Welsh Parliament
Senedd Commission

Members' Pension Scheme: Annual Report and Accounts 2025-26

July 2026

senedd.wales

The Welsh Parliament is the democratically elected body that represents the interests of Wales and its people. Commonly known as the Senedd, it makes laws for Wales, agrees Welsh taxes and holds the Welsh Government to account.

An electronic copy of this document can be found on the Senedd website:
www.senedd.wales

Copies of this document can also be obtained in accessible formats including Braille, large print, audio or hard copy from:

Welsh Parliament
Cardiff Bay
CF99 1NS

Tel: **0300 200 6565**

Welsh Parliament
Senedd Commission

Members' Pension Scheme: Annual Report and Accounts 2025-26

July 2026

Contents

Trustees and advisers

The Remuneration Board as part of its Determination for the Fifth Senedd confirmed that, in line with the Public Service Pensions Act 2013, a new Pension Board should be established. With effect from 6 May 2016 in accordance with section 5 of the rules of the Scheme which came into force from that date, a Pension Board was appointed to replace the Trustees.

All appointments to the Pension Board are made by the Remuneration Board. The Chair is an accredited professional Independent Trustee. There are two Trustees nominated by current and previous Senedd Members and two Trustees appointed by the Senedd Commission. Board members are appointed for a four-year term, although to retain experienced Trustees on the Board, the term can be rolled over for a further four years. The Remuneration Board may dismiss any Trustee. A Trustee may resign from office by notice in writing to the Clerk to the Remuneration Board. The composition of the Pension Board for 2025-26 is below:

Role	Name	Date Appointed	End date
Independent Trustee (Chair)	Gregor Law, Dalriada Trustees Ltd	1 January 2025	
Trustee	Mike Hedges MS[1]	6 May 2016	
Trustee	Hefin David	22 May 2024	12 August 2025
Trustee	Nick Ramsay	6 May 2021	
Trustee	Robert Evans	20 December 2018	

The Pension Board was saddened to hear of the passing of its Board member Hefin David. The Board pay tribute to Hefin's contribution to the work of the Board and to the Senedd during his tenure.

The vacancy for Commission Nominated Trustee will be considered following the 2026 Senedd election.

Scheme Administration

The Commission is responsible for making provision for the administration of the Pension Scheme. In September 2025, the Commission appointed Quantum Advisory ("QA") as the new Scheme administrator, replacing Broadstone. The appointment is for an initial five year period with the option to extend for a

[1] Mike Hedges served on the previous Trustee Board from 12 October 2011, Mike has served as a Member Nominated Trustee since 2016. [1]

further five years. Following the appointment, the Secretariat is working closely with QA to manage the transition. QA is responsible for maintaining accurate member records and for calculating Member benefits, however the Secretariat will continue to be the first point of contact for Members.

The day to day running of the Scheme is carried out by the Scheme Secretariat within the Senedd Commission's Financial Services Team. Any queries about Members pensions or any further information required should be sent to the Secretariat at the following address:

Members of the Senedd Pension Scheme
Financial Services, Welsh Parliament, Cardiff Bay, Cardiff, CF99 1SN

At the date of approval of the annual report the Scheme Administrators were:

Quantum Advisory, Cypress House, Pascal Close, St Mellons, Cardiff CF3 0LW

Scheme Advisers Appointed by the Trustees as at 31 March 2026

Actuary	The Government Actuary
Auditor	The Auditor General for Wales
Bankers	Barclays Bank plc
Investment Managers	Baillie Gifford Legal & General ("L&G") Partners Group M&G Investments UK Insight Investment Troy Asset Management
Legal Adviser	Eversheds Sutherland LLP
Scheme Accountants	Scheme Secretariat, Senedd Commission
Investment Adviser	Quantum Advisory

The Trustees' Report for the period ending 31 March 2026 to the Members of the Senedd Pension Scheme

Legislative Background to the Members of the Senedd Pension Scheme (the "Scheme")

The Welsh Parliament (the "Senedd") provides a defined benefit scheme, governed by section 18 of the Government of Wales Act 1998. Section 20 (4) of and Schedule 11 to the Government of Wales Act 2006 provides continuity for the Scheme. The Government of Wales Act 2006 has not affected the legal status of the Scheme.

The Scheme provides benefits for Members of the Senedd ("the Members") and Office Holders. All Members are Members of the Scheme from the date they enter the Senedd unless they opt not to be.

A Career Average Pension Scheme was introduced from 6 May 2016. Members aged 55 or over on 1 April 2012 were subject to 'Transitional Protection' and continued to have their benefits calculated on a final salary basis for an additional five years until 6 May 2021.

In December 2018, the Court of Appeal ruled that the 'transitional protection' offered to some members of the judges' and firefighters' schemes, gave rise to unlawful discrimination. On 15 July 2019, the Chief Secretary to the Treasury made a written ministerial statement confirming that, as 'transitional protection' was offered to members of all the main public service pension schemes, the difference in treatment needed to be removed from all schemes for members with relevant service.

The Independent Remuneration Board of the Senedd is responsible for the rules of the Members Pension Scheme. Having considered the view of the Pension Board, the Remuneration Board agreed that a remedy should be adopted to remove the discrimination in the rules of the Members Pension Scheme as a result of the transitional protection provisions they contained. In 2021, the Remuneration Board consulted with the affected Members and the Senedd Commission on a proposed remedy. All affected Members were given a choice to remain in the CARE section or to return to the Final Salary section for the remedy period (6 May 2016 to 6 May 2021). The Pension Scheme records for affected Members who have made their choice under the remedy, have been updated to reflect their decision.

The Pension Board has a set of funding objectives and the Scheme actuary carries out a triennial funding valuation which aims to monitor funding levels and control the costs of the Scheme.

An actuarial valuation was carried out as at 31 March 2023. Following completion of the valuation effective from 1 April 2024, the employer contribution rate payable by the Senedd reduced from 19.9% to 18% of Members' aggregate salaries. This reflected improvements in the Scheme funding level and changes in market outlook. The Member contribution is 10.5% of salary.

The next actuarial valuation will be at 31 March 2026.

The main features of the Scheme are:

- Each year Members build up a pension of 1/50th of their salary for that year.
- The pension built up each year is revalued in line with the Treasury orders made under the Public Service Pensions Act 2013, currently in line with the Consumer Price Index (CPI).
- Benefits built up in the Final Salary section are fully protected and continue to be linked to any future salary increases.
- Office Holders earn an additional Office Holder CARE pension of 1/50th of the Office Holder salary they earn each year.
- Normal Retirement Age is linked to State Pension Age (or 65, whichever is higher). Any Final Salary pension accrued before 7 May 2021 will continue to be payable at a Normal Retirement Age of 65.
- Pensions-in-payment are indexed to the changes in the Pensions Increase (Review) Order.
- A lump sum death in service gratuity equal to two years' salary with provision for more than one nominee.

Transfers

All transfer out values paid to other pension schemes are calculated and verified by the Scheme's Actuary in accordance with statutory requirements. There were no transfers out paid during the year.

Developments during the Year

The Chair of the Board is Gregor Law of Dalriada Trustees Ltd who is an accredited independent professional trustee.

Since February 2025, the pensioner payroll has been run by the Commission's new payroll provider, Midland HR.

During the year, the Board received training from M&G, one of the Scheme's fund managers, on the M&G Sustainable Total Return Credit Investment Fund. The Scheme's legal advisers provided an update on legal matters including the Pensions Bill and the Scheme actuary provided refresher training on the actuarial valuation.

