BEDFORDSHIRE PENSION FUND

Business Plan 2026 – 2030

Contents

Introduction

The Local Government Pension Scheme (LGPS) is one of the largest pension schemes in the UK. It is a public service pension scheme, and its rules are made with the approval of Parliament. The LGPS is administered locally by 86 local pension funds in England and Wales.

Bedford Borough Council is the Administering Authority of Bedfordshire Pension Fund, which is responsible for the pension benefits of LGPS members in Bedfordshire. The Bedfordshire LGPS is open to local government employees and employees of a wide range of other employers providing services in the Bedfordshire area.

The purpose of this document is to set out a business plan for Bedfordshire Pension Fund for the period 2026-2030 and to outline the Fund’s aims, objectives and actions over the longer term. The plan has been prepared in compliance with statutory requirements and current codes of practice. The plan is reviewed on an annual basis.

Pension Fund objectives

The purpose of Bedfordshire Pension Fund is to pay the right people the right pension at the right time. In support of this purpose, the Fund has set the following high-level objectives:

- Deliver a high-quality and friendly service to all beneficiaries, potential beneficiaries and employers
- Work with employers to recognise and manage pension liabilities (addressing the individual characteristics of employers in a way that is practical and cost effective)
- Optimise the return on investments consistent with a prudent level of risk over the long term
- Maintain accurate records and make sure that data is held securely, with robust measures in place to prevent any unauthorised access
- Engage in clear, appropriate and timely communication with all stakeholders
- Ensure that decisions are sound, well-based, supported by effective governance and undertaken by people who have the appropriate knowledge and expertise
- Act with integrity and be accountable to stakeholders for decisions

About the Pension Fund

Governance structure

Management of Bedfordshire Pension Fund has been delegated to the Pension Fund Committee by Bedford Borough Council. The Pension Fund Committee acts in the role of 'trustee' of the Pension Fund.

The day-to-day running of the Fund has been delegated by the Pension Fund Committee to the Executive Director of Resources, the Service Director for Bedfordshire Pension Fund and the Manager for Pensions Administration.

The Bedfordshire Pension Fund team has responsibility for all operational aspects of the Fund including governance, administration, and investments and accounting.

The Pension Fund also has a Local Pension Board. Local Pension Boards were established to assist in the effective and efficient governance and administration of the LGPS and to secure compliance with the LGPS regulations and the requirements of the Pensions Regulator. The Pension Board provides assurance to the Pension Fund Committee on matters of governance and administration.

The Fund is a member of Border to Coast Pensions Partnership Limited (BCPP). BCPP was established in 2017 with the aim of pooling investments with other like-minded Funds to reduce investment management costs and increase returns. The partner funds of BCPP work collaboratively to build investment capabilities and participate in the BCPP Joint Committee to provide collective oversight of the performance and direction of BCPP.

More information about the Pension Fund's governance arrangements can be found in the fund's Governance Policy.

Administration

We aim to provide a high-quality, value-for-money service. Pension administration is carried out in-house by a team of professional staff.

The administration team works closely with the fund's LGPS employers, to ensure a positive experience for members of the scheme.

Increasing membership, combined with the growing complexity of pensions legislation, emphasises the need for a robust and effective administration service.

Scheme members and scheme employers

Chart 1: Bedfordshire Pension Fund membership

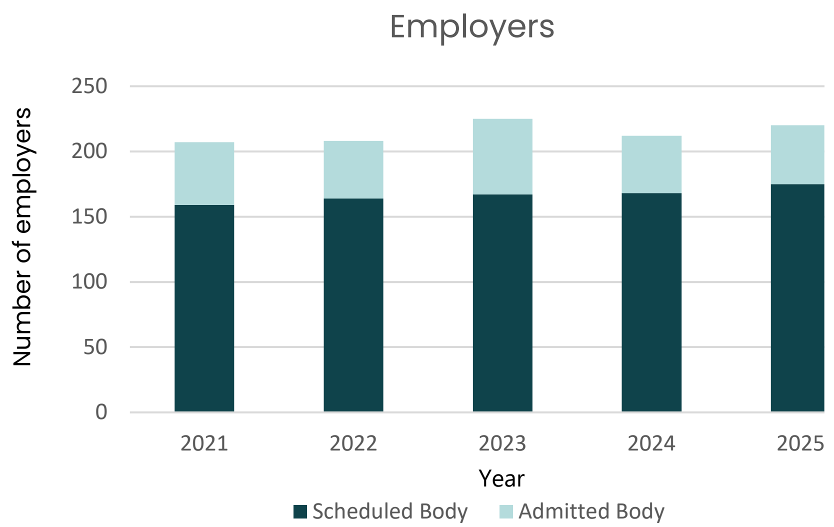
Membership of Bedfordshire Pension Fund has increased in recent years.

Active members currently pay into the LGPS through their employment with one of Bedfordshire Pension Fund's employers.

Deferred members have previously paid into the LGPS for long enough to be entitled to pension benefits and have now stopped paying into the scheme but are not old enough to claim their pension benefits

Pensioners have previously paid into the LGPS and their pension is now being paid. This category also includes dependants (e.g. spouses and children) of former LGPS members who are entitled to receive a pension.

Chart 2: Bedfordshire Pension Fund participating employers



The number of scheme employers participating in the Bedfordshire Pension Fund has fluctuated slightly in recent years but has remained over 200.

Scheduled bodies are employers that are legally required to offer LGPS membership to their eligible employees because they are specifically listed in the LGPS regulations.

Admitted bodies are employers that have chosen to participate in the LGPS under an admission agreement. Admission bodies are generally charities or contractors – usually where a scheduled body has contracted out a service to a non-local government employer.

Administration performance targets

The Fund has an agreed set of local indicators to monitor the administration of the Fund and interactions with scheme members. These targets are set with the needs of scheme members in mind, and fall within the standards set out in legislation, and guidance from the Pensions Regulator (TPR). The table below sets out the targets. The fund's performance against these targets is recorded in the annual report and is reported at quarterly meetings of the Pension Fund Committee and Local Pension Board.

