Aug 2020 to fund Fidelity MAI fund

\ Assets sold by Baillie Gifford (£65.5m) in Oct 2020 to fund Fidelity Sterling Corporate Bond fund

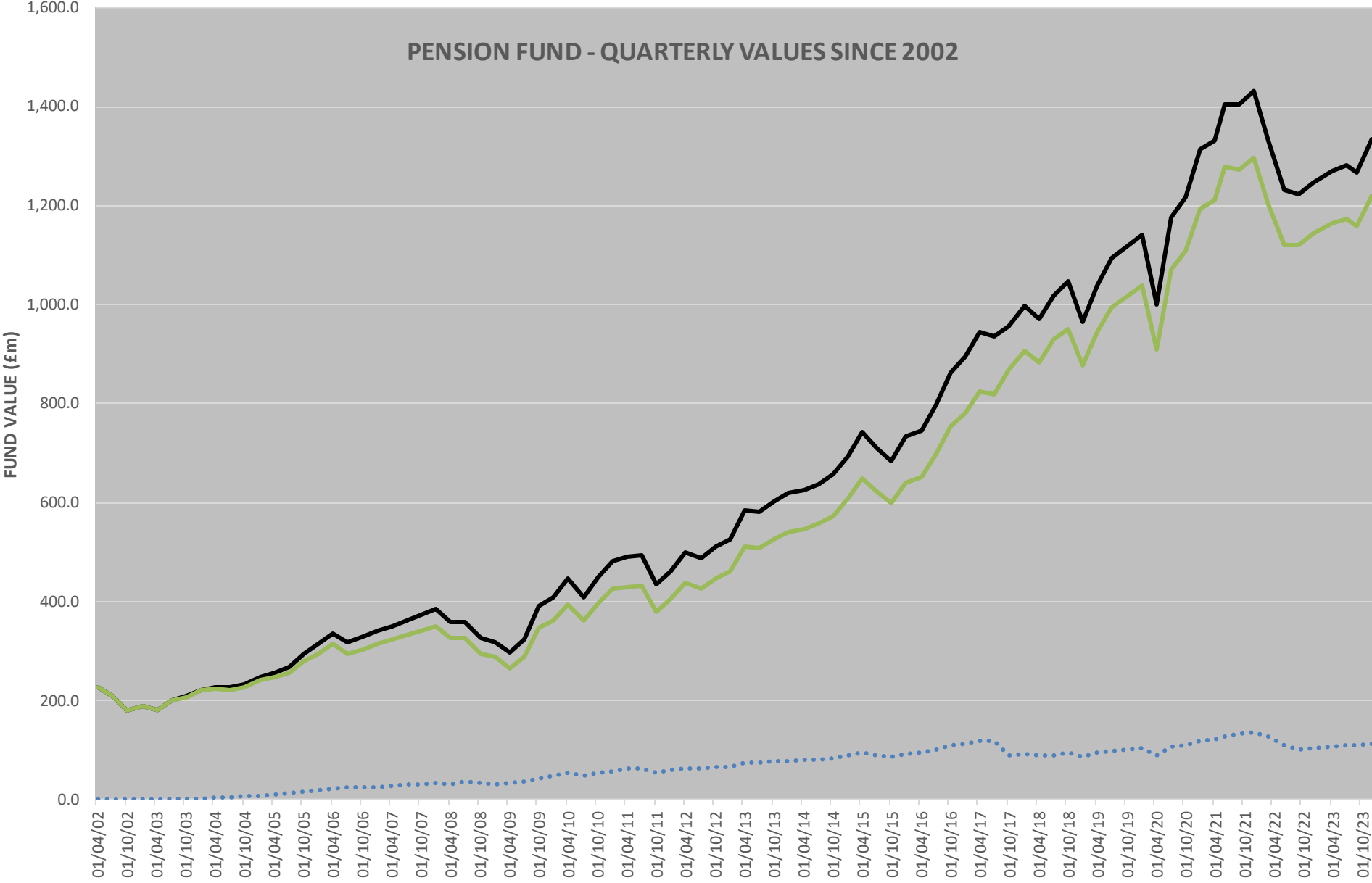
\* Assets sold by Baillie Gifford (£14.4m) in June 2021 to fund Fidelity Property fund

<sup>x</sup> Assets sold by Baillie Gifford (£70.0m) in Feb 2023 to rebalance the portfolio, and fund £20m of the Fidelity Fixed Interest Fund, £15m each of the Fidelity and Schroders Multi-Asset Income Funds and £20m into the US Dollar account awaiting draw down into the Morgan Stanley International Property Fund.