The assets of the Scheme are invested in a diverse range of funds. A formal review of the Scheme's investment strategy was undertaken during 2024. Following the review, the Pension Board agreed to the current investment strategy.

The current strategy targets a slightly higher investment return than the previous strategy, which supports the actuarial valuation assumptions (noting that the Scheme remains in surplus on the current valuation basis). However, the new strategy has a slightly lower risk profile compared to the previous strategy (as measured by the Value at Risk).

The managers and funds used to implement the current strategy offer a stronger focus on ESG issues and a significant further reduction in the exposure of the assets to the oil and gas sector. The Trustees made one fund change during the Scheme year, to replace the BNY Mellon Real Return (Responsible) Fund with the Troy Trojan Ethical Fund. There was no change to the investment strategy, or target return as a result of this change. The Trustees also made use of the L&G Cash Fund during the year in preparation for the expected retirement payments due in April and May 2026.

The change is not expected to materially impact the level of long-term expected return associated with the Scheme's investment strategy, or to compromise the Scheme's ability to target the level of investment return in the long-term as required by the actuarial valuation assumptions.

The Pension Board is aware that investment returns can be volatile in the short-term, particularly where certain sectors are excluded from the portfolio. They will therefore keep the return of the overall strategy, and of the individual funds, under regular review, and discuss any required adjustments with their investment advisers.

The Board keeps the strategy and the Environmental, Social and Governance ("ESG") credentials of its managers under review annually and questions its advisers on these issues at each Pension Board meeting.

The Board has to balance the Scheme's investment risk and return characteristics alongside their ESG concerns, with their duty to ensure there is enough money in the Scheme to pay the benefits promised to members.

The Board will continue to work with their investment advisers to review their approach to ESG issues and the exposure of the portfolio to the oil and gas sector.

Each year the Board evaluates whether Trustees have the knowledge and understanding they need to carry out their role and meet the requirements of the Pensions Regulator and the Public Services Pensions Act 2013. A training plan is produced to address any skills gaps. The Trustees also challenge themselves on how effectively they operate as a board and seek to address any issues inhibiting good performance. Each training session was attended by every Trustee.

The Board continues to annually review the performance of all of its advisers against the objectives the Board has set for them and to review these objectives at least every three years or following any significant change in policy.

Management of the Scheme

The Trustees who served during the year are listed on page 6.

Trustee Meetings

Trustee meetings are usually held three times a year and there are sometimes additional meetings for specific purposes. The Trustees met four times during the year, which included an additional meeting held in October to discuss discretionary benefits.

Trustees may act by a majority of those present at any meeting of the Trustees at which a quorum is present. The quorum for any meeting of the Trustees is three and includes the Independent Chair.

Internal Dispute Resolution

The Trustees have implemented an Internal Dispute Resolution procedure in accordance with the requirements of the Pensions Act 1995. Details of the procedure can be obtained from the Scheme Secretariat.

Financial Development of the Scheme

Preparation and Audit of Annual Accounts

The financial statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland, and the guidance set out in the Statement of Recommended Practice (Revised 2018).

These accounts are prepared by officials of the Senedd, on behalf of the Trustees, and audited by the Auditor General for Wales. They are prepared and audited under Sections 41 (1) and (6) of the Pensions Act 1995 and in accordance with SI 1996/1975 Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations.

Copies of these accounts are available from the Secretariat on request and are available on the **Welsh Parliament**[2] website.

Summary Financial Information

The table below shows the income and expenditure during the period for 2025-26 and comparative figures for 2024-25 and the net assets position. During the period, an amount of £1,600,000 was remitted to the Cash Fund to pay for the increase in pension benefits at the election. The total market value of the Funds invested at 31 March 2026 was £51,453,472 (31 March 2025 £48,434,326).

	Year ended 31 March 2026 £	Year ended 31 March 2025 £
Member related income	1,499,225	1,458,230
Member related payments	(2,019,170)	(1,477,858)
Net additions from dealings with Members	(519,945)	(19,628)
Net returns on investments	3,539,146	1,350,822
Net increase/(decrease) in fund	3,019,201	1,331,194
Net assets at start of year	48,417,240	47,086,046
Net assets at end of year	51,436,441	48,417,240

[2] https://senedd.wales/how-we-work/about-members-of-the-senedd/members-of-the-senedd-pension-scheme-the-scheme

Actuarial review

Actuary's statement - covering financial year to 31 March 2026

The Members of the Senedd Pension Scheme is exempt from the requirement as laid down in the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 to prepare a report and audited accounts within seven months of the end of the accounting year. However, it is the intention of the Trustees to comply with the spirit of the legislation, and as such this statement has been prepared as if the legislation applied.

Actuarial Assessment

The Financial Statements set out on pages 34-35 do not take into account the liabilities to provide pension benefits which fall due after the year end. These liabilities are considered by the Scheme Actuary who carries out an actuarial valuation of such liabilities every three years. This valuation considers the funding position of the Scheme and the level of contributions payable.

A formal actuarial assessment of the Scheme was carried out with an effective date of 31 March 2023, with the principal objective of making a recommendation to the Trustees of the Scheme about the appropriate level of the employer contribution rate after that date. Whilst the level of Members contributions is specified in the Rules, the employer contribution rate is calculated as a percentage of salary required to meet the balance of cost with the aim of ensuring that Scheme benefits are paid for during Members' expected active service with the Senedd. The next valuation is due as at 31 March 2026.

The formal Actuarial certificate is included on pages 50-53.

Actuarial Valuation

The Scheme Actuary is required to make a report on the general financial position of the Fund every three years and to make recommendations on the future rate of the Senedd's contribution. The latest valuation was completed as at 31 March 2023, and the report was laid on 5 February 2024 in accordance with the Scheme rules.

The statement from the Actuary dated 2 February 2024 recommended the contribution rate should reduce to 18.0% of Members' pensionable salary from 1 April 2024. This rate represents the amount required to meet the balance of cost of the Scheme, having regard to the benefits and to the contributions payable by Members and takes into account both future and past service.

The subsequent certificate dated 13 May 2024 (at pages 50-53) confirms the adequacy of the Senedd Commission's contribution of 18.0% for the coming year. The current funding level is adequate to meet current benefits. These statements are based on the Scheme's assets and liabilities at the valuation date. The liabilities include an approximate reserve for the costs arising from the McCloud remedy but exclude any costs arising from GMP equalisation which is only expected to affect a small number of members in the Scheme. These statements fully comply with the requirements of TAS 100 and Technical Actuarial Standard (TAS) 300 issued by the Financial Reporting Council.

Membership

The membership of the Scheme at the beginning and end of the year and changes during the year are set out below.

Active Members	
Contributory membership at start of year 1 April 2025 (57Members of the Senedd. Of the 60 Members of the Senedd there are 38 Office Holders posts.)	57 [1]
New entrants in year	1
Leavers in the year	0
Retirements in the year	0
Death in service	(1)
Contributory membership at 31 March 2026	57

1 Includes three members who opted out of the Scheme

Pensioners	
In payment at 1 April 2025	77 [2]
Members retiring from active service in year	0
Members retiring from deferred status	2
New Dependants	5
Deaths in year	(1)
Pensioners in Payment at 31 March 2026	83 [3]

2 Restated from 78 to 77 as Members with more than one period of service, when combined are treated as one pensioner going forward.

