

Time 2.00 pm **Public Meeting?** YES **Type of meeting** Pensions
Venue 19

Membership

Employer Representatives

Paul Johnson (Chair)
Joe McCormick
Ian Martin
Mark Smith
Cllr Sandra Samuels OBE

Member Representatives

Julian Allam (Vice-Chair) (Unite)
Sharon Champion (Unison)
Stan Ruddock (Unite)
Adrian Turner (Unison)
Cllr Rupinderjit Kaur

The Quorum requires, at least one member from each category of member and employer representatives. If the Chair and Vice Chair are not present a Chair will be nominated by majority from those in attendance.

Information for the Public

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Contact Fabrica Hastings
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Wolverhampton WV1 1RL

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Some items are discussed in private because of their confidential or commercial nature. These reports are not available to the public.

Agenda

Part 1 – items open to the press and public

- | <i>Item No.</i> | <i>Title</i> |
|-----------------|---|
| 1 | Apologies for Absence |
| 2 | Declaration of Interests |
| 3 | Minutes of Previous Meeting (Pages 3 - 8) |
| 4 | Matters Arising |
| 5 | Compliance and Assurance (Pages 9 - 26)
[To provide Board with an update on the work of the Fund to deliver a well governed scheme.] |
| 6 | Annual Report and Accounts 2021-2022 (Pages 27 - 30)
[To update the Board on the finalisation of the Statement of Accounts and the Annual Report for the year ending 31 March 2022 and the latter's publication on the Fund's website.] |
| 7 | Investment Governance (Pages 31 - 36)
[To provide an update on investment related matters, an update on responsible investment activities, together with the ongoing development of Local Government Pension Scheme (LGPS) Central Investment Pool.] |
| 8 | Pensions Administration Report to 30 June 2022 (Pages 37 - 58)
[To inform the Board of the routine operational work undertaken by the Pensions Administration Service areas during the period 1 April – 30 June 2022.] |
| 9 | Customer Engagement Update (Pages 59 - 92)
[To provide Board with an update of the Fund's customer engagement activity from 1 April 2022 to 30 June 2022 and to cover future planned customer engagement activity in the context of the Fund's Customer Engagement Strategy.] |
| 10 | 2022 Actuarial Valuation Update (Pages 93 - 96)
[To provide the Board with an update on matters relevant to the triennial review of the Funding Strategy Statement over 2022/23 and delivery of the 2022 actuarial valuation.] |

Attendance

Members of the Pensions Board

Employer Representatives

Paul Johnson (Chair)

Joe McCormick

Ian Martin - V

Mark Smith

Member Representatives

Julian Allam (Vice-Chair)

Sharon Champion - V

Stan Ruddock

Adrian Turner

Employees

Rachel Brothwood

Simon Taylor

Shiventa Sivanesan

Rachel Howe

Amy Regler

Hayley Reid

Holly Slater

Laura Parker-Marsden

Himmat Kaur

Peter Farrow

Executive Director of Pensions

Assistant Director Pensions

Assistant Director Investment Management and Stewardship

Head of Governance and Corporate Services

Head of Operations

Regulatory Governance Manager

Governance Officer

Governance Support Officer

Graduate Management Trainee

Head of Audit – City of Wolverhampton Council

Part 1 – items open to the press and public

Item No. *Title*

- 1 **Election of Chair**
 Rachel Brothwood, Executive Director of Pensions, welcomed Board members to the first meeting of the municipal year and requested nominations for the election of the Chair of the Pensions Board for the remainder of the municipal year. Joe McCormick, Employer Representative, nominated current Vice Chair Paul Johnson, Employer Representative, to be elected as Chair, the nomination was seconded by members of the Board. The new Chair thanked everyone for their support. It was noted that the election of an Employer Representative was in line with the Fund's Representation Policy of alternate representatives retaining the position of chair.

2 **Election of Vice Chair**

Adrian Turner, Member Representative, nominated Julian Allam, Member Representative as new Vice Chair for the municipal year, the nomination was seconded by members of the Board.

3 **Apologies for Absence**

Apologies were received from Steve Smith (Observer Member), Jacqueline Carmen (Employer Representative) and Councillor Sandra Samuels (Employer Representative).

4 **Declaration of Interests**

There were no declarations of interest made.

5 **Minutes of Previous Meeting**

That the minutes of the previous meeting be approved as a correct record.