<sup>y</sup> Assets transferred in-specie from Baillie Gifford (£444m) in May 2023 to Baillie Gifford LCIV Global Alpha Growth Fund.

<sup>z</sup> Assets sold by Baillie Gifford (£65.0m) in Oct 2023 to rebalance the portfolio, and fund £65m into the Fidelity Short Dated Bond Fund.

# PENSION FUND - QUARTERLY VALUES SINCE 2002



— Total Fund    ..... Cash invested inc. Notional Return    — Investment Returns

## PENSION FUND MANAGER PERFORMANCE TO DECEMBER 2023

Portfolio	Month %	3 Months %	YTD %	1 Year %	3 Years %	5 Years %	Since Inception %
Baillie Gifford Global Equity	0.19	0.32	3.89	9.13	(1.42)	10.41	8.53
Benchmark	4.11	6.42	10.86	15.88	8.74	12.25	8.25
Excess Return	(3.92)	(6.10)	(6.97)	(6.75)	(10.16)	(1.83)	0.28
Baillie Gifford LCIV GAG	5.70	8.92					5.99
Benchmark	4.11	6.42					11.05
Excess Return	1.59	2.51					(5.06)
Fidelity Fixed Income	4.38	7.29	2.70	4.25	(7.50)	(1.04)	4.96
Benchmark	5.00	7.95	3.63	6.11	(7.20)	(1.28)	4.27
Excess Return	(0.63)	(0.66)	(0.94)	(1.85)	(0.30)	0.24	0.69
Fidelity MAI	3.68	5.78	3.75	3.83	(2.19)	0.93	0.42
Benchmark	0.33	0.99	2.99	4.00	4.00	4.00	4.00
Excess Return	3.36	4.80	0.76	(0.17)	(6.19)	(3.07)	(3.58)
Fidelity Property	(1.43)	(4.36)	(7.25)	(6.96)	0.24	0.41	0.62
Benchmark	(0.39)	(1.16)	(1.20)	(1.42)	2.07	1.34	2.02
Excess Return	(1.04)	(3.20)	(6.05)	(5.54)	(1.83)	(0.93)	(1.41)
Fidelity Short Dated Bond	1.02						1.15
Benchmark	2.30						3.65
Excess Return	(1.28)						(2.50)
MFS Global Equity	4.85	5.58	9.75	10.38	11.21	12.84	12.20
Benchmark	4.08	6.31	10.46	15.31	8.24	11.70	10.91
Excess Return	0.77	(0.73)	(0.71)	(4.93)	2.98	1.14	1.29
Schroder MAI	3.29	5.33	6.26	9.04	0.71	2.28	1.19
Benchmark	0.41	1.23	3.73	5.00	5.00	5.00	5.00
Excess Return	2.88	4.10	2.53	4.04	(4.29)	(2.72)	(3.81)
Lon Borough Bromley USD	0.26	(3.01)	2.21	(4.71)			2.75
<b>Total Fund</b>	4.16	5.47	5.77	8.10	1.35	7.76	8.52
<b>Benchmark</b>	3.24	5.13	7.40	10.88	4.94	7.96	
<b>Excess Return</b>	0.91	0.35	(1.63)	(2.77)	(3.59)	(0.21)	

N.B. returns may differ to fund manager reports due to different valuation/return calculation methods