3 Includes two members whose pensions are abated to nil as they are serving Members of the Senedd

Deferred Members	
At 1 April 2025	24
Members leaving with deferred rights	1
Members retiring from deferred status	(3)
Members transferring benefits out of the Scheme	0
Deaths in year	0
Deferred Members at 31 March 2025	22

Pension increases

Payments from the Scheme during the year are disclosed in Note 5 to the accounts. Pensions in payment are reviewed each year in line with the Pensions Increase (Review) Order. The 2025 Order was laid before Parliament on 17 March 2025 and came into force on 7 April 2025.

Custody

Fund	Custodian
BNYM Real Return (Responsible)	BNY Mellon
Partners Group Generations Fund	Northern Trust Investor Services) Limited
L&G Managed Property Fund	HSBC
Baillie Gifford Defensive Growth	BNY Mellon
L&G Cash	HSBC
Insight Responsible Horizons Multi-Sector Credit Fund	Northern Trust Fiduciary Services (Ireland) Limited
M&G Sustainable Total Return Credit Investment Fund	State Street Bank International GmbH Luxembourg
M&G Global Sustainable Paris Aligned Fund	State Street Bank International GmbH Luxembourg
L&G FTSE TPI Global Fossil Fuel Exclusions Equity Index Fund - GBP Hedged	Citibank NA
Troy Trojan Ethical	BNY Mellon

Investment management

All funds are accessed through Mobius Life Limited ("Mobius"), and the fees paid by the Scheme are those charged by Mobius including the platform fee. The table below states the annual management charge ("AMC") charged to the Scheme as at 1 April 2025 by Mobius Life Limited for each fund invested in at the Scheme year end.

Fund	AMC (%) effective from 1 April 2025*
Partners Group Generations	1.1
L&G Managed Property	0.60
BNYM Real Return (Responsible)	0.65
Baillie Gifford Defensive Growth Fund (formerly Sustainable Multi Asset Growth Fund)	0.30
L&G Cash	0.05
Insight Responsible Horizons Multi-Sector Credit Fund	0.20
M&G Sustainable Total Return Credit Investment Fund	0.35
M&G Global Sustainable Paris Aligned Fund	0.60
L&G FTSE TPI Global Fossil Fuel Exclusions Equity Index Fund - GBP Hedged	0.125
Troy Trojan Ethical	0.85

* The AMC excludes the Mobius platform fee.

The cost of fund management in 2025-26 was £258,440 (2024-25 £245,576) with 'Other Expenses' of £73,659 (2024-25 £87,209). Custody of the assets is held under the Mobius name.

Investment policy

The Investment Policy for the Scheme is determined by the Trustees and is reviewed from time to time. The policy in force at 31 March 2026 is set out in the Statement of Investment Principles ("SIP"), which has been adopted by the Trustees and is available on the **Welsh Parliament**[3] website and to Members on request from the Scheme Secretariat. The policy does not allow for any employer-related investment.

[3] https://senedd.wales/media/tvzd25vv/20250221-044859-sip-clean-version-updated.pdf

All investments are in holdings that are permitted by the regulations of the Scheme and not prohibited by the Trustees.

Day to day responsibility for the management of investments has been delegated to respective underlying investment managers. The underlying investment managers operate in accordance with guidelines and restrictions set out in their Fund prospectus. Instructions regarding the day-to-day management of investments for cashflow purposes will be given by the Trustees to Mobius from time to time.

The Trustees are aware of the growing body of evidence linking ESG issues, particularly climate change, to sustainable, positive financial performance. The Trustees wish to take into account these issues when implementing the investment strategy for the Scheme, so long as this does not unduly prejudice the long-term return and risk profile of the individual funds, or strategy. The Pension Board reviews the ESG credentials of its managers annually and questions its advisers on the managers' approach to ESG at each Pension Board meeting. The Trustees continue to invest in line with the investment strategy set out in the SIP.

The Trustees acknowledge the constraints that they face in terms of influencing change due to the size and nature of the Scheme's investments. They do, however, recognise the need to be responsible stewards and exercise the rights associated with their investments in a responsible manner.

The Trustees undertook a review of the Scheme's stewardship priorities in 2024. Whilst the Trustees feel that all ESG matters are important, they decided to focus their stewardship efforts on:

- managing climate-related risks, as the Trustees recognise that a rise in global temperatures could have an adverse effect on the Scheme's investments; and
- board diversity/structure, as the Trustees recognise that a good level of diversity in company boards can help improve long-term returns for investors.

Furthermore, the Trustees recognise that investment managers commonly provide Scheme level ESG metrics on these two areas, which will allow the Trustees to assess whether or not their investment policies align with these priorities through the Scheme's Climate Metrics Report. The Trustees will monitor and discuss instances where the investment managers' activity does not align with these priorities and seek to understand the reasons for this in the first instance. The Trustees will then escalate the matter if it persists and may review their holding in the fund if this is deemed appropriate. The Trustees will continue to ensure that the stewardship policies of the managers are embedded in their investment processes.

The Trustees consider how stewardship factors are integrated into the investment processes when: (i) appointing new investment managers; and (ii) monitoring existing investment managers.

Performance to 31 March 2026

The table below details the performance of the Scheme's funds and their respective targets to 31 March 2026.

	1-year (%)	3-years (%)	5-years (%)
BNY Mellon Real Return (Responsible)[1] *SONIA (30-day compounded) + 4%* Relative performance	10.4 8.1 2.3	5.4 8.7 (3.3)	1.6 7.3 (5.7)
Partners Group Generations *Absolute target of 9-13% p.a. (previously 7-11% p.a.)* Relative performance	2.7 9.0 (6.3)	6.6 8.3 (1.7)	6.2 7.8 (1.6)
L&G Managed Property[2] *Net-of-fees Composite Property Benchmark*[1] Relative performance	4.4 4.3 0.1	3.7 3.3 0.4	3.2 3.0 0.2
Baillie Gifford Defensive Growth[2] *Base rate plus 3.5% per annum* Relative performance	8.5 7.6 0.9	6.2 8.3 (2.1)	N/A
L&G Cash *SONIA* Relative performance	4.1 4.1 0	4.7 4.7 0	3.2 3.3 (0.1)
Insight Responsible Horizons Multi-Sector Credit SONIA +4% Relative performance	5.1 8.1 (3.0)	8.1 8.7 (0.6)	5.4 8.3 (1.9)
M&G Sustainable Total Return Credit Investment[3] *SONIA + 3-5%* Relative performance	4.0 7.1 (3.1)	7.7 7.7 0.0	N/A
M&G Global Sustainable Paris Aligned MSCI World Index (GBP) Relative performance	3.5 16.4 (12.9)	6.6 14.3 (7.7)	7.7 11.3 (3.6)
L&G FTSE TPI Global (ex Fossil Fuels) Equity Index GBP Hedged[4] *FTSE All World TPI ex Fossil Fuels GBP Hedged* Relative performance	17.7 17.9 (0.2)	N/A	N/A
Troy Trojan Ethical Fund *UK RPI* Relative performance	5.6 4.1 1.5	6.3 3.9 2.4	5.4 6.7 (1.3)
Scheme's estimated performance	7.3	6.8	3.9

Source: Net of fees. [1]Benchmark is the MSCI/ AREF UK Quarterly All Balanced Property Fund Index (UK PFI). [2]Fund incepted May 2022. [3]Fund incepted October 2021. [4]Fund incepted March 2024.