6 **Matters Arising**

There were no matters arising.

7 **Annual Governance Report**

Rachel Howe, Head of Governance and Corporate Services, presented the annual governance paper for the first meeting of the municipal year, the report outlined changes to the Board's membership and the Local Pension Board's work-plan for the 2022-23

The Chair advised that the Board Meeting originally scheduled for 18 October 2022 may be re-arranged. The Head of Governance and Corporate Services added that as soon as this is confirmed, communication would be issued to Members.

Resolved:

1. That the Local Pension Board Work-plan for the 2022-2023 municipal year be approved.
2. That the appointments from the City of Wolverhampton Council to the member and employer representative elected member seats be noted.
3. That the following dates and time of the meetings of the Local Pension Board confirmed as (14.00):
 - 19 July 2022
 - TBC October 2022
 - 24 January 2023
 - 25 April 2023
4. That the Governing Body Member Training Policy developed for members of the Fund's Governing Bodies which was approved by the Pensions Committee on 29 June 2022 be noted.
5. That the publication of the national Scheme Advisory Board (SAB)'s annual report be noted.

8 **Compliance and Assurance**

Rachel Howe, Head of Governance and Corporate Services presented the report of the work of the Fund to deliver a well governed scheme.

It was noted that risks this quarter had remained static, with themes centred around resourcing with competition in the area remaining high. A new risk relating to member behaviours in the current economic climate had been added to the register with the potential for an increase in member movements and safeguarding and vulnerable customer concerns.

In response to a question from the Chair in relation to data breaches and personal information categorised as minor, the Head of Governance and Corporate Services advised that such information would include members' names, addresses and pensions reference numbers.

The Executive Director of Pensions, Rachel Brothwood, noted that the Fund works closely with the Information Governance Team at the City of Wolverhampton Council (CWC) and that all breaches are reported to them in accordance with agreed procedure, breaches are also monitored internally to identify control issues and additional training requirements. It was also noted that the Fund has regular engagement with the Information Governance Manager at CWC with regards to a range of information governance issues, including data breaches.

Resolved:

1. That the latest Strategic Risk-Register and areas being closely monitored in the current environment be noted.
2. The compliance monitoring activity undertaken during the quarter be noted.
3. That the Fund's Key Performance Indicators and action taken to support service delivery be noted.
4. That the release of the Pensions Regulator's Corporate Plan 2022 – 2024 be noted.
5. That the 2022 Governance and Compliance Statement approved by the Pensions Committee on 29 June 2022 be noted.

9 **Internal Audit Annual Report 2021 - 2022**

Rachel Howe, Head of Governance and Corporate Services, introduced the Internal Audit Annual Report.

Peter Farrow, Head of Audit, provided an overview of the audit work carried out during the year. The Head of Audit confirmed that, based on work undertaken, internal audit had provided reasonable assurance that the Fund had adequate and effective internal control and governance arrangements in place.

In response to a question regarding Internal Audit's involvement in the Fund's transition to the new Pension Administration system, Amy Regler, Head of Operations, confirmed that the Fund will engage with Internal Audit. The Head of Audit added that the Internal Audit team will cover elements of the new system within individual internal audits.

Resolved:

1. That the Internal Audit Annual Report for 2021 – 2022 be noted.

10 **Statement of Accounts 2021- 2022**

Femi Olatunde, Interim Head of Finance, presented the report on the preparation, approval and audit of the Statement of Accounts and the Annual Report for the year ending 31 March 2022.

The Interim Head of Finance outlined that the national deadline for completion of audit had moved from September 2022 to the end of November 2022, with the deadline for the publication of the Fund's Annual Report of 1 December 2022.

Resolved:

1. That the West Midlands Pension Fund's (WMPF) draft Statement of Accounts for the year ending 31 March 2022 that has been certified by the Section 151 Officer as required by regulations be noted.