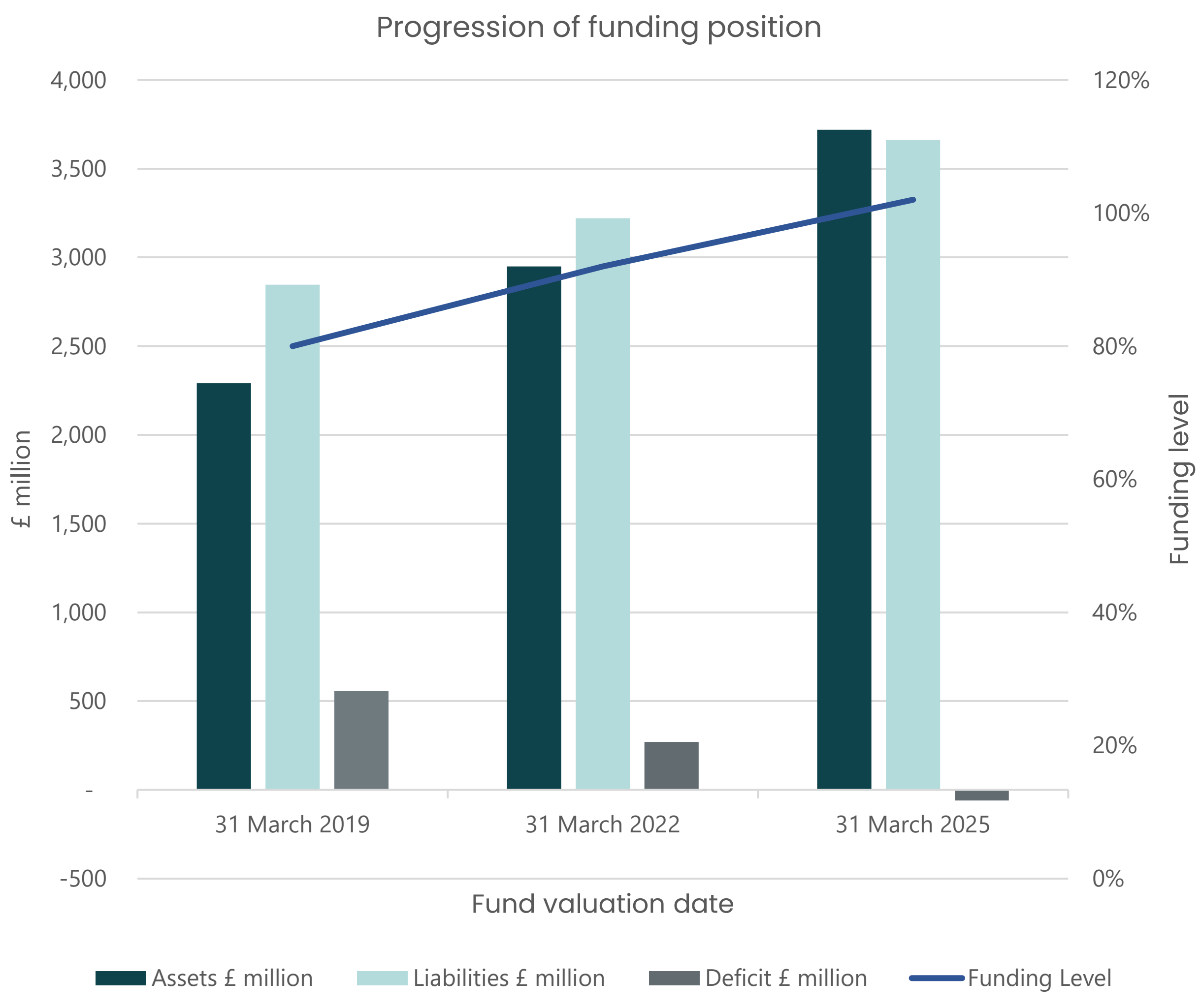
Table 1 – Bedfordshire Pension Fund key performance indicators

Key Performance Indicator	Fund target (working days)
Communication issued with acknowledgement of death of active, deferred, pensioner and dependant member	10 days
Communication issued confirming the amount of dependant's pension	10 days
Communication issued to deferred member with pension and lump sum options (quotation)	10 days
Communication issued to active member with pension and lump sum options (quotation)	10 days
Communication issued to deferred member with confirmation of pension and lump sum options (actual)	10 days
Communication issued to active member with confirmation of pension and lump sum options (actual)	10 days
Payment of lump sum (both active and deferred)	10 days
Communication issued with deferred benefit options	30 days
Communication issued to scheme member on completion of transfer in	10 days
Communication issued to scheme member on completion of transfer out	10 days
Payment of refund	10 days
Divorce quotation	15 days
Communication issued following actual divorce proceedings i.e. application of a Pension Sharing Order	35 days
Communication issued to new starters	10 days
Member estimates requested by scheme member and employer	10 days

Funding Level

The Fund is required to carry out an actuarial valuation every three years to estimate the market value of assets compared to the liabilities (i.e. the benefits due to be paid to scheme members) and calculate a funding level. The last valuation was carried out as of 31 March 2025. The chart below shows the results of the last three valuations.

Chart 3: Assets and Liabilities



At 31 March 2025, the Actuary, Barnett Waddingham, estimated that the funding level stood at 102%.

At each valuation the Fund sets employer contribution rates which will adequately cover the cost of LGPS benefits which may build up in the future, and the cost of any benefits already built up. The primary contribution rate is the employer's contribution towards the cost of the benefits that build up in the future. The table below shows the average primary contribution rate for the Fund at the last three valuations.

Table 2: Contribution rates

Valuation date	Contribution rate
31 March 2025	16.8%
31 March 2022	19.6%
31 March 2019	19.2%

Investments

The Fund aims to hold sufficient assets to cover all accrued benefits due to scheme members, taking account of future salary increases and inflation. The Pension Fund Committee sets an investment strategy to achieve this objective, factoring in an acceptable level of risk.

The Investment Strategy Statement sets out the Fund's asset allocation. The Investment Strategy Statement can be found on the Bedfordshire Pension Fund website. The target investment strategy is set out in the table below.

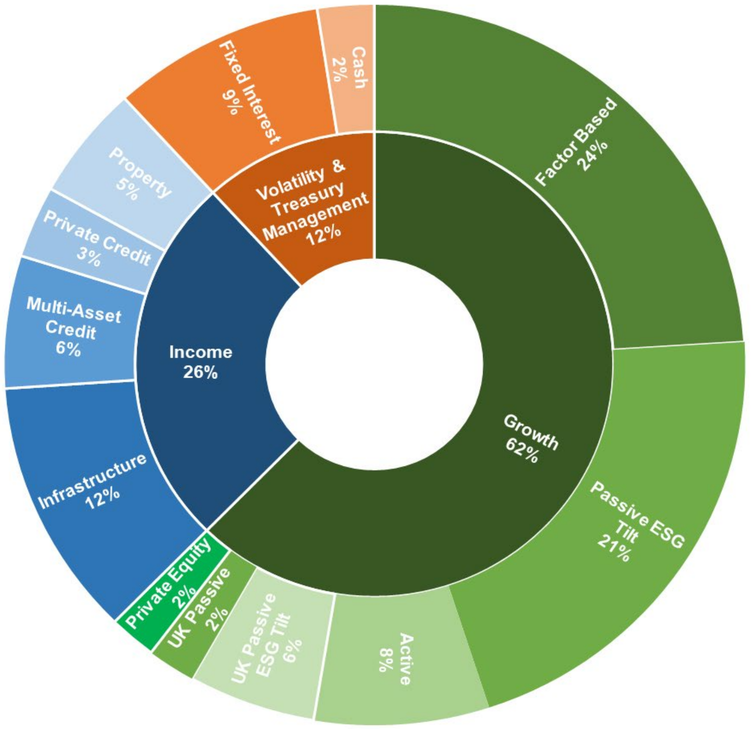
The Fund's investment strategy is implemented through its chosen LGPS asset pool, Border to Coast Pensions Partnership, which will also have oversight of the Fund's legacy private markets assets from 1 April 2026. The nature of Fund investments is reviewed on a regular basis, with particular reference to suitability and diversification.

Table 3: Strategic asset allocation

Asset class	Long-term Target Allocation %	Allocation Range %
Listed Equities	52.0%	42.5%-62.5%
Private Equity	4.5%	0%-5%
Growth assets sub total	56.5%	
Property	10%	5%-15%
Infrastructure (equity)	10%	0%-15%
Private Credit	5.0%	0%-10%
Multi-asset credit	7.5%	2.5%-12.5%
Income sub total	32.5%	
Liquid credit	11.0%	5.5%-15.5%
Cash	<1.0%	0-2%
Volatility and Treasury Management sub total	11%	
Total	**100%**	

The Fund value has continued to increase and was £3.994 billion at 30 September 2025 (£3.643.6 billion as at 31 March 2025).