Over the year to 31 March 2026 the Scheme's investment portfolio generated a return of approximately 7.3 per cent. This was driven by gains in major asset classes during the period, particularly equity. The actual return on scheme investments during 2025-26 was a gain of £3.5 million (2024-25, a gain of £1.4 million).

The Scheme's investment strategy underperformed against global equity markets over the same period, which appreciated c.16.4 per cent (in local terms), but outperformed UK long term Government bonds (which returned c.0.4 per cent). The Scheme outperformed against its discount rate (Consumer Prices Index plus 3.0 percent), which returned c.6.3 percent.

Portfolio Valuation 31 March 2025

	31 March 2025 GBP
BNY Mellon Real Return (Responsible)	6,609,509
Partners Group Generations	5,585,883
L&G Managed Property	2,614,518
L&G Over 5 Year Index-Linked Gilts Index	--
Baillie Gifford Defensive Growth	4,927,416
L&G Cash	--
Insight Responsible Horizons Multi-Sector Credit	4,930,420
M&G Sustainable Total Return Credit Investment	4,936,121
M&G Global Sustainable Paris Aligned	9,574,709
L&G FTSE TPI Global Fossil Fuel Exclusions Equity Index Fund - GBP Hedged	9,255,750
Total	**48,434,326**

Portfolio Valuation 31 March 2026

	31 March 2026 GBP
BNY Mellon Real Return (Responsible)	0
Partners Group Generations	7,693,431
L&G Managed Property	2,562,157
Baillie Gifford Defensive Growth	5,042,258
L&G Cash [1]	1,611,917
Insight Responsible Horizons Multi-Sector Credit	5,104,822
M&G Sustainable Total Return Credit Investment	5,068,271
M&G Global Sustainable Paris Aligned	9,583,844
L&G FTSE TPI Global Fossil Fuel Exclusions Equity Index Fund - GBP Hedged	9,753,314
Troy Trojan Ethical Fund	5,033,458
Total	51,453,472

Distribution of Assets

The distribution of assets was as follows:	31 March 2025 %
BNY Mellon Real Return (Responsible)	13.6
Partners Group Generations	11.5
L&G Managed Property	5.4
Baillie Gifford Defensive Growth	10.2
L&G Cash [1]	0.0
Insight Responsible Horizons Multi-Sector Credit	10.2
M&G Sustainable Total Return Credit Investment	10.2
M&G Global Sustainable Paris Aligned	19.8
L&G FTSE TPI Global Fossil Fuel Exclusions Equity Index GBP Hedged	19.1
Total	**100.0**

The distribution of assets was as follows:	31 March 2026 %
Baillie Gifford Defensive Growth	9.8
Partners Group Generations	15.0
L&G Managed Property	5.0
L&G Cash	3.1
Insight Responsible Horizons Multi-Sector Credit	9.9
M&G Sustainable Total Return Credit Investment	9.9
M&G Global Sustainable Paris Aligned	18.6

The distribution of assets was as follows:	**31 March 2026 %**
L&G FTSE TPI Global Fossil Fuel Exclusions Equity Index - GBP Hedged	19.0
Troy Trojan Ethical	9.7
Total	**100.0**

[1]The L&G Cash Fund was introduced in January 2021 for use, during times of high cash flow requirements (such as those before an election), the Scheme made use of the Fund for cash management purposes. Please note, the Fund does not form part of the Scheme's strategic asset allocation. Totals may not sum due to rounding.

Signature

Signature

Gregor Law, Chair
Dalriada Trustees Limited

Bob Evans
Trustee

Statement of Trustees' Responsibilities for the Financial Statements

The Financial Statements are the responsibility of the Trustees. The Trustees are not required by statute to comply with pension scheme regulations but have agreed to do so wherever possible on grounds of good practice. The regulations require Trustees to make available audited Financial Statements for each Scheme to Scheme members, beneficiaries and certain other parties, which:

- Show a true and fair view of the financial transactions of the Scheme during the Scheme year and of the amount and disposition at the end of that year of the assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme year, and
- Contain the information specified in the Schedule to the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including a statement whether the Financial Statements have been prepared in accordance with the Statement of Recommended Practice 'Financial Reports of Pension Schemes'.

The Trustees have supervised the preparation of the financial statements and have agreed suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis.

The Trustees are responsible for ensuring compliance with the Scheme rules and recommendations of the Actuary in respect of contributions payable towards the Scheme by, or on behalf of, the employer and the active Members of the Scheme and the dates on or before which such contributions are to be paid. The Trustees are also responsible for keeping records of contributions received in respect of any active Member of the Scheme and for ensuring that contributions are made to the Scheme in accordance with the recommendations of the Scheme's Actuary.

The Trustees also have a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the Scheme and to prevent and detect fraud and other irregularities, including the maintenance of appropriate internal controls.

Summary of Contributions paid in the year

During the year, the contributions paid to the Scheme by the Employer in accordance with the Actuary's recommendations were as follows:

	2025-26 **£**	**2024-25** **£**
Employer normal contributions	946,293	923,971
Arrears of employer contributions	0	0
Employee normal contributions	552,008	533,636
Total	**1,498,301**	**1,457,607**

Signature

Gregor Law, Chair
Dalriada Trustees Limited
Date

Signature

Bob Evans
Trustee

Governance Statement

Scope of Responsibility

We acknowledge our responsibility as Trustees for maintaining a sound system of governance to safeguard the public funds and assets connected with the Members of the Senedd Pension Scheme (‘the Scheme”). The responsibilities of the Trustees are clearly defined in the Statement of Trustees’ responsibilities on page 23.

The Scheme is a statutory scheme and is a registered pension scheme under the Finance Act 2004. The Scheme is registered with the Pensions Regulator and the Pension Scheme Registry (PSR) number is 12015963. The Pension Scheme Tax Reference (PSTR) is 00462258RW.

The Pensions Team, within the Financial Services Team of the Senedd, provide secretarial services to the Trustees. This arrangement and the appointment of QA as Scheme administrator is covered by a Memorandum of Understanding between the Senedd Remuneration Board (the Board), the Senedd Commission (the Commission) and the Trustees. The Memorandum of Understanding sets out the respective roles and responsibilities of the Board, the Commission and the Trustees with regard to the management and administration of the Scheme. The Pension Board Terms of Reference sets out those responsibilities specific to the Board covering their remit, the requirements for Board members and the appointment process.

Governance Framework

During the year there were four Trustee meetings in July, October, November and March including an additional meeting. The attendance below shows the proportion of all meetings attended by Trustees appointed at these dates.

Name	Percentage of Meetings Attended
Gregor Law Chair	100%
Mike Hedges MS Member Representative	100%
Nick Ramsay Member Representative	100%
Robert Evans Commission Representative	100%
Hefin David MS Commission Representative ended 12 August 2025	100%

During the year, the Trustees considered the following detailed reports:

- The Auditor's report on the Financial Statements
- Review of the Investment Adviser, Scheme actuary and legal adviser against their objectives
- Review of the effectiveness of the Pension Board
- Review of the Business Plan including Trustee training
- McCloud Remedy
- New Overpayments policy
- New Whistleblowing policy
- Cashflow planning for the election
- Scope of future internal audit
- Review of policies in line with the Regulator's General Code
- Investment strategy review
- ESG report
- Scheme funding update

This information together with additional briefing papers prepared by the Secretariat provided good quality data which allowed the Trustees to exercise their functions effectively over the period of this report. An internal audit is planned for later in 2026.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the Scheme's aims and objectives, to evaluate the nature and extent of those risks and to manage them efficiently, effectively and economically. It is based on a framework of regular management information, financial regulations, administrative procedures including the segregation of duties, and a system of delegation and accountability. This system of internal control has been in place in the Scheme for the year ended 31 March 2026 and up to the date of approval of the annual report and accounts.