2. That that it is noted authority has been delegated to the Chair and Vice Chair of Pensions Committee to approve the final Statement of Accounts once the audit is completed in September.
3. That it is noted authority has been delegated to the Chair and Vice Chair of Pensions Committee to approve the final publication of the Fund's 2021-2022 Annual Report following approval of the draft by Pensions Committee in September 2022 and ahead of the Local Government Pension Scheme (LGPS) Regulatory requirement to publish the Fund Annual Report and Accounts by 1 December.
4. That it is noted the draft Statement of Accounts (and the Annual Report) for WMPF will now be subject to audit by the Fund's external auditors, Grant Thornton.
5. That Grant Thornton's Audit Plan for 2021/22 external audit of the Pension Fund be noted.
6. That the publication of draft Accounts and Audit (Amendment) Regulations 2022 in May 2022, which proposes to extend the deadline for publishing local authority accounts for 2021/22 from 30 September to 30 November 2022 be noted.

11 **Investment Governance**

Shiventa Sivanesan, Assistant Director of Investment Management and Stewardship, presented the report and gave a routine update on investment governance matters.

It was noted that the Fund's Annual Stewardship Report had been submitted to the Financial Reporting Council (FRC) for review, the outcome of the FRC's review and confirmation of the continuation of the Fund's signatory status was due in October 2022.

Resolved:

1. That the update on investment governance matters including those in relation to responsible investment and investment pooling be noted.
2. That the Fund's second Annual Stewardship Report submitted to the FRC in April 2022 which sets out stewardship activities undertaken by the Fund and its investment partners over 2021. The report is available on the Fund's website: [West Midlands Pension Fund - Stewardship \(wmpfonline.com\)](https://www.wmpfonline.com) be noted.
3. That the Fund's Voting Principles which have been finalised and published on the Fund's website: - [West Midlands Pension Fund - Voting Globally \(wmpfonline.com\)](https://www.wmpfonline.com) be noted.

12 **Pensions Administration Report to 31 March 2022**

The Head of Operations, Amy Regler, presented the report on the routine operational work undertaken by the Pensions Administration services during the period 1 January 2022 – 31 March 2022.

The Head of Operations provided an overview of new regulations introduced on 1 June 2022, referred to as 'Stronger Nudges Guidance', which applied to members with defined contribution savings, in the context of WMPF and the LGPS this is relevant to members with Additional Voluntary Contribution savings (AVC's). The changes require scheme administrators to ensure that individuals are made aware of Pensions Wise guidance in order to help members make informed decisions when

accessing their benefits, the Board were assured that the Fund had updated its procedures to take account of the new guidance.

In response to a question around the reasons for members choosing to transfer their pensions out of WMPF, the Head of Operations highlighted members wanting to consolidate smaller pensions to one provider and being able to access funds from their pension as the main reason for transferring. It was noted that the Fund had no concerns with regards to members electing to transfer their pensions out of WMPF and that it was an area the Fund continues to monitor. The Head of Operations assured the Board that adequate due diligence (in accordance with regulations) is completed in respect of all transfers.

Resolved:

1. That the performance and workloads of the key pension administration functions be noted.
2. That the development of the Fund's membership and participating employers be noted.
3. That the introduction of Stronger Nudge amendment to the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 be noted.

13

Customer Engagement Update

Simon Taylor, Assistant Director of Pensions, presented the report on the Fund's customer engagement activity from 1st January – 31st March 2022.

It was noted that the Fund's Customer Engagement Plan had been updated and published on the Fund's website and positive feedback had been received in respect of the Fund's Mid-Year Review, which took place on 12 July 2022. It was noted in particular that attendees had welcomed the break-out sessions which had enabled focused discussions and interactions.

A question was raised in relation to the performance of Prudential, the Fund's Additional Voluntary Contribution (AVC's) provider, following recent issues, it was noted that since initial engagement retirements were now being processed and paid in accordance with KPI's and call waiting times had reduced.

Resolved:

1. That the engagement activity and informed service development be noted.
2. That the update on engagement with Prudential regarding AVC provision be noted.

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CITY OF WOLVERHAMPTON COUNCIL	Pensions Board 31 October 2022
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Report title	Compliance and Assurance	
Originating service	Pension Services	
Accountable employee	Rachel Howe	Head of Governance, Risk and Assurance
	Tel	01902 55 2091
	Email	Rachel.Howe@wolverhampton.gov.uk
Report to be/has been considered by	Rachel Brothwood	Executive Director of Pensions
	Tel	01902 55 1715
	Email	Rachel.Brothwood@wolverhampton.gov.uk

Recommendations for noting:

The Pensions Board is asked to note:

1. The latest Strategic Risk Register and areas being closely monitored in the current environment.
2. The compliance monitoring activity undertaken during the quarter.
3. The Fund's Key Performance Indicators (KPI) and action taken to support service delivery.
4. The statutory delivery of the Annual Benefit Statements.