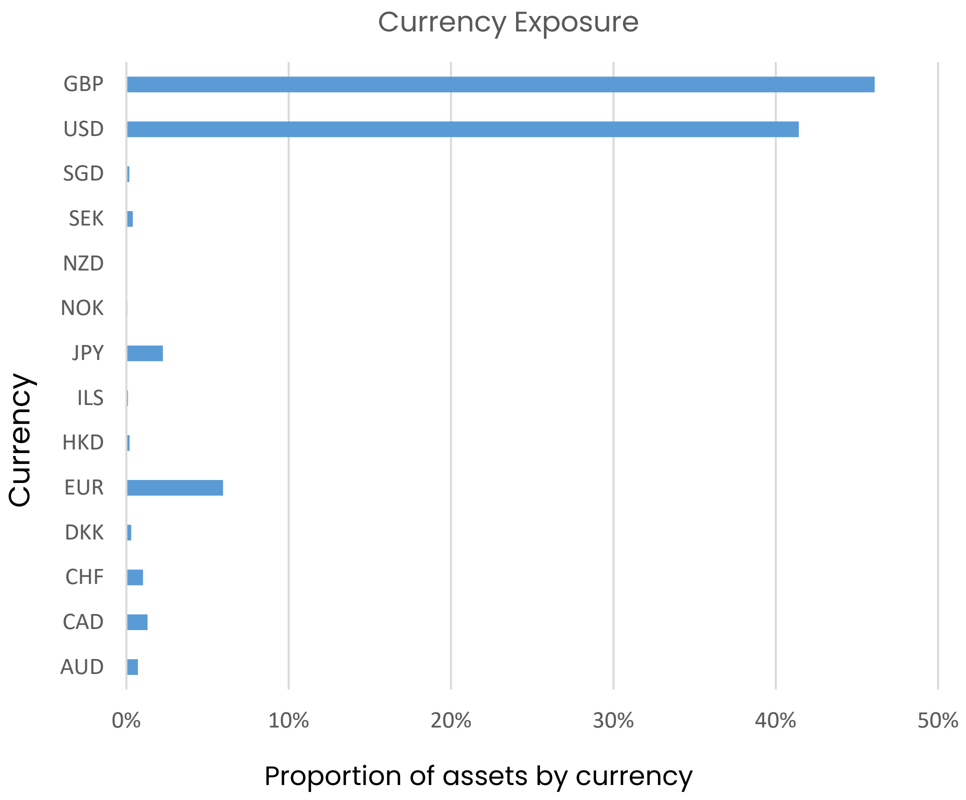
Chart 4: Assets held



The Fund's asset mix (30 September 2025) is shown in the chart above. It comprises Growth Assets which aim to generate the returns required to support the funding plan and maintain affordability of contribution; Income Assets, which provide diversification; and Volatility & Treasury Management, consisting of highly liquid assets that support risk and cashflow management.

The complexity of investment activity has steadily increased with the introduction of alternative assets which comprise of private market strategies.

Chart 5: Currency



A currency hedging programme was introduced in April 2025 following a review that highlighted that c60% of the Fund's assets are exposed to unmanaged currency risk. The currency hedging programme is operated on a dynamic basis with a focus on improving risk-adjusted returns relative to an unhedged, or statically/passively hedged portfolio.

Staff resources

Bedford Borough Council as the administering authority for Bedfordshire Pension Fund provides the staffing establishment for the Pension Fund. Responsibility for the day-to-day operation of the Fund is delegated to the Executive Director for Resources. A requirement for a Senior LGPS Officer, as proposed in the Fit for the Future consultation, is to be created by new LGPS Regulations expected to come into force on 1 October 2026. The Service Director for Bedfordshire Pension Fund will fulfil the role which will have overall responsibility across all pension functions. The Council's constitution and scheme of delegation will be updated to reflect the new LGPS governance arrangements.

The staffing structure to deliver the workplan is managed through three teams:

- Administration
- Investments and Accounting
- Governance

In-house pension and investment administration provides a high degree of control over the investment arrangement and delivery of a tailored service to employers and scheme members.

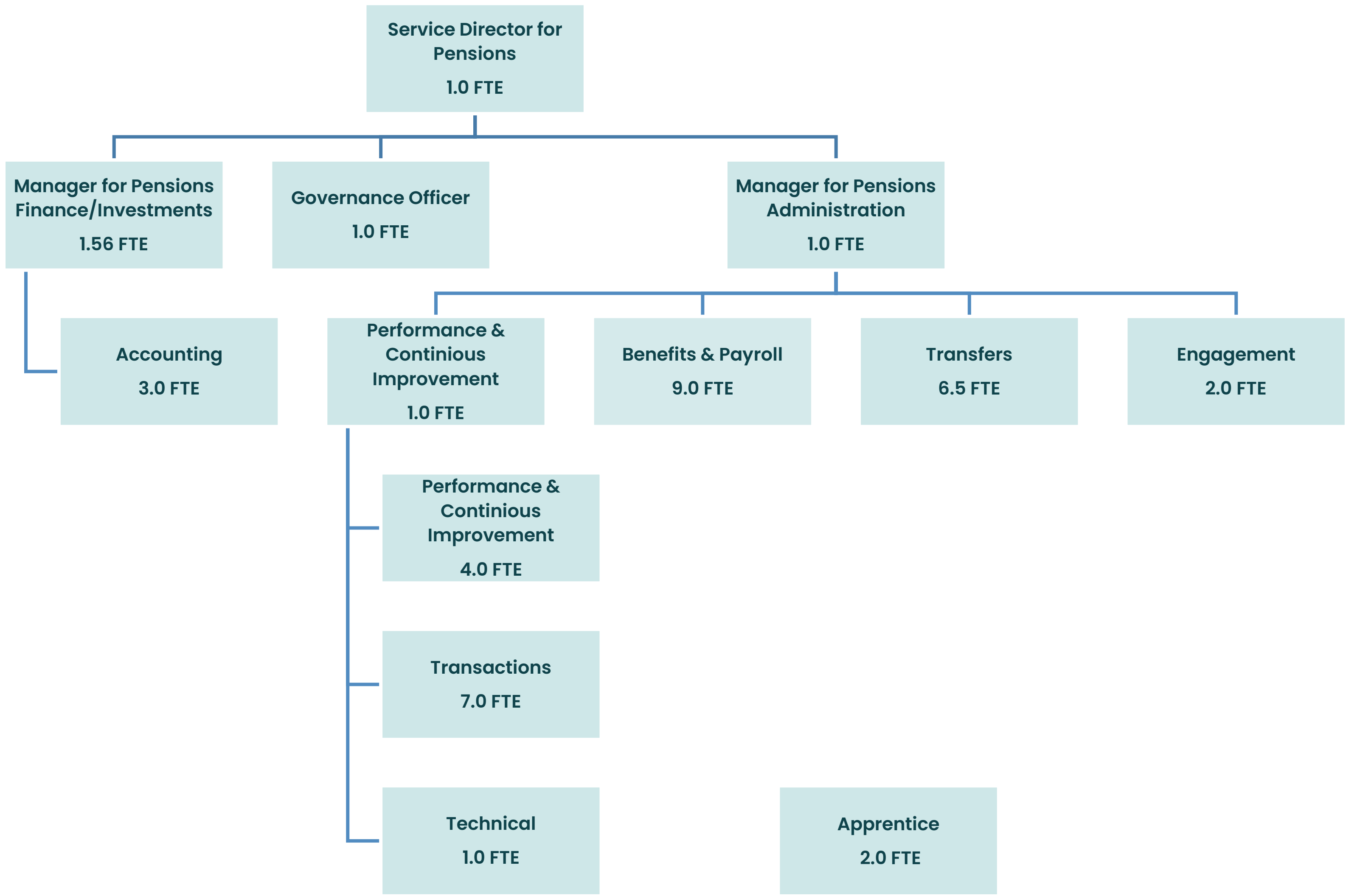
The structure and resources for each team, as approved by the Pension Fund Committee, is set out on the next page. Elements of this structure are subject to restructuring and recruitment.