Significant Internal Control Problems

There were no significant Internal Control problems noted during the year.

Capacity to Handle Risk

The Scheme's day-to-day accounting responsibility is currently carried out on behalf of the Trustees by Secretariat staff within the Financial Services team of the Senedd Commission, with responsibility for the development and maintenance of the control framework. In September 2025, the Commission appointed Quantum Advisory ("QA") as the new Scheme administrator, replacing Broadstone.

The Trustees have agreed a robust Administration Agreement with QA which sets out the timescales for the completion of the various tasks in administering the Scheme. These tasks and the agreed timescales for their completion will be monitored by the Trustees. The Commission's in-house pension team will remain the primary contact point for Members and have been working closely with QA during the handover period which is currently ongoing.

Personal Data Incidents

There have been no personal data breaches during the year which are likely to result in a risk to rights and freedoms, and therefore the Trustees have not made any reports to, and there have been no other communications with, the ICO in respect of personal data.

Risk Management

During the period of this report the risk register for the Scheme was reviewed, updated and agreed with the Trustees as part of the medium-term business plan. Each risk is identified and given a score based on factors such as likelihood of the risk materialising, the impact that the risk might have if it did occur. The risk rating reflects the controls currently in place to manage each identified risk. Trustees review an area of the risk register at each meeting as well as reviewing the Scheme's exposure to new risks. The resulting register was used to identify any additional measures considered necessary to effectively manage the risks. Further details on the investment risks are shown in Note 13 on pages 47-48.

Review of effectiveness

We are assisted in the development and maintenance of the internal controls by the senior managers within the Senedd who have responsibility for the development and maintenance of the internal control framework.

Our review of the effectiveness of these controls is informed by the work of the Auditor General for Wales. Comments made by the Auditor General for Wales in his management letter and other reports are taken into account, though ordinarily his work does not include testing of controls.

We are satisfied that the internal controls in place have proved effective during the period covered by this report.

Approved on behalf of the Trustees on 3 July 2026 by:

Signature	Signature
Gregor Law, Chair	**Bob Evans**
Dalriada Trustees Limited	Trustee

Independent Auditor's Report to the Trustees of the Members of the Senedd Pension Scheme

Opinion on financial statements

I have audited the financial statements of Members of the Senedd Pension Scheme for the year ended 31 March 2026 under the Pensions Act 1995.

The financial statements comprise the fund account, the net assets statement and the related notes, including the material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, in all material aspects the financial statements:

- give a true and fair view of the financial transactions of the Scheme during the year ended 31 March 2026, and of the amount and disposition at that date of its assets and liabilities, other than the liabilities to pay pensions and benefits after the end of the year.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of the Members of the Senedd pension scheme in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the scheme's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The trustees are responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Trustees for the financial statements

As explained more fully in the statement of trustees' responsibilities, set out on page 23 the trustees are responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements and Annual Report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;

- internal controls as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing the scheme's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees anticipate that the services provided by the scheme will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

- My responsibility is to audit and report on the financial statements in accordance with the Pensions Act 1995.
- My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.
- My procedures included the following:
  - enquiring of management and those charged with governance, including obtaining and reviewing supporting documentation relating to the Members of the Senedd Pension Scheme's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and

- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in respect of management override of controls.

- obtaining an understanding of the Members of the Senedd Pension Scheme's framework of authority as well as other legal and regulatory frameworks that the Scheme operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Scheme.

- obtaining an understanding of related party relationships

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above.

- enquiring of management and Trustees about actual and potential litigation and claims.

- reading minutes of meetings of the Trustees, and

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Members of the Senedd Pension Scheme's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website **www.frc.org.uk/auditorsresponsibilities**. This description forms part of my auditor's report.

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Signature

Adrian Crompton
Auditor General for Wales
14 July 2026

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ

It is the accounting officer's responsibility to maintain and ensure the integrity of the Senedd website; the work undertaken by Auditors does not take account of these matters and, as such, Auditors accept no responsibility for any changes that may have been made to the financial statements since they were first presented on the website.

Accounts for the year to 31 March 2026

Fund Account	Note	2025-26 £	2024-25 £
Contributions and benefits			
Employer Contributions	4	946,293	923,971
Employee Contributions	4	552,008	533,636
Total Contributions		**1,498,301**	**1,457,607**
Interest Receivable		924	623
Other income		0	0
		1,499,225	**1,458,230**
Benefits paid or payable	5	(1,853,157)	(1,315,044)
Professional Fees	10	(161,047)	(148,443)
Administration expenses	8	(4,966)	(14,371)
		(2,019,170)	**(1,477,858)**
Net Additions from dealings with Members		**(519,945)**	**(19,628)**
Investment income			
Change in market value of Investments	11	3,871,248	1,683,610
Investment management expenses	12	(332,102)	(332,788)
Net returns on investments		**3,539,146**	**1,350,822**
The net amount of increase/(decrease) in the fund		**3,019,201**	**1,331,194**
Opening net assets of the Scheme		48,417,240	47,086,046
Closing net assets of the Scheme		**51,436,441**	**48,417,240**

Statement of Net Assets	Note	As at 31 March 2026 £	As at 31 March 2025 £
Investment assets			
Pooled investment	9	51,453,472	48,434,326
Total investments		51,453,472	48,434,326
Current Assets	6	**254,113**	**49,011**
Current Liabilities	7	**(271,144)**	**(66,097)**
Total Net Assets of the Scheme		**51,436,441**	**48,417,240**

The Financial Statements summarise the transactions and net assets of the Scheme and do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year. The actuarial position, which does take account of such obligations, is dealt with in the Report on Actuarial Liabilities included on pages 50 to 53 and these Financial Statements should be read in conjunction with that Report.

Approved by the Trustees on 3 July 2026.

Signature

Gregor Law, Chair
Dalriada Trustees Limited

Signature

Bob Evans
Trustee

The notes on pages 36-46 form part of these accounts.

Notes to the Accounts

1. Basis for Preparation

These accounts have been prepared in accordance with Financial Reporting Standard 102 – the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and with the guidance set out in the Statement of Recommended Practice (SORP) on Financial Reports of Pension Scheme Accounts, revised in July 2018.

The accounts summarise the transactions and net assets of the Scheme. They do not take account of liabilities to pay pensions and other benefits which fall due after the end of the Scheme year.

The actuarial report does take these liabilities into account (an actuarial statement can be found at pages 50-53).

2. Accounting Policies

The Scheme's principal accounting policies are:

Investment Income

- Income from cash and short-term deposits is accounted for on an accruals basis.
- Investment income arising from the underlying investments of the pooled investment vehicles is rolled up in the investment fund and reflected in the value of the units/and shares is not separately reported in the Scheme's financial statements.
- Cash deposit Interest is accrued on a daily basis.

Contributions

- Employee contributions are accounted for when they are deducted from Members' pay.
- Employer normal contributions are accounted for on the same basis as employee contributions.

Transfers

- All transfer out values paid on a cash basis to other pension Schemes are calculated and verified by the Scheme's Actuary in accordance with the Pension Schemes Act 1993.
- Benefits are accounted for in the period in which they fall due for payment and refunds of contributions are accounted for when they are made.
- Individual transfers out are accounted for when paid or received which is normally when Member liability is accepted /discharged.