1.0 Purpose

- 1.1 To provide Board with an update on the work of the Fund to deliver a well governed scheme.

2.0 Risk Register

- 2.1 Attached at Appendix A is the Strategic Risk Register for the forthcoming quarter, which presents a static risk environment at this time. We continue to await the publication of statutory regulation over the coming months, noting a series of consultations due and the potential for further delay in the current environment. Recruitment and resourcing continue to be a challenge for the Fund in the current employment market with competition for roles being high. The Fund is not unique in this challenge and continues to review resourcing requirements in line with service and key project delivery.
- 2.2 Investment markets remain volatile with the forthcoming quarter being key to the Fund's assessment of funding profile as we deliver the 2022 Valuation and review our Investment and Funding Strategy, noting the ongoing impacts on employer funding and budgets.

3.0 Key Performance Indicators

- 3.1 Attached at Appendix B are the Fund's Key Performance Indicators (KPI) as at quarter one.
- 3.2 Further details with regards to the Fund's Operational KPI is covered in the Pension Administration Report. The team continue to flex resource to meet demands.
- 3.3 Engagement with the Fund from our customer base continues to be high, this is demonstrated by the high volume of communications (calls and emails) received into the Fund's contact centre, which alongside capacity constraints, have impacted the number of complaints received and the Fund's ability to respond to those complaints.

4.0 Annual Benefit Statements

- 4.1 The Fund has completed the Statutory Delivery of Annual Benefit Statements for both Deferred and Active members achieving 99.6% of deferred member statements and 90.7% of active statements.
- 4.2 All statements were published on member pension portals in advance of the statutory deadline of 31 August. For those members the Fund was unable to produce a statement, a NILABS letter has been produced confirming the reasons for non-production. The Fund is in the process of analysing the reasons for non-production and continues to work with employers to cleanse data and resolve queries. As issues are resolved statements may be produced on an individual basis.

5.0 Compliance Monitoring

5.1 Data Protection

5.1.1 This quarter the Fund are reporting five data breaches, all breaches were minor and involved minimal amounts of low-risk data. The Governance Team continue to monitor breaches and identify actions to improve controls. The Fund hasn't identified any systemic issues in the management of its data and continues to work with service areas to implement ongoing enhancements in systems and individual knowledge.

5.2 Freedom of Information (FOI) Requests

5.2.1 The Fund received one FOI request during the quarter, relating to investment holdings. The request was responded to in accordance with the set deadlines.

5.3 Subject Access Requests (SARs)

5.3.1 The Fund have received three SAR requests during this quarter, as reported previously the majority of these requests continue to be from third parties seeking information in connection with a member's decision to transfer their pension out of the Local Government Pension Scheme (LGPS). Authority from the member is always sought prior to providing information to third parties. All requests were responded to in accordance with the set deadlines.

6.0 Regulatory Updates 86.1 Good Governance Review

6.1 As previously reported, in February 2021 the Scheme Advisory Board (SAB) submitted a series of recommendations to the Department for Levelling Up Housing and Communities ((DLUHC) formerly MCHLG) as part of its Good Governance review, the aim of which was to improve Governance standards across all LGPS Funds.

6.2 The Scheme Advisory Board's Good Governance Project outlined within its Phase 3 recommendations that each Fund should be required to produce and publish a conflicts of interest policy which includes details of how actual, potential and perceived conflicts are addressed within the governance of the Fund.

6.3 For the Fund, the management of conflicts extend beyond actual conflicts and include potential and perceived conflicts, all of which are managed in a way appropriate to the level of risk presented. The Fund have adopted a conflicts management policy in response to the recommendation made within the Good Governance review.

6.4 Attached at Appendix C is the Fund's Conflict Management Policy.

7.0 Financial Implications

- 7.1 Effective monitoring of the management arrangements, facilitated by timely disclosure of information, is required to ensure the Fund is well placed to ensure the delivery of its administration, funding and investment strategy. Poor management of the Fund's data, financial information and assets can result in additional costs and detract from investment returns.
- 7.2 Failure by the Fund to meet statutory requirements of effective governance and administration could result in fines imposed by the Pensions Regulator (tPR).