Recruitment of staff with the relevant knowledge and skills continues to be a challenge for all LGPS funds. One of the ways in which funds are seeking to improve recruitment and retention rates is through the employment and development of apprentices, an option which Bedfordshire Pension Fund is looking to explore.

Workstreams

In support of the Fund's key objectives, a workplan for the coming year is set out for administration, investments & accounting, and governance workstreams. An analysis of the workplans of the previous year is undertaken, to review progress against targets and to consider any obstacles or barriers which are preventing the fund from achieving its goals. More information is in the Workplan section.

Bedfordshire Pension Fund organisation chart



Total 40.06 FTE

2026/2027 budget

	2026/27 £000	2025/26 £000	Change £000
Investment Management Fees	8,923	9,614	(691)
Underlying Property Fund Costs	764	1,019	(255)
Custody Fees	214	78	136
Total Investment Management	**9,901**	**10,711**	**(810)**
Total Oversight and Governance	**1,608**	**1,992**	**(384)**
Running Expenses	240	206	34
Technology	777	547	230
Fund Administration - BBC Recharge	2,178	1,698	480
Total Administration	**3,195**	**2,451**	**744**
Grand Total	**14,704**	**15,154**	**(450)**

Investment Management costs are budgeted to be lower in 2026/27 as 2025/26 included a one-off transition cost. Property Fund costs are expected to reduce as these assets transfer to a lower cost investment proposition run by the pool. Custody fees are significantly higher following the implementation of the currency hedging solution.

Oversight and Governance costs have fallen due to one-off costs relating to the 2025 triennial valuation and investment pooling drop out from the budget.

Within the Administration budget, running expenses have increased because of a one-off costs of moving to digital communications by default. Technology costs have also risen due to the system solutions needed for Pensions Dashboards, the new member self service portal, and GMP rectification work. The Administration charge from Bedford Borough Council, which comprises largely of staffing and training related costs is also increasing; this comprises of agreed new posts in the Performance and Continuous Improvements Team, the inclusion of the secondary pension contributions (previously omitted), removal of the vacancy factor, the addition of two new apprentices and additional resource within the Transfers and Transactions team.

Risks and Issues

There are issues (political, economic, social and technical) facing the LGPS that may affect the delivery of the objectives in this business plan. The Fund has a risk register which is reviewed by the Local Pension Board and the Pension Fund Committee on a quarterly basis. A summary list of current and ongoing risks which have been identified is shown below. The full risk register can be found in quarterly meeting papers, which are available on the Bedford Borough Council website. The full register sets out the current level of risk associated with each area and the control measures that the fund has in place to mitigate the risk.

Table 4: Bedfordshire Pension Fund summary risk register

Summary risk register
Investment - Asset and liability mismatch
Investment - Deterioration of maturity profile
Investment - Poor investment performance
Investment - Inappropriate investment targets
Investment - Impact of pooling
Investment - Failure to meet ESG standards
Investment - Currency fluctuations
Funding - Inadequate longevity assumptions
Funding - Potential changes to member benefits package
Funding - Deferred employers/Employer exits
Covenant - Employer covenant – insufficient funding at exit
Governance - Inadequate knowledge and skills (Committee and Board)
Governance - Inadequate communication
Governance - Inadequate governance
Governance - Loss of key staff/knowledge and skills
Governance - Data protection breach
Governance - McCloud project
Governance - Poor contract management
Administration - Failure to undertake cessation valuations
Administration - Service disruption
Administration - Cyber attack
Administration - Incorrect benefit calculations
Administration - Financial crime

Summary risk register
Administration - Pensions Dashboards
Administration - Incorrect monthly data submissions
Administration – Implementation of digital processes

To plan effectively, it is essential to consider future challenges which may present risks to the fund achieving its objectives and some key considerations are set out below:

- government consultations proposing changes to the LGPS regulations will result in new legislation and the fund will need to ensure compliance with new legislation, potentially within tight timeframes
- changes to the role of asset pool companies in the implementation of investment strategies will result in the fund adapting its approach to investment strategy and review
- the knowledge and skills of Pension Fund Committee and Pension Board members and fund officers will need to keep pace with changing legislation to ensure effective decision-making
- a regular review of available resources will be necessary to make sure the fund is able to meet the requirements of regulatory changes
- there is a real and ongoing risk of a cyber-attack and the fund needs to maintain robust systems to mitigate the risk and effects of any attack
- ongoing focus on Environmental, Social and Governance (ESG) factors has an impact on the fund's policies.

Fund officers meet regularly to discuss current and anticipated risks and issues.

Procurement of contracts and services

In support of the objective to deliver a high-quality service, the Fund procures the services of third parties for key activities that are essential for the effective management of the fund and its service for scheme members and scheme employers. The contracts register is reviewed by the Pension Fund Committee and Pension Board, and expiry dates and procurement needs monitored to ensure these are managed within appropriate timeframes.

Workplan

Pensions Administration

Review of 2025/2026

The table below shows the administration workplan objectives set for 2025/2026 and the progress update against each activity. Where projects will be continuing into 2026/2027 these activities have been included in the workplan on page 17.

Table 5: Pensions Administration workplan – review of 2025/2026

Activity	Comments
Valuation – collection of data	Achieved
Valuation results to employers	Achieved – results issued November 2025
Annual submission of data by employers	Achieved – data collected from employers and processed April to July.
Guaranteed Minimum Pension Review	Ongoing. To carry forward to 2026/2027
Administration performance review	Achieved
Annual benefit statements	Achieved
Policy Review	Achieved
I-Connect system implementation	Ongoing – 197 out of 292employers onboarded to date, which equates to 94% of active member records.. Project carried forward to 2026/2027
McCloud remedy	Ongoing. Work on rectification of records is continuing. Carried forward to 2026/2027
Pensions Dashboard	Connection to Dashboards achieved. Planning for 'Dashboards Available Point' (tbc) is ongoing.