Expenses

- Expenditure is accounted for in the period to which it relates.

Other Investment Expenses

- Where the final quarter expenses are not known at the published date, other investment expenses are calculated for each fund from the average of all quarterly expense information received and are based on the end of month valuations.
- Other investment expense information has been provided by Mobius Life and L&G and have been calculated by grossing up the 'expenses' figures and are accounted for in the period to which they relate.

Tax

The Scheme is a statutory pension Scheme under Section 611A of the Income and Corporation Taxes Act 1988, as amended by Schedule 12 of the Finance Act 1999 and is a deemed registered scheme under the Pensions Act 2004. The Scheme is therefore exempt from taxation. The Pension Scheme Tax Reference (PSTR) is 00462258RW.

Valuation of investments

The fair value of financial instruments has been determined using the following fair value hierarchy:

Level 1 The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3 Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Scheme's investment assets and liabilities have been fair valued using the above hierarchy categories as follows:

As at 31 March 2026	Level 1 £	Level 2 £	Level 3 £	Total £
Pooled Investment Vehicles	18,538,326	25,138,998	7,776,148	51,435,472
Cash Deposit	--	--	--	--
Total	18,538,326	25,138,998	7,776,148	51,435,472

Pooled investments are valued at fair value stated at the closing single price which is calculated at the closing price of the underlying securities on 31 March each year. This may differ from the price used for buying and selling units.

3. Secretariat

The cost of providing staff for the Scheme's secretariat continues to be met directly by the Senedd Commission under the terms of the Memorandum of Understanding agreed between the Senedd Commission and the Trustees. The costs were estimated to be £134,135 (2024-25 £137,996) for the period covered by these accounts.

4. Contributions Receivable

	2025-26 £	2024-25 £
Employer Contributions:		
Normal	946,293	923,971
Arrears of employer contributions		
Employee Contributions:		
Normal	552,008	533,636
Total	**1,498,301**	**1,457,607**

Members of the final salary section contributed 10% to accrue benefits on a fortieths basis and 6% to accrue benefits on a fiftieths basis up until 6 May 2021.

From 7 or 8 May 2021 all Members are in the CARE Section and contributed 10.5% to accrue benefits on a 1/50th career average basis. With effect from 1 April 2024, following the 2023 valuation, the Senedd Commission contributes 18% of pensionable salaries to the Scheme.

5. Benefits Payable

	2025-26 £	2024-25 £
Pensions	1,418,671	1,308,554
Lump Sum Benefits	308.836	0
Taxation where lump sum allowance or annual allowances exceeded[1]	0	6,490
McCloud contribution refunds	43,158	--
McCloud lump sum benefits	52,253	--
McCloud interest payments	30,239	--
Total	**1,853,157**	**1,315,044**

[1]Taxation arising on benefits paid or payable is in respect of Members whose benefits exceeded the lump sum or annual allowance and who elected to take a lower benefit from the Scheme in exchange for the Scheme settling their tax liability.

6. Current Assets

	31 March 2026 £	31 March 2025 £
Cash at Bank	253,594	48,640
Other debtors and prepayments	519	371
Total	**254,113**	**49,011**

7. Current Liabilities

	31 March 2026 £	31 March 2025 £
Creditors: amounts payable within one year	(271,144)	(66,097)
Total	**(271,144)**	**(66,097)**

'Creditors: amounts payable within one year' represent liabilities for work done, where invoices were received or not by the year-end and liabilities due but not paid.

8. Administration Costs

	2025-2026 £	2024-2025 £
Training	4,078	13,417
Other Administration	889	954
Total	**4,966**	**14,371**

9. Pooled Investment Vehicles

	31 March 2026 £	31 March 2025 £
Troy Trojan Ethical	5,033,458	0
Insight Responsible Horizons Multi-Sector Credit	5,104,822	4,930,420
M&G Sustainable Total Return Credit Investment	5,068,271	4,936,121
M&G Global Sustain Paris Aligned	9,583,844	9,574,709
L&G FTSE TPI Global Fossil Fuel Exclusions Equity Index - GBP Hedged	9,753,314	9,255,750
L&G Cash	1,611,917	0
Baillie Gifford Defensive Growth Fund	5,042,258	4,927,416
BNY Mellon Real Return (Responsible)	0	6,609,509
L&G Managed Property	2,562,157	2,614,518
Partners Group Generations	7,693,431	5,585,883
Total	**51,453,472**	**48,434,326**

10. Professional fees

	2025-26 £	2024-25 £
Actuarial Fees	41,854	34,215
Investment Consultancy	42,394	45,519
Independent Trustee	22,772	23,432
Audit Fees	23,486	27,277
Legal Fees	30,541	18,000
Total	**161,047**	**148,443**

11. Investment reconciliation

Fund	Market Value at 1 April 2025 (£)	Purchases (£))	Disposal & Sales (£)	Change in Market Value (£)	Investment Manager Expenses (£)	Net Change in Market Value (£)	Market value at 31 March 2026 (£)
Baillie Gifford Defensive Growth	4,927,416	--	(315,100)	453,961	(24,020)	429,942	5,042,258
BNY Mellon Real Return (Responsible)	6,609,509	--	(6,829,378)	233,452	(13,583)	219,869	--
Partners Group Generations	5,585,883	1,813,600	--	406,234	(112,286)	293,948	7,693,431
L&G Managed Property	2,614,518	--	--	(31,914)	(20,447)	(52,361)	2,562,157
Insight Responsible Horizons Multi-Sector Credit	4,930,420	--	(78,000)	268,374	(15,972)	252,402	5,104,822
M&G Sustainable Total Return Credit Investment	4,936,121	--	(60,000)	212,270	(20,120)	192,150	5,068,271
M&G Global Sustainable Paris Aligned	9,574,709	--	(356,000)	432,141	(67,007)	365,135	9,583,844
L&G FTSE TPI Global Fossil Fuel Exclusions Equity Index - GBP Hedged	9,255,750	--	(1,180,900)	1,701,770	(23,306)	1,678,464	9,753,314
L&G Cash	--	1,600,000	--	12,243	(326)	11,917	1,611,917

Fund	Market Value at 1 April 2025 (£)	Purchases (£))	Disposal & Sales (£)	Change in Market Value (£)	Investment Manager Expenses (£)	Net Change in Market Value (£)	Market value at 31 March 2026 (£)
Troy Trojan Ethical	--	4,885,777	--	178,877	(31,197)	147,681	5,033,458,
Policy Administration Fee	n/a			3,838	(3,838)		
Net Investment Assets	**48,434,326**	**8,299,378**	**(8,819,378)**	**3,871,248**	**(332,102)**	**3,539,146**	**51,453,472**

Note: Totals may not sum due to rounding.