8.0 Legal Implications

- 8.1 Failure by the Fund to comply with legislation and/or statutory guidance can result in enforcement action and fines from both tPR and the Courts via judicial review.

9.0 Equalities Implications

- 9.1 There are no direct equalities implications.

10.0 Other Potential Implications

- 10.1 There are no other potential implications.

11.0 Schedule of Background Papers

- 11.1 Scheme Advisory Board Good Governance Project
[LGPS Scheme Advisory Board - Good Governance \(lgpsboard.org\)](http://lgpsboard.org)
- 11.2 West Midlands Pension Fund Governing Body Code of Conduct and Conflicts of Interest Policy
[West Midlands Pension Fund - Code of Conduct \(wmpfonline.com\)](http://wmpfonline.com)

12.0 Schedule of Appendices

- 12.1 Appendix A: Risk Register
- 12.2 Appendix B: Key Performance Indicators
- 12.3 Appendix C: Conflicts Management Policy

West Midlands Pension Fund – Strategic Risk Register

September 2022

Risk Ref	Risk Theme	Risk title	Current Drivers	Corporate Priority	Previous Risk Score	Current Risk Score	Direction of Travel	Reason for concern and actions underway to mitigate risk	Officer responsible for Action ¹
1	Regulatory and Industry driven demands	Pending consultation and statutory guidance to be forthcoming in the Summer/Autumn period	The delay of guidance and regulatory change seen over the last 2 years has the potential to move rapidly through the Summer/Autumn period with a need for the Fund to react to respond to wide-ranging consultation and implement change across areas of investment governance and administration	Operational Resilience Compliance and Risk			↔	The Fund continues to monitor potential regulator activity taking the opportunity to engage and contribute to consultation responses, thereby having a proactive insight and voice to the potential change and response required. There is potential for further delay and unexpected change in focus areas, noting the current political environment.	ALL
		Current economic environment driving behaviours in members and how they manage/access their pension	Financial constraints and the increasing cost of living have the potential to drive change in Fund member behaviour, including the potential for increased transfer out requests/opt outs and safeguarding concerns	People and Customers			↔	The Fund continues to monitor trends in workloads and member led processes and remains acutely aware to the potential pressures on individuals, maintaining a strong focus on supporting members at this time, enhancing employee understanding of potential concerns through specific training on Customer safeguarding and the potential for transfer scams.	HOG & ADP

¹ Key to responsible officers on final page

Risk Ref	Risk Theme	Risk title	Current Drivers	Corporate Priority	Previous Risk Score	Current Risk Score	Direction of Travel	Reason for concern and actions underway to mitigate risk	Officer responsible for Action ¹
2	Resourcing	People as a resource risk, with recruitment and retention impacted by the ability of the Fund to keep pace with the market and competition for skilled resource and continue to provide training and opportunities for career development	Competition in the market for skilled and specialist roles which has become more acute post Covid and in context of industry-wide demand for scarce resource to respond to wide-spread pensions regulatory change and workers seeking greater mobility and flexibility	People and Customers Operational Resilience Corporate Responsibility				The Fund continues to promote itself as a high-quality employer, supported by core values and beliefs with modern work-space and working practices. Bespoke recruitment campaigns are created for individual roles. The Fund has enhanced focus on employee development and our people strategy with the development of senior and specialist roles. Ongoing review of developing market and key skill sets and increasing pressure points to inform training, role development and service review.	EDOP
			High number of priority business as usual and change initiatives with reliance on additional/interim support and key persons			Service enhancement and ensuring efficient deployment of resource to enable response to regulatory change continues to be a focussed priority for the Fund. Additional resources secured for key projects (i.e. Pension Administration System Transfer) and Recruitment plans and resource requirements are routinely monitored by the Fund's Senior Management Team. Resilience planning continues to develop to support resource allocation and prioritisation.		HOPs ADP EDOP	
			Growing complexity in the scheme and changing service delivery requiring a further development of knowledge and skills, exacerbating key person and knowledge risk			The Fund continues to monitor potential regulator activity and the potential change required to ensure effective implementation. Where change is required, the Fund seeking engagement and knowledge sharing to increase resilience in operational processes.		HoG HOPs	