Activity	Comments
Valuation – collection of data	Achieved
Valuation results to employers	Achieved – results issued November 2025
My Pension Online upgrade	User acceptance testing December 2025. Live version of new site available January 2026

Table 6: 2026/2027 Administration projects workplan

Activity	Background	Key milestones	Timeframe	Priority level / legal requirement	Resource Implications
Statutory activity - completion of project to apply the McCloud remedy	Regulations to remove age discrimination came into effect from 1 October 2023. Apply the McCloud remedy to affected records by 31 August 2026.	• Correction and payment of pensions and death benefits. • Include McCloud figures in 2026 annual benefit statements for active and deferred members	Deadline: 31 August 2026	High – regulatory requirement to have project completed by 31 August 2026	No additional resource or budget required.
Service delivery activity - new member self-service portal	New member self-service portal live from January 2026. Ongoing strategy to increase member take-up, in support of aim to have online benefit statements in 2026 and improved member experience.	• Launch new member portal to members • Re-register members who have an existing account • Promote portal to all members • Redesign business processes to incorporate new functionality	Ongoing from Jan 2026 into Spring/Summer 2026	High – previous member self-portal no longer supported therefore successful transition to new site essential.	No additional resource or budget required.

Activity	Background	Key milestones	Timeframe	Priority level / legal requirement	Resource Implications
Service delivery activity - Implementation of digital strategy	Develop the new member self-service portal to move to a fully digital administration service, resulting in savings and a streamlined and improved member experience.	• Notify members of move to digital communications (x3) • Monitor and record members opting out of digital communications. • Online annual benefit statements • Move office processes to digital-first approach • Online pensioner payslips and P60s	By 30 April 2026 By 30 June 2026 and ongoing By 31 Aug 2026 From Feb 2026 and ongoing By 31 Mar 2027	Medium-high – no statutory requirements or deadlines but essential for improving quality of service and meeting the Pensions Regulator and member expectations	3 bulk mailings to members expected to cost approx. £150k following which print and postage costs will significantly reduce to members who have chosen to opt out of digital communications. Small implementation cost to be anticipated for conversion of payslips to online format. Budget for £5k – to obtain definitive quote.

Activity	Background	Key milestones	Timeframe	Priority level / legal requirement	Resource Implications
Service delivery activity - new pension fund website	Launch new pension fund website, incorporating new branding guidelines and supporting digital-first strategy	• Procure website developer and maintenance contract • Develop new content • User Acceptance Testing • Go live	From April 2026	Medium – new website is required to allow for easier content management and application of new branding.	Budget required is approx. £7k pa and one-off implementation cost of £3k.
Statutory activity - Pensions Dashboards	Continue preparation for national launch of Pension Dashboards	• Respond to any matches from Dashboard testing • Stay up-to-date with current guidance • Establish processes for responding to possible matches • Review matching policy if necessary	Ongoing to official go live date (to be confirmed by Government with 6 months' notice)	High – regulatory requirement to meet all necessary milestones and deadlines.	Depending upon government publicity – temporary additional staffing resource may be required to ensure compliance with various legal timescales for supplying data to the member.

Activity	Background	Key milestones	Timeframe	Priority level / legal requirement	Resource Implications
Service delivery activity - i-Connect implementation	Continue to onboard remaining employers to the i-Connect platform, with the aim of having a consistent approach for data submission across all employers	• Contact remaining scheme employers to agree schedule for implementation • Undertake scheduled implementation and provide employer support until fully onboarded and consistently accurate files are uploaded	To be completed by March 2027	Medium – full onboarding will reduce the number of business processes and increase efficiency.	No additional resource or budget required.
Service delivery activity Bank account verification implementation	To provide assurance that payments are being paid to the correct individuals.	• Procure service • User Acceptance Testing • Amend business processes • Go live	From September 2026	High – implementation will decrease the risk of fraud and safeguard the Fund's assets.	Budget of one off £13,000 implementation fee and £7,000 annual licence fee.

Activity	Background	Key milestones	Timeframe	Priority level / legal requirement	Resource Implications
Statutory activity Guaranteed Minimum Pension (GMP) reconciliation/rectification	Complete the rectification of GMP liabilities following the end of contracting out.	• Complete reconciliation of GMP data via outsourced services • Upload corrected data onto member records • Rectify any over or underpayment of pensions in payment	From September 2026	Medium – to ensure the correct amount of GMP is paid within a members pension.	Budget of £140,000 required to complete project.
Outcome of Access and Fairness consultation, including rectification of survivor benefits	Detail to follow once regulations passed and guidance received	Detail to follow	Detail to follow	Detail to follow	Detail to follow
Outcome of Access and Protections consultation	Detail to follow once regulations passed and guidance received	Detail to follow	Detail to follow	Detail to follow	Detail to follow
Inheritance tax changes preparation	Detail to follow once regulations passed and guidance received	Detail to follow	Detail to follow	Detail to follow	Detail to follow

Activity	Background	Key milestones	Timeframe	Priority level / legal requirement	Resource Implications
Procurement activity - procure a provider of specialist pensions legal advice	To have in place a provider for legal advice at a specified quality and competitive price.	• Join and obtain information from National LGPS Frameworks • Devise specification • Commence mini-competition • Award contract	From April 2026	Medium – to ensure value for money and to ensure efficient access to specialist advice.	No additional resource or budget required.
Procurement activity - procure a provider for benefits and governance consultancy	To have in place a provider for benefits and governance and at a specified quality and competitive price.	• Join and obtain information from National LGPS Frameworks • Devise specification • Commence mini-competition • Award contract	From April 2026	Medium – to ensure value for money and to ensure efficient access to specialist advice.	Joining fee to access framework to be confirmed.

Activity	Background	Key milestones	Timeframe	Priority level / legal requirement	Resource Implications
Service Delivery - develop suite of performance reporting statistics	To have in place a suite of performance statistics to understand and improve service delivery to scheme members.	• Review business processes • Ensure workflow captures all relevant data points • Publish statistics within relevant reporting	From February 2026	Medium - to ensure the Fund is delivering in a compliant manner, maximising efficiencies and service to scheme members.	No additional resource or budget required.

Table 7: 2026/2027 Administration business as usual activities

Activity	Description/background	Timeframe	Priority level/Legal requirement
End of year data reconciliation	Annual data reconciliation and cleanse ahead of issuing annual benefit statements	April to July 2026	Essential for issuing correct annual benefit statements
Administration performance review	Quarterly monitoring and reporting on KPIs and projects	Quarterly	Essential for monitoring service delivery and required for annual report.
Annual benefit statements	Statutory requirement to issue an annual benefit statement to all active and deferred members.	By 31 Aug 2026	High priority - legal requirement

Activity	Description/background	Timeframe	Priority level/Legal requirement
Employer forum	Annual in-person event for employer representatives of Bedfordshire LGPS employers	Nov 2026	Essential for engagement with scheme employers
Policy review	Scheduled review of pension fund policy documents	March 2027	Essential for effective governance of the pension fund – some policies are legal requirements
Data quality review	Annual review of data quality and update of data improvement plan, in line with Pensions Regulator expectations.	Oct 2026	Data quality scores reported in scheme return.
Engagement with scheme employers and scheme members	Scheduled and as requested face to face and online employer training and scheme member information events.	Throughout 2026/27	Essential for ensuring effective scheme administration and increasing member awareness of the features of the LGPS

Table 8: Administration workplan 2027/2028 onwards

Activity	2027/2028	2028/2029	2029/2030
End of year data reconciliation	April to July	April to July	April to July
Annual benefit statements	July to August	July to August	July to August
Administration performance review	Quarterly	Quarterly	Quarterly
Employer forum	November/December	November/December	November/December
Policy review	March	March	March
Valuation – collection of data	-	April to July	-

Activity	2027/2028	2028/2029	2029/2030
Valuation results to employers	-	November to December	-
Normal Minimum Pension Age changes	Preparation: January to March	Implementation: April onwards	

Engagement

The Pensions Administration team includes two members of staff dedicated to the engagement of scheme members and scheme employers. Throughout the year, alongside the projects and business as usual tasks undertaken by the rest of the administration team, the Engagement team arranges and facilitates information sessions for members and employers.