Fund	Market Value at 1 April 2024 (£)	Purchases (£)	Disposal and Sales (£)	Change in Market Value (£)	Investment Manager Expenses (£)	Net Change in Market Value (£)	Market value at 31 March 2025 (£)
Baillie Gifford Defensive Growth (formerly Sustainable Multi Asset Fund)	6,617,480	--	(2,052,252)	399,787	(37,599)	362,188	4,927,416
BNY Mellon Real Return (Responsible) (formerly Sustainable Real Return)	13,481,310	--	(7,004,059)	240,704	(108,446)	132,258	6,609,509
Partners Group Generations	5,177,018	--	--	489,095	(80,230)	408,865	5,585,883
L&G FTSE4Good (formerly L&G Ethical Global Equity Index)	8,447,087	--	(8,824,407)	406,926	(29,607)	377,320	--
L&G FTSE4Good hedged (formerly L&G Ethical Global Equity Index)	8,444,132	--	(9,048,425)	636,413	(32,120)	604,293	--
L&G Managed Property	2,056,335	422,377	--	168,295	(32,489)	135,806	2,614,518
L&G Over 5 Year Index-Linked Gilts Index	2,770,125	--	(2,510,453)	(257,450)	(2,222)	(259,672)	--
Insight Responsible Horizons Multi Sector Credit	--	4,937,422	--	(5,729)	(1,273)	(7,002)	4,930,420
M&G Sustainable Total Return Credit Investment	--	4,937,422	--	(165)	(1,136)	(1,301)	4,936,121
M&G Global Sustainable Paris Aligned	--	9,874,845	--	(296,487)	(3,649)	(300,136)	9,574,709

Fund	Market Value at 1 April 2024 (£)	Purchases (£)	Disposal and Sales (£)	Change in Market Value (£)	Investment Manager Expenses (£)	Net Change in Market Value (£)	Market value at 31 March 2025 (£)
L&G FTSE TPI Global Fossil Fuel Exclusions Equity Index GBP Hedged	--	9,362,064	--	(105,390)	(924)	(106,314)	9,255,750
L&G Cash	18	110,000	(114,535)	4,609	(92)	4,517	--
Policy Administration Fee	n/a				(2,999)		n/a
Net Investment Assets	46,993,505	29,644,130	(29,554,131)	1,683,610	(332,788)	1,350,823	48,434,326

12. Investment Management Expenses

Fund	Investment management		Other expenses		Total	
	2025-26 £	2024-25 £	2025-26 £	2024-25 £	2025-26 £	2024-25 £
BG Defensive Growth (formerly Sustainable Multi Asset Fund)	(15,667)	(23,854)	(8,352)	(13,745)	(24,020)	(37,599)
BNY Mellon Real Return (Responsible) (formerly Sustainable Real Return)	(10,900)	(87,025)	(2,683)	(21,421)	(13,583)	(108,646)
Partners Group Generations	(84,310)	(62,037)	(27,976)	(18,193)	(112,286)	(80,230)
L&G FTSE4Good (hedged) (formerly L&G Ethical Global Equity Index)	--	(27,837)	--	(4,283)	--	(32,120)
L&G FTSE4Good (unhedged) (formerly L&G Ethical Global Equity Index)	--	(25,378)	--	(4,230)	--	(29,607)
L&G Managed Property	(15,728)	(12,560)	(4,718)	(19,929)	(20,447)	(32,489)
L&G Over 5 Year Index-Linked Gilts Index	--	(952)	--	(1,270)	--	(2,222)
L&G Cash	(163)	(46)	(163)	(46)	(326)	(92)
Insight Responsible Horizons Multi-Sector Credit	(10,305)	(865)	(5,668)	(408)	(15,972)	(1,273)
M&G Sustainable Total Return Credit Investment	(17,605)	(994)	(2,515)	(142)	(20,120)	(1,136)
M&G Global Sustainable Paris Aligned	(61,852)	(3,368)	(5,154)	(281)	(67,007)	(3,649)

Fund	Investment management		Other expenses		Total	
	2025-26 £	2024-25 £	2025-26 £	2024-25 £	2025-26 £	2024-25 £
L&G FTSE TPI Global Fossil Fuel Exclusions Equity Index - GBP Hedged	(13,087)	(660)	(10,218)	(264)	(23,306)	(924)
Troy Trojan Ethical Fund	(28,823)	--	(2,374)	--	(31,197)	--
Policy Admin Fee			(3,838)	(2,999)	(3,838)	(2,999)
Total	(258,440)	(245,576)	(73,659)	(87,209)	(332,102)	(332,788)

Note: Totals may not sum due to rounding. The L&G Managed Property Fund 'other expenses' include property Management charges and 'non-recoverable' items such as 3rd party surveyor fees. Mobius Life charges a Policy Administration Fee from 1 November 2023 and platform fee for hosting funds on the platform. These costs are noted in "other expenses" above.

13. Investment risks

There are a range of risks associated with investments in a pension scheme. The Trustees will consider the following main risks on an ongoing basis:

Cashflow risk – this is the risk of a shortfall in liquid assets relative to immediate liabilities. In the short-term the Scheme is broadly cash flow neutral. However, the Trustees will monitor this risk over time and adjust the investment strategy as necessary to ensure sufficient liquidity exists. The Scheme reserves the use of a money-market Cash Fund for contingency purposes.

Mismatching risk – this is the risk that the asset and liability values change in significantly different ways. The Trustees are aware that significant investment in growth assets involves a mismatching risk, as the Scheme's discount rate is based on returns above inflation but will look to diversify the growth assets to reduce the downside risk. This risk will be assessed at each actuarial valuation.

Manager risk – this is the risk that the investment managers do not achieve the returns expected by the Trustees. This risk will be monitored by the Trustees regularly reviewing manager performance against their benchmark and peers. Extended underperformance will usually lead to a review of the investment mandate.

Concentration risk – this is the risk that a large proportion of the Scheme assets are invested in a single asset class or investment. The Scheme is then at risk if that single class or investment underperforms or fails. The Trustees reduce this risk by adopting a strategy that involves investment in a range of different asset classes.

Risk of market shocks – this is the risk that an extreme market shock results in the asset value for the Scheme falling. The Trustees keep the performance of the Scheme under review and have added this as a risk in their risk register, which is reviewed at each meeting. The Trustees reduce this risk through diversification of their assets and regular monitoring of the investment strategy.

Credit risk – this is the risk that a counterparty defaults and fails to meet its obligations to the Scheme. The Trustees minimise this risk by investing in funds that ring fence investor assets and by only retaining cash deposits with recognised banks authorised to conduct banking business within the United Kingdom.

Currency risk – this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates. The Scheme makes use of some sterling assets, currency hedged funds and active currency management within funds for the majority of its invested assets.

Inflation risk - this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in inflation. The Scheme's return seeking assets are expected to exhibit returns greater than inflation (i.e., positive real returns) over the longer term and at any point in time may have exposure to inflation linked assets.

Other financial material considerations – this is the risk that financially material considerations (including, but not limited to, ESG factors (including climate change)) can potentially impact the Scheme in terms of both risk and return. With specific regard to ESG factors, the Trustees consider how these are integrated into the investment processes when: (i) appointing new investment managers; and (ii) monitoring existing investment managers. The Trustees also periodically consider publicly available ESG related publications pertaining to the incumbent investment managers. Furthermore, the Trustees review the ESG credentials of their managers through an annual ESG report and questions its advisers on the managers' approach to ESG at Trustees' meetings.

The Trustees recognise these different types of risk and seek to minimise them as far as possible using regular monitoring of investment performance, through a policy of diversification, by taking account of future payments and by regularly reviewing the appropriateness of the investment strategy against the Scheme's objectives.

The investments of the Scheme will be managed to contain these risks to a level acceptable to the Trustees. However, the Trustees are aware that a totally risk averse investment strategy is likely to give lower returns over the longer term than investments with an element of uncertainty over the return. The Scheme is funded from public funds and therefore the Trustees wish to provide the benefits at a cost that is not prohibitive.