Risk Ref	Risk Theme	Risk title	Current Drivers	Corporate Priority	Previous Risk Score	Current Risk Score	Direction of Travel	Reason for concern and actions underway to mitigate risk	Officer responsible for Action ¹
								The Fund continues to review its employee training and development program forming positive partnerships with training providers.	
3	Data, Information and reporting	Increased demands on the quality of data and the ability of the Fund to meet statutory and reporting requirements	Number of key data activities ongoing concurrently including McCloud, triennial Investment and Funding reviews and Pension Admin System Transition (development of automated reporting)	Operational Resilience Compliance and Risk People and Customers			↔	The Fund continues to enhance its reporting on data quality with ongoing focussed resource to achieve key data targets, and support with data focussed projects such as McCloud.	HOPs ADP HoF
			Increased oversight on investment governance (and pooling) and interest in stewardship, climate risk reporting and drivers of performance.					The Fund is working to enhance its reporting and monitoring framework, with investment governance supported by independent oversight through the Investment Advisory Panel on the implementation of investment strategy.	ADI HoG
4	Internal Controls	The Fund is not able to effectively monitor and report on its compliance with regulatory requirements with a need to conduct a full review of those in place due to ongoing regulatory change	Growing complexity in scheme regulations (together with the potential delayed statutory guidance) and the increasing reporting requirements, placing increased demands on the Fund's monitoring processes.	Compliance and Risk Operational Resilience			↔	The Fund has undertaken a review of its senior roles to ensure a dedicated function and role to lead on ensuring strength in the first line of internal controls.	HoG
			Changes to system and processes will require a refresh to compliance monitoring program.					The Fund's assurance program is being reviewed alongside the controls to ensure the Fund maintains a robust framework	HoG
5	Operational Resilience and Cyber Risk	The Fund is unable to perform its functions due to internal and external vulnerabilities to its operational resilience.	Global concern on increasing Cyber risk and evolving practices required to mitigate in light of ongoing development of cyber risks Increase awareness and requirements to build and demonstrate operational	Operational Resilience			↔	The Fund continues to develop its cyber resilience through annual review and external assessment of its cyber strategy. Supplier assurance questionnaires have been developed and issued and responses are being analysed.	HOPs

Risk Ref	Risk Theme	Risk title	Current Drivers	Corporate Priority	Previous Risk Score	Current Risk Score	Direction of Travel	Reason for concern and actions underway to mitigate risk	Officer responsible for Action ¹
			resilience across people, process and systems						
		The Fund is unable to support end to end business critical activities	Reliance on individual/key knowledge across the organisation unsupported by technologies (manual process)	Operational Resilience				<p>The Fund is proactively responding to anticipated changes through the development of our core business activities, working to adapt to increased resilience where vulnerabilities are identified.</p> <p>The Fund continues to review its employee training and development program forming positive partnerships with training providers</p>	HOPs HoG HoF
6	Service Delivery	The Fund is unable to deliver its services due to the volume of change required and the competing statutory demands, which includes the impact of system change and adequate resourcing	<p>Pending administration system change over, there is a pause on system development resulting in some processes continuing to operate with less efficiency pending automation</p> <p>Vacancies across service areas pending recruitment in an increasingly competitive market.</p>	<p>People and Customers</p> <p>Operational Resilience</p> <p>Compliance and Risk</p>			<p>↔</p>	<p>Service enhancement and response to regulatory change continues to be a focussed priority for the Fund.</p> <p>In line with its Corporate Objective on Operational Resilience, the Fund is assessing resource plans, knowledge succession together with interim project support to ensure the ongoing delivery of services while delivering service enhancements.</p>	HOPs EDOP
7	Service Delivery – Third Parties	The Fund is unable to deliver its services due to the reliance on third parties	<p>Number of key service deliverables are reliant on third parties, some of whom provide multiple services to the Fund</p> <p>Employer capacity, particularly in the provision of data, limits the ability to deliver information and benefits to Fund members</p>	<p>People and Customers</p> <p>Operational Resilience</p> <p>Compliance and Risk</p>			<p>↔</p>	<p>The Fund has undergone early engagement with suppliers as part of its engagement on regulatory change and has developed an annual monitoring framework which seeks to provide assurance of a supplier's contract delivery, Cyber resilience and Data Protection.</p> <p>The Fund engages with employers regularly and supports their understanding of the new requirements through employer coaching programs. The Fund has developed and implemented greater efficiencies in</p>	HoG HOPs ADP