The fund's Communications Policy sets out the ways in which the fund interacts with scheme members and scheme employers. Engagement events are also reported in the fund's annual report.

The fund introduced new brand guidelines in January 2026, to coincide with the launch of its new member self-service portal. The new branding will be rolled out across all fund communications during 2026/2027.

Investments and Accounting

The focus of the Finance and Investment Team is related to the LGPS Fit for the Future reforms, including pooling of assets with Border to Coast and integration of ESG (economic, social and governance) into our investment decisions and monitoring.

Table 9: Pensions investment and accounting workplan – review of 2025/2026

Area of work	Comments
Investment Strategy review	Achieved
Investment performance review	Achieved
Pooling – asset transfers	Ongoing – following the Fit for the Future consultation, draft regulations were issued in November 2025 for consultation.
Manager meetings by rotation	Achieved
Triennial valuation	Achieved
Employer accounting reports	Achieved
Investment benchmarking	Achieved. Further work required to better understand Cost and Net Value Add over Quarter 2 of 2025
Climate Transition Action Plan (CTAP)	Summary CTAP developed. Update presented September 2025.
Taskforce for Climate related Financial Disclosures (TCFD)	Not currently mandatory for the LGPS.

Table 10: 2026/2027 Investment and accounting projects workplan

Activity	Background	Key milestones	Timeframe	Priority level/Legal requirement	Resource Implications
Asset transfers to BCPP – liquid assets	New legislation (LGPS (Pooling, Management and Investment of Funds) Regulations) requires all assets to be controlled and managed by the relevant asset pool	• Review of strategic fit of BCPP fixed income solutions	2026/27	High – in line with new legislation	Potential transition costs and consultancy advice
Asset transfers to BCPP – legacy assets	New legislation (LGPS (Pooling, Management and Investment of Funds) Regulations) requires all assets to be controlled and managed by the relevant asset pool	• Run off of existing discretionary UK Property mandate • Allocation of proceeds to BCPP Real Estate and strategies in line with the Fund's agreed Property allocation • Monitor run-off of other legacy alternatives assets; recycle proceeds into the BCPP alternatives programme in line with the Fund's strategic allocation	• Ongoing over medium term • Dependent on timing of redemptions and BCPP capital requirements • Dependent on timescales for run-off and BCPP capital requirements	High – in line with new legislation	Potential transition cost

Activity	Background	Key milestones	Timeframe	Priority level/Legal requirement	Resource Implications
Separation of accounts	The CIPFA/LASAAC Code of Practice consultation in 2025 proposed the separation of pension fund accounts from administering authority accounts, to address current challenges in local authority financial reporting	• Release of updated Code of Practice for 2026/27 • Review of requirements for production of a separate Annual Governance Statement and Statement of Responsibilities if confirmed by CoP	• TBC by CIPFA • Once new Code of Practice released	Medium – likely to become a statutory requirement for 2026/27 accounts but not yet confirmed	No additional resource or budget required.
Pool governance and oversight	The draft Local Government Pension Scheme (Amendment) Regulations 2026 require	• Continue development of a revised oversight model, with BCPP, aligned with whole-of-fund reporting	• 2026/27	High – in line with new legislation	Captured in the pooling costs within the Governance & Oversight Budget.
Pool advisory services	New legislation (LGPS (Pooling, Management and Investment of Funds) Regulations) requires Administering Authorities to take principal investment advice from their pool and that pools must have the ability to provide "proper advice"	• Interim solution initially – Pool appointed as advisor and advisory team being built but existing Fund consultants still in place	• Interim solution from 1st April 2026 • Full advisory service from 2027	High – in line with new legislation	Captured in the pooling costs within the Governance & Oversight Budget.

Activity	Background	Key milestones	Timeframe	Priority level/Legal requirement	Resource Implications
		• To work towards full advisory service from BCPP in 2027			
Development of pool implementation capabilities	New legislation (LGPS (Pooling, Management and Investment of Funds) Regulations) requires all assets to be controlled and managed by the relevant asset pool	• Continue development of Implementation capabilities with the Pool to deliver "Fit for the Future requirements: - Legacy Management - Cashflow Management - Asset Allocation and Rebalancing - Whole of Fund reporting	• Agree interim approach Q4 2025/26 and Q1 2026/27 • Continue development of full capabilities in 2026 and 2027	High – in line with new legislation	Captured in the pooling costs within the Governance & Oversight Budget.
Investment Strategy Statement	New legislation (LGPS (Pooling, Management and Investment of Funds) Regulations) requires that ISS's include high level investment objectives on: - Funding (funding level, risk, return, income and contribution stability	• Full Investment Strategy Review taking place in January 2026 following 2025 actuarial valuation. Hybrid ISS to be produced incorporating elements of new format.	• New format to be partially implemented for Q4 2025/26 Investment Strategy Review. • Full implementation (including local investment) to	High – guidance published (subject to consultation) and clear statutory deadline (30	To be determined

Activity	Background	Key milestones	Timeframe	Priority level/Legal requirement	Resource Implications
	- ESG matters and Responsible Investment - Local investment with a target range - Strategic asset allocation (optional) in prescribed format	• Further update to format in Spring/Summer 2026 to incorporate local investment elements etc.	be added pre 30 September 2026	September 2026) in place	
Employer Covenant Framework	To manage the risk that a Fund employer may cease and be unable to pay their cessation deficit	• Incorporate Covenant Framework into the funding strategy and develop monitoring	• Implement structured periodic covenant monitoring	Medium – improved funding levels. Assessments were undertaken in 2025/26	Specialist expertise initially required, monitoring to be undertaken internally.
Investment and cashflow performance review	Recent changes to the investment strategy (increased focus on alternatives) and a move towards cashflow negativity makes it prudent to carry out a more detailed performance review, including a focus on cashflows and ensuring sufficient liquidity as commitments to alternatives are drawn down.	• Detailed review cashflows early in Q1 2026/27 to plan around alternatives commitments. • Quarterly monitoring	• Q1 2026/27	High – maintaining sufficient liquidity to pay pensions as they fall due	No additional resource or budget required.

Activity	Background	Key milestones	Timeframe	Priority level/Legal requirement	Resource Implications
First report under Stewardship Code 2026.	The FRC has developed an updated Stewardship Code for 2026 with numerous changes to how asset owners and managers will need to report.	• First draft of report under new format • Revisions following review by Officers and Advisors • Initial review by Pension Fund Committee • Final sign off by Pension Fund Committee	April to September 2026	Medium – maintaining signatory status important for reputational reasons	External support is required to ensure compliance with the new Code.