When considering risk, the Trustees will have regard to the advice of their professional advisers and to the general consensus of accepted practice of occupational pension schemes in the United Kingdom. This will not prevent the Trustees from accepting risk in their investment strategy where they believe it provides a worthwhile reward for the Scheme.

14. Related Party Transactions

During the period of account, the Scheme has had material transactions with the Senedd Commission, which is regarded as a related party. These transactions are disclosed in Note 3 to these accounts. None of the Trustees, Managers of the Scheme, key managerial staff or other related parties has undertaken any material transactions with the Scheme during the year.

Independent Auditor's statement about Contributions to the Trustees of the Members of the Senedd Pension Scheme

I have examined the summary of contributions to the Members of the Senedd Pension Scheme for the scheme year ended 31 March 2026 which is set out on page 24.

In my opinion contributions for the scheme year ended 31 March 2026 as reported in the summary of contributions and payable under the schedule of contributions have in all material respects been paid at least in accordance with the schedule of contributions signed on behalf of the trustees and employer on 03 July 2026.

Scope of work on statement about contributions

My examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the summary of contributions on page 24 have in all material respects been paid at least in accordance with the schedule of contributions. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the scheme and the timing of those payments under the schedule of contributions.

Respective responsibilities of Trustees and Auditors

As explained more fully in the Statement of Trustees' Responsibilities on page 23, the scheme's trustees are responsible for preparing, and from time to time reviewing and if necessary, revising, a schedule of contributions and for monitoring whether contributions are made to the scheme by the employer in accordance with the schedule of contributions.

My responsibility is to provide a statement about contributions paid under the schedule of contributions and to report my opinion to you.

Signature

Adrian Crompton
Auditor General for Wales
14 July 2026

1 Capital Quarter
Tyndall Street
Cardiff, CF10 4BZ

Actuary's statement covering financial year to 31 March 2026

The Members of the Senedd Pension Scheme is exempt from the requirement as laid down in the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 to prepare a report and audited accounts within seven months of the end of the accounting year. However, it is the intention of the Trustees to comply with the spirit of the legislation, and as such this statement has been prepared as if the legislation applied.

Actuarial assessment

A formal actuarial assessment of the Members of the Senedd Pension Scheme (the Scheme) was carried out with an effective date of 31 March 2023 and results are provided in the report dated 2 February 2024. The principal objective of the formal actuarial assessment is to make a recommendation to the Trustees of the Scheme about the appropriate level of the employer contribution rate after that date. Whilst the level of Members' contributions is specified in the Rules, the employer contribution rate is calculated as a percentage of salary required to meet the balance of cost with the aim of ensuring that Scheme benefits are paid for during Members' expected active service with the Senedd.

Method

For the 2023 actuarial valuation, the liabilities expected to accrue under the Scheme during the year following the valuation date were valued using the actuarial valuation approach known as the *Projected Unit Method*. The *Standard Contribution Rate* under the Projected Unit Method was expressed as the value of the benefits accrued during this one-year period divided by the value of the Members' earnings during the same period. The valuation method is expected to produce a broadly stable Standard Contribution Rate at successive actuarial valuations as long as the age/sex/salary distribution of Scheme Members and the assumptions adopted remain broadly unchanged.

The value of the liabilities accrued up to the valuation date was then compared to the value of the Scheme's assets at the same date. The valuation showed a surplus of £2.8m. Following discussions with the Trustees and the Commission, it was agreed that that the Commission contribution rate would reduce to 18% of payroll per annum, reflecting that the Scheme no longer has a deficit after updating for market conditions and data.

Assumptions

In order to calculate the cost of the Scheme's benefits, certain actuarial assumptions have to be made about future expected income to, and benefit payments from, the Scheme. The Standard Contribution Rate is such that it would be just sufficient to finance the benefits accruing following the valuation date provided that the Scheme's actual experience is in line with the assumptions made. Adjustments to the contribution rate may be required in future to take account of departures between Scheme experience and the assumptions adopted.

The principal assumptions used in the 2023 actuarial valuation for calculating the cost of the Scheme's benefits are shown in the table below.

Investment return, net of expenses, in excess of long-term salary inflation	1½ % a year
Investment return, net of expenses, in excess of price inflation (based on the Consumer Prices Index)	3 % a year
Pensioner longevity – Based on SAPS S3 mortality tables published by the Continuous Mortality Investigation Bureau (CMIB) based on the experience of pensioners in UK occupational pension schemes. For females, the middle table has been used, which is based on the data with the highest and lowest pension amounts removed. An 85% scaling factor is applied to these tables (except female dependants which is 100%). Future improvements are set in line with the 2020-based principal population projections produced by the Office for National Statistics (ONS 2020).	

Further details of the methods and assumptions used, including details of the extent to which the COVID-19 pandemic has been taken into account, are set out in the actuarial valuation report dated 2 February 2024.

Contribution rate

The Senedd Remuneration Board introduced a new benefit structure which came into force on 6 May 2016. Members who were aged 55 or over on 1 April 2012 are protected and continued to accrue benefits on the previous benefit structure until 5 May 2021 and paid contributions of 10% or 6% of pensionable pay. All Members are now in the CARE section and pay contributions to the Scheme at the rate of 10.5% of pensionable salary.

Similar transitional protection was introduced across the public sector when the schemes were reformed in 2015. The transitional protection was challenged in the courts by members of the firefighters and judicial schemes and found to be discriminatory on age grounds. This is known as the McCloud judgement. It has been agreed that eligible Members of the Scheme will receive remedy in respect of the McCloud judgement and a reserve was made for this cost in the 2023 valuation liabilities. Hence the estimated costs of the McCloud remedy are allowed for in the liabilities shown in the 2023 valuation report. Any experience gain or loss (compared to the reserve already made) will materialise through the 2026 actuarial valuation of the scheme, when the liability calculations are updated for the member McCloud remedy choices which have now been made.

Following completion of the 2023 valuation the Senedd Commission's contribution rate was reduced to 18.0% of pensionable pay. This rate is based on the assumptions adopted for the 2023 valuation, it includes a 1% allowance for expenses.

Security of prospective rights

In my opinion, the resources of the Scheme are likely in the normal course of events to meet in full the liabilities of the Scheme as they fall due excluding any costs which may arise as a result of GMP equalisation. In giving this opinion, I have assumed that both Member and employer contributions will be paid to the Scheme as described in the paragraph titled 'Contribution Rate' above, subject to review at successive actuarial valuations.

Next actuarial assessment

An approximate annual funding update for the Scheme was carried out as at 31 March 2025. This approximate update was be based on the membership data, method and assumptions from the 2023 valuation, but updated to reflect the market conditions as at 31 March 2025. The approximate update showed an improvement in the funding position of the scheme since the 2023 valuation, this was primarily driven by the increase in future expected investment returns (which reduces the value placed on the past service liabilities of the scheme). Other sources of improvement were contributions into the scheme and better than expected asset returns, which more than offset the loss due to CPI inflation being higher than expected

The next formal actuarial valuation of the Scheme will be undertaken with an effective date of 31 March 2026. The main purpose of that valuation will be to assess the financial position of the scheme and the adequacy of the recommended rate of employer contributions, taking account of all relevant factors since the preceding valuation.

Memet Pekacar
Chartered Actuary (Fellow)
9 June 2026

Government Actuary's Department
6th Floor
10 South Colonnade, London E14 4PU


09:52


09:53:24
09:52

Senedd Cymru
Welsh Parliament

www.senedd.cymru | www.senedd.wales