Risk Ref	Risk Theme	Risk title	Current Drivers	Corporate Priority	Previous Risk Score	Current Risk Score	Direction of Travel	Reason for concern and actions underway to mitigate risk	Officer responsible for Action ¹
								<p>the exchange of information and data with employers to improve capacity e.g. employer worktrays, employer portal.</p> <p>Early engagement with the Fund stakeholders is a key priority on all projects.</p>	
8	Funding and Cost Management	The uncertainty and volatility in key markets indicators affecting financial assumptions including long term inflation and the discount rate in the context of Employer budget constraints	<p>Changing market conditions impact on investment returns and pace of change in strategy implementation leads to widening funding gap</p> <p>Rising cost of benefits (inflation) and lower outlook for future investment returns impacts upon contribution outcomes for employers in the near term. Rising inflation also places increased pressure upon employer financials and supply chain in the context of their budgets. Increased level of employer interest in risk management options and/or exit from the LGPS combined with broader affordability considerations changes longer term fund cashflow profile.</p>	<p>Investment Implementation</p> <p>Stewardship</p> <p>Compliance and Risk</p>			↔	<p>The Fund is a long-term investor. Its strategic approach to setting asset allocations seeks to mitigate impacts of short-term volatility.</p> <p>The Fund will undertake a full review of its investment strategy as part of the valuation process ensuring investment risk is understood and managed optimally within constraints, seeking long term returns that meet the anticipated liabilities.</p>	<p>ADP</p> <p>ADI</p>
								<p>The Fund has launched its actuarial valuation project, noting these potential risks and concerns with a focus on engaging employers early to understand potential impact on employer affordability.</p> <p>The Fund has implemented an extensive covenant monitoring framework to continually review participating employers' ability to fund liabilities now and in the future.</p> <p>Following updated LGPS Regs, the Fund has implemented strategies to enable flexibility for employers upon exit. This strategy also reflects the differing maturity and exit time horizons for employers</p> <p>The Fund investment strategy will be review alongside the funding strategy over 2022/23.</p>	<p>ADP</p> <p>ADI</p>
9	Investment Risk	Shifting market sentiment and global	Global markets reacting to geopolitical issues and					The Fund is a long-term investor. Its strategic approach to setting asset	ADI

Risk Ref	Risk Theme	Risk title	Current Drivers	Corporate Priority	Previous Risk Score	Current Risk Score	Direction of Travel	Reason for concern and actions underway to mitigate risk	Officer responsible for Action ¹
		policy levers to manage slowing growth and rising inflation leading to market volatility and persistent higher inflation	expectation and confidence in the utilisation of policy tools.	Investment Implementation			↑	allocations seeks to mitigate impacts of short-term volatility.	
			Increasing pressure on member and employer costs/finances leading to short term view on pensions saving/funding	Stewardship Compliance and Risk				Changing market conditions and the potential implications and considerations for the Fund's strategic asset allocation are routinely reviewed by the Fund's Internal Investment Committee and discussed with the Investment Advisory Panel	ADI EDOP

1- Officers Responsible for Action

EDOP	Executive Director of Pensions
ADI	Assistant Director Investments
ADP	Assistant Director Pensions
HOPs	Head of Operations
HOG	Head of Governance
HOF	Head of Finance

West Midlands Pension Fund - Key Performance Indicators (KPIs)