Table 11: 2026/2027 Investments and accounting business as usual activities

Activity	Background/description	Timeframe	Priority level/Legal requirement
Financial System upgrades and cloud migration	The financial system is to move to the cloud	Apr – Jun	High – essential financial control
Investment performance review	Quarterly review of performance reporting.	Quarterly	Ongoing high – essential for Committee to fulfil oversight role
Investment benchmarking	Annual collation and submission of data for benchmarking of investment fees and performance	Jun to Sept	Ongoing medium – provides useful additional information to Committee to assist in fulfilling oversight role
Manager meetings	Move to updated schedule of manager meetings, prioritising BCPP and meetings with managers of legacy assets where transition activity is occurring.	Quarterly	Ongoing high – regular contact (especially with BCPP) important to help develop new governance arrangements during a period of change
Employer accounting reports	Fund liaises with fund employers and the fund actuary to produce reports for accounting disclosures	Jul, Aug and Mar	High
Taskforce for related financial disclosures	The government published a consultation in September 2022 on proposals to mandate TCFS aligned reporting for the LGPS, however formal regulations have been delayed since the consultation closed. Consider voluntary adoption and draft TCFD report 2025/2026	Jun to Dec	Medium – not mandatory for the LGPS

Table 12: Investment and accounting workplan 2027/2028 onwards

Activity	2027/28	2028/29	2029/30
Investment Strategy review	Jun	Jun	Jun
Investment Performance review	Quarterly	Quarterly	Quarterly
Pooling – Implementation of Advisory Services	Ongoing	Ongoing	Ongoing
Whole Fund Investment Reporting	Quarterly	Quarterly	Quarterly
Valuation	--	Sept - Mar	--
Employer accounting reports	Jul, Aug and Mar	Jul, Aug and Mar	Jul, Aug and Mar
Investment Benchmarking	Jun to Sept	Jun to Sept	Jun to Sept
Climate Transition Action Plan		Apr to Jun	
Taskforce for Climate related Financial Disclosures (TCFD)	Jun to Dec	Jun to Dec	Jun to Dec
Stewardship Code (continued submissions to the code will be subject to evolving arrangements within the BCPP pool)	Apr - Sept	Apr - Sept	Apr - Sept
Custodian contract review	Apr - Sept		

Governance

The fund's performance against its workplan objectives for 2025/2026 is reviewed below. The following tables set out a detailed Governance workplan for 2026/2027, including projects and business as usual activities, and a plan for 2027/2028 onwards, which provides an overview of key activities. The workplans are subject to change and reprioritisation in response to new consultations and developments which may affect LGPS legislation.

Draft regulations to implement proposals set out in the Government's Fit for the Future consultation were made available for consultation in November 2025. The new proposals for pension fund governance include:

- preparation of a governance strategy, training strategy and conflicts of interest policy
- preparation of an administration strategy
- knowledge and understanding requirements for Pension Fund Committee members
- independent governance reviews
- appointment of a senior LGPS officer
- appointment of an independent person to the Pension Fund Committee, to act as a (non-voting) adviser on all matters relating to the scheme

Statutory guidance is expected to supplement the regulations. Bedfordshire Pension Fund will need to build on existing governance arrangements and policies to ensure compliance with the new regulations.

Table 13: Governance workplan – review of 2025/2026

Activity	Comments
Annual report and accounts	Achieved
Local Pension Board meetings	Achieved
Employer annual meeting	Achieved
Review risk register	Achieved
Responsible Investment review	Achieved
Stewardship Code	Achieved

Activity	Comments
Member training programme	Achieved – training on cyber security May 2025, BCPP during July 2025, bi-monthly knowledge and training emails.
Investment consultant contract	Short term extension covering transitional period while Fit for the Future proposals are implemented.
Independent adviser contract	Short term extension covering transitional period while Fit for the Future proposals are implemented.
tPR General Code of Practice annual review	Achieved – reviewed autumn 2025.
Implementation of good governance proposals	Carried forward to 2026/2027 – new regulations and guidance currently in draft form.

Table 14: 2026/2027 Governance projects workplan

Activity	Background	Key milestones	Timeframe	Priority level/ Legal requirement	Resource implications
Assess existing policies for compliance with new regulations	Local Government Pension Scheme (Amendment) Regulations 2026 currently in draft form. Once laid, and guidance issued, fund will need to have a compliant administration strategy, governance strategy, training strategy and conflict of interest strategy.	• Consultation on draft regulations ending 2 January 2026 • Final guidance issued • Review existing policies and strategies against new guidance • Amend/adapt policies as appropriate • Committee/Board to approve strategies	As soon as possible once guidance available.	Legal requirement effective April 2026.	To be determined once regulations and guidance in place
Appointment of LGPS senior officer	LGPS (Amendment) Regulations 2026 specify requirement for a Senior LGPS officer and set out expectations for responsibilities and delegates duties.	• Consultation on draft regulations ending 2 January 2026 • Guidance on responsibilities expected to follow • Review current delegations against new legislation	Regulations proposed to be effective from October 2026.	Legal requirement effective October 2026.	Not impacted

Activity	Background	Key milestones	Timeframe	Priority level/ Legal requirement	Resource implications
		• Amend governance strategy and delegations as appropriate			
Appointment of independent person (non-voting) to the Pension Fund Committee	LGPS (Amendment) Regulations 2026 specify requirement for an independent person to be appointed to advise on all matters relating to the scheme (including administration, investment and governance)	• LGPS (Amendment) Regulations 2026 specify requirement Guidance expected to follow • Put contract for adviser in place through appropriate procurement channels • Appoint adviser	Requirement for an adviser effective October 2026.	Legal requirement effective October 2026.	Appropriate remuneration to be determined.
Establish new knowledge and understanding framework for Committee members	LGPS (Amendment) Regulations 2026 specify requirement for knowledge and understanding for relevant persons (members of Pension Fund Committee).	• Consultation on draft regulations ending 2 January 2026 • Review existing training programme to ensure it meets needs of new regulations	New regulations potentially effective from April 2026.	Will be a legal requirement.	To be determined once regulation and guidance in place

Activity	Background	Key milestones	Timeframe	Priority level/ Legal requirement	Resource implications
	This brings the requirement for Committee members in line with the requirements that are already in place for Pension Board members	• Committee members to have appropriate knowledge and understanding within a reasonable timeframe after appointment			
Appointment of Independent Board Chair	The Bedfordshire Pension Fund's Local Pension Board has an independent Chair. The contract is due for renewal in 2026	• Engage with Bedford Borough Council procurement team • Add details of contract to In-tend and invite application	New appointment by October 2026	Required under Pension Board terms of reference	

Activity	Background	Key milestones	Timeframe	Priority level/ Legal requirement	Resource implications
Arrange independent governance review	LGPS (Amendment) Regulations 2026 establish a requirement for funds to undertake independent governance reviews, with the first review to be arranged by 31 March 2028.	• Consultation on draft regulations ending 2 January 2026 • Final guidance and regulations issued • Review requirements • Procure "suitable person" to undertake governance review, using appropriate procurement channels • Establish 3 yearly cycle of reviews.	First review arranged by 31 March 2028.	Legal requirement – failure to have a satisfactory review may result in intervention from Secretary of State.	Timeframe to be confirmed once regulations and guidance in place but will need to appoint an external body to carry out the review.
Legal services procurement	The Pension Fund requires specialist legal advice for certain aspects of LGPS administration and will review its contractual arrangements for these services.	• Assess requirements for legal services • Consider national LGPS frameworks and develop approach for procurement	Early 2026/27.	Necessary for fund to ensure it has support in legal matters.	Framework fee and contract costs