## EARLY RETIREMENTS

A summary of early retirements and early release of pension on redundancy by employees in Bromley's Pension Fund in the current year and in previous years is shown in the table below. With regard to retirements on ill-health grounds, this allows a comparison to be made between their actual cost and the cost assumed by the actuary in the triennial valuation. If the actual cost of ill-health retirements significantly exceeds the assumed cost, the actuary will be required to consider whether the employer's contribution rate should be reviewed in advance of the next full valuation. In the last valuation of the Fund (as at 31<sup>st</sup> March 2019) the actuary assumed a figure of 0.9% of pay (approx. £1.4m p.a from 2020/21) compared to £1.2m in the 2016 valuation, £1m in the 2013 valuation and £82k p.a. in the 2010 valuation. In 2015/16 there were nine ill-health retirements with a long-term cost of £1,126k, in 2016/17 there were six with a long-term cost of £235k, in 2017/18 there were five with a long-term cost of £537k, in 2018/19 there were five with a long-term cost of £698k, in 2019/20 there were three with a long-term cost of £173k, and in 2020/21 there were six with a long-term cost of £520k. Provision has been made in the Council's budget for these costs and contributions have been and will be made to reimburse the Pension Fund as result of which the level of costs will have no impact on the employer contribution rate.

The actuary does not make any allowance for other (non-ill-health) early retirements or early release of pension, however, because it is the Council's policy to fund these in full by additional voluntary contributions. In 2018/19 there were eight with a long-term cost of £392k, in 2019/20 there were 14 with a long-term cost of £433k and in 2020/21 there were 14 with a long-term cost of £203k. Provision has been made in the Council's budget for severance costs arising from LBB staff redundancies and contributions have been and will be made to the Pension Fund to offset these costs. The costs of non-LBB early retirements are recovered from the relevant employers.

Long-term cost of early retirements	Ill-Health		Other	
	No	£000	No	£000
Oct 23 – Dec 23 - LBB	0	0	0	0
- Other	0	0	0	0
- Total	0	0	0	0
2023/24 total - LBB	0	0	0	0
- Other	0	0	0	0
- Total	0	0	0	0
Actuary's assumption - 2019 to 2022		1,400 p.a.		N/a
- 2016 to 2019		1,200 p.a.		N/a
- 2013 to 2016		1,000 p.a.		N/a
- 2010 to 2013		82 p.a.		N/a
Previous years – 2022/23	3	316	1	25
- 2021/22	1	618	0	0
- 2020/21	10	549	23	270
- 2019/20	3	173	14	433
- 2018/19	5	698	8	392
- 2017/18	5	537	10	245
- 2016/17	6	235	22	574
- 2015/16	9	1,126	14	734
- 2014/15	7	452	19	272
- 2013/14	6	330	26	548

**PENSION FUND REVENUE ACCOUNT AND MEMBERSHIP**

	Outturn 2022/23 £'000	Provisional as at 30 Dec 2023 £'000	Estimate 2023/24 £'000
<b>INCOME</b>			
Employee Contributions	8,165	8,167	8,170
Employer Contributions			
- Normal	26,264	26,280	26,270
- Past-deficit	478	478	478
Transfer Values Receivable	7,891	5,213	5,213
Investment Income			
- Re-invested	11,195	11,130	11,130
- Distributed to Fund	15,409	13,620	13,620
Total Income	<u>69,402</u>	<u>64,888</u>	<u>64,881</u>
<b>EXPENDITURE</b>			
Pensions	29,447	29,900	29,900
Lump Sums	4,831	4,395	4,395
Transfer Values Paid	3,953	2,700	2,700
Administration			
- Manager fees	5,002	5,000	5,000
- Other (incl. pooling costs)	1,606	1,600	1,600
Refund of Contributions	142	250	250
Total Expenditure	<u>44,981</u>	<u>43,845</u>	<u>43,845</u>
Surplus/Deficit (-) - including re-invested income (RI)	<u>24,421</u>	<u>21,043</u>	<u>21,036</u>
Surplus/Deficit (-) - excluding RI <sup>1</sup>	<u>13,226</u>	<u>9,913</u>	<u>9,906</u>
<b>MEMBERSHIP</b>			
	<b>30/09/2023</b>	<b>31/12/2023</b>	
Employees	6,208	6,226	
Pensioners	6,064	6,112	
Deferred Pensioners	6,591	6,586	
	<u>18,863</u>	<u>18,924</u>	

Note 1 It should be noted that the draft outturn net surplus of £24.4m in 2022/23 includes investment income of £11m which was re-invested in the funds so, in cashflow terms, there is a £13.4m cash surplus for the year.