Benefit Operations Processes	KPI Summary		Reporting Frequency	Target Summary	22/23
	KPI Description				Q1
Refund Notification	Notify member of Refund within 10 days of receiving required information	Monthly	R < 80% A < 90% G >= 90%	94%	
Refund Payment	Refund payments processed within 5 days of receiving required information	Monthly	R < 80% A < 90% G >= 90%	98%	
Transfer In Payment	Transfer notification of transferred in membership to be notified to the scheme member within 10 days of receiving payment	Monthly	R < 80% A < 90% G >= 90%	100%	
Transfer In Quote	Transfer in quotations processed within 10 days of receiving all the required information	Monthly	R < 80% A < 90% G >= 90%	99%	
Transfer Out Payment	Transfer out payments processed within 20 days of receiving required information	Monthly	R < 80% A < 90% G >= 90%	100%	
Transfer Out Quote	Transfer out quotations processed within 20 days of receiving required information	Monthly	R < 80% A < 90% G >= 90%	100%	
Retirement Notification	Notification of the actual benefits within 5 days of receiving member option form (Retirement Notification)	Monthly	R < 80% A < 90% G >= 90%	89%	
Retirement Payment	Payment of lump sum and creation of payroll record within 5 days of receiving election form (Retirement)	Monthly	R < 80% A < 90% G >= 90%	97%	
Retirement Quote	Notification of Estimated Benefits within 15 days of retirement date	Monthly	R < 80% A < 90% G >= 90%	98%	
Deferred Retirement Notification	Notification of the actual benefits within 5 days of receiving member option form (Deferred Retirement Notification)	Monthly	R < 80% A < 90% G >= 90%	98%	
Deferred Retirement Payment	Payment of lump sum and creation of payroll record within 5 days of receiving election form (Deferred Retirement)	Monthly	R < 80% A < 90% G >= 90%	94%	
Deferred Retirement Quote	Issue quote letter within 30 days of the members eligible payment date or receipt of request from member	Monthly	R < 80% A < 90% G >= 90%	92%	
Deaths Acknowledgement	Acknowledgement of a death within 5 days of receiving the notification	Monthly	R < 80% A < 90% G >= 90%	97%	
Deaths Notification of Benefits Payable	Notification of benefits payable to dependents will be issued within 5 days of receiving the required information	Monthly	R < 80% A < 90% G >= 90%	99%	
Deaths Payment	Payment of death lump sum will be made within 10 days of receipt of all the required information	Monthly	R < 80% A < 90% G >= 90%	94%	

Customer Engagement and Communication	KPI Summary		Reporting Frequency	Target Summary	22/23
	KPI Description				Q1
Customer Services Calls	In accordance with PAS >85% of calls to received to the Customer helpline to be answered	Monthly	R < 85% G >= 85%	75%	
Employer Services Calls	In accordance with PAS >85% of calls to received to the Customer helpline to be answered	Monthly	R < 85% G >= 85%	97%	

Customer Engagement and Communication	KPI Summary		Reporting Frequency	Target Summary	22/23
	KPI Description				Q1
Customer Satisfaction	Customer satisfaction - feedback from events and interaction with members	Quarterly	R < 80% A < 90% G >= 90%	90%	

Customer Engagement and Communication	KPI Summary		Reporting Frequency	Target Summary	22/23
	KPI Description				Q1
Member Complaints	In accordance with the PAS all member complaints to be responded to within 20 working days of receipt	Monthly	R < 80% A < 90% G >= 90%	91%	
Employer Complaints	In accordance with the PAS all employer complaints to be responded to within 20 working days of receipt	Monthly	R < 80% A < 90% G >= 90%	N/A	

Customer Engagement and Communication	KPI Summary		Reporting Frequency	Target Summary	22/23
	KPI Description				Q1
Employer Portal Availability	Employer Portal to be available 95% of the time (based on working hours as monitored)	Monthly	R < 95% G >= 95%	100%	
Web Portal Availability	Pensions Portal to be available 95% of the time (based on working hours as monitored)	Monthly	R < 85% G >= 85%	100%	

Governance and Risk	KPI Summary		Reporting Frequency	Target Summary	22/23
	KPI Description				Q1
Statutory Timeliness - Data Breaches	All Fund reports to be submitted in line with service standard set to CWC	Monthly	R < 80% A < 90% G >= 90%	100%	
Statutory Timeliness - FOI's	All Fund responses to be submitted in line with service standard set to CWC	Monthly	R < 80% A < 90% G >= 90%	100%	
Statutory Timeliness - SAR's	All Fund responses to be submitted in line with service standard set to CWC	Monthly	R < 80% A < 90% G >= 90%	100%	

Data Management and Reporting	KPI Summary		Reporting Frequency	Target Summary	22/23
	KPI Description				Q1
Common Data	Common Data	Monthly	R < 80% A < 90% G >= 90%	98%	

Data Management and Reporting	KPI Summary		Reporting Frequency	Target Summary	22/23
	KPI Description				Q1
ABS	ABS produced for 100% of eligible active member records	Annually	R < 80% A < 90% G >= 90%	91%	
DBS	DBS produced for 100% of eligible deferred member records	Annually	R < 80% A < 90% G >= 90%	100%	

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WEST MIDLANDS PENSION FUND

CONFLICT MANAGEMENT POLICY

Introduction

The West Midlands Pension