Table 15: 2026/2027 Governance business as usual activities

Activity	Background/description	Timeframe	Priority level/Legal requirement
Annual report and accounts	Collation and publication of annual report, in line with statutory guidance and including pension fund accounts.	April – May.	Publication of annual report and accounts by 1 December.
Committee and Pension Board meetings	Preparation of reports for quarterly meetings.	Quarterly.	Required in line with Governance Policy.
Risk register review	The risk register is reviewed regularly by a panel of pension fund officers and quarterly by Pension Fund Committee and Pension Board.	Quarterly.	Essential - in line with Governance policy.
Responsible Investment Policy review	The Border to Coast Responsible Investment Policy, Corporate Governance and Voting Policy and Climate Change policy are reviewed annually and updated as necessary, in collaboration with pool and partner funds.	Nov/Dec	Essential – in line with Governance policy, investment strategy and environmental, social and governance considerations
Member training programme	The Fund's training policy is reviewed annually and a training plan set for the coming year.	May/Jun	Legal requirement for Pension Board members to have relevant knowledge and understanding. Additional requirement for Pension Fund Committee members in LGPS (Amendment) Regulations 2026

Activity	Background/description	Timeframe	Priority level/Legal requirement
Adviser contracts	The Pension Fund Committee is supported by independent advisers. The contracts of advisers are to be reviewed considering legislative changes	As regulations are laid/guidance is made available	Legal requirement for an independent adviser under new legislation expected 26/27
TPR General Code of practice review	Annual review of fund's performance against TPR's general code of practice, to identify any areas for improvement	October	Failure to adhere to the code of practice risks non-compliance with underlying legal requirements.

Table 16: Governance workplan 2027/2028 onwards

Activity	2027/28	2028/29	2029/30
Annual report and accounts	Apr to May	Apr to May	April to May
Local Pension Board meeting	Quarterly	Quarterly	Quarterly
Review risk register	Quarterly	Quarterly	Quarterly
Responsible Investment review	Nov/Dec	Nov/Dec	Nov/Dec
Stewardship Code	Apr to Sept	Apr to Sept	Apr to Sept
Member Training Programme	June	June	June
Independent Adviser contract	TBC following implementation of relevant legislation (LGPS (Amendment) Regulations 2026).	TBC	TBC

Activity	2027/28	2028/29	2029/30
tPR General Code of Practice annual review	October	October	October
Implementation new governance regulations (LGPS (Amendment) Regulations 2026)	Ongoing from 27/28 depending on implementation timeframes/availability of regulations and guidance	--	--
Independent Governance Review	To be arranged by 31 March 2028. Awaiting final regulations/guidance.	--	--

Policy review

The pension fund maintains policies to govern the key aspects of the fund's work, and in support of the Fund's objectives to engage in clear communications, ensure that decisions are supported by effective governance, and to act with integrity. The policies are kept under regular review to ensure they remain up to date and fit for purpose. The table below sets out the fund's key policy documents and planned review schedule, which runs alongside the workplans set out in the Workplan section.

Table 17: Bedfordshire Pension Fund policies

Policy	Review period	Available online	Notes
Administering Authority Discretions Policy	Every three years - March	Yes	To be reviewed in March 2026 in line with any policy changes made as part of 2025 valuation
Administration Strategy	Every three years - March	Yes	Next review due March 2027 Review may be brought forward due to new legislation and digital strategy
Business Continuity	Annually, Apr-May	No	Confidential document
Business Plan	Annually, Jan/Feb	Yes	
Cashflow Policy	Annually, Jun/Sept	Yes	Available online in meeting papers
Climate Change policy	Annually - Jan	Yes	Available on BCPP website
Code of conduct and conflicts of interest policy - Board	Every three years - Feb	Yes	Review due 2028 but review may be brought forward due to new legislation
Code of conduct and conflicts of interest policy - Committee	Every 3 years - Jul	Yes	Review due 2027 but review may be brought forward due to new legislation
Communications Policy	Every three years - March	Yes	Review due 2027 but review may be brought forward due to new digital strategy

Policy	Review period	Available online	Notes
Corporate Governance & Voting Guidelines	Annually - Jan	Yes	Available on BCPP website
Cyber security policy	Annually -June	No	Confidential policy
Data Improvement Plan	Annually -March	Yes	Available online in meeting papers
Funding Strategy Statement	Every three years, at valuation Sept - Mar	Yes	Includes policies on deferred debt and debt spreading; contribution reviews; exit credits; ill health and death in service funding
Governance Policy	Annually -June	Yes	Includes Governance Compliance Statement
Investment Strategy Statement	Annually, and at valuation - Sept	Yes	
Reporting breaches of the law	Annually - Mar	Yes	
Responsible Investment Policy	Annually - Jan	Yes	Available on BCPP website
Responsible Investment Beliefs	Annually - June	Yes	
Stewardship Policy	Biennial - June	Yes	
Terms of reference - Local Pensions Board	Annually - July	Yes	
Training policy	Spring	Yes	Available online in meeting papers. New legislation may affect policy content, publication and review period.

Meeting plans

2026/2027 Pension Fund Committee meetings

Meeting	Agenda
June 2026	• Pensions Administration performance update • Regulation update • Draft statement of accounts and Budget Outturn • Risk register review • Training plan review • Governance Policy review • Investment performance report • Climate Transition Action Plan
September 2026	• Pensions Administration performance update • Regulation update • Risk register review • Draft Annual Report • Internal Audit review • External Audit review • Budget and cashflow monitoring to June 2026 • Investment performance report • LGPS Pooling update • Stewardship Report 2025/2026
November 2026	• Pensions Administration performance update • Regulation update • Risk Register review • Investment performance report • Budget and cashflow monitoring to Sept 2026 • Myners Principles review • LGPS Pooling update • RI Policy and Corporate Voting Guidelines • Investment Strategy • Business Plan update • Investment Consultant & Independent Advisor objectives

Meeting	Agenda
	• Contracts register • General Code of Practice annual review
January 2027	Agenda items to be confirmed
March 2027	• Pensions Administration performance update • Budget and cashflow monitoring to December 2026 • Regulation update • Risk Register review • Investment performance report • Proposed Budget for 2027/2028 • Investment Strategy Statement review • Business Plan 2027 - 2031 • Pension Fund strategies and policies

Local Pension Board

The Board meets quarterly between Committee meetings, and reports to the Committee on recommendations and assurances gained after each meeting.

2026/2027 Local Pension Board meetings

Meeting	Agenda
May 2026	• Board Chairman's update from Pension Fund Committee • Pensions Administration performance update • Risk register review • Regulation update • Pension Board Annual Report • Budget and cashflow 2026/2027 • Work programme review • Training Plan review • Governance Policy review
July 2026	• Board Chairman's update from Pension Fund Committee • Pensions Administration performance update • Pension Fund Annual Report and Accounts • Risk register review • Regulation update • Work programme review • Pooling update • Pensions Board self-assessment • Terms of Reference review
October 2026	• Board Chairman's update from Pension Fund Committee • Pensions Administration performance update • Risk register review • Regulation update • tPR General Code of Practice Review • Work programme review • Myners Principles review • Internal Audit review

Meeting	Agenda
February 2027	• Board Chairman's update from Pension Fund Committee • Pensions Administration performance update • Regulation update • Risk register review • Work programme review • Pooling update • Investment strategy and investment principles • Business Plan 2027-2031 • Pension Fund strategies and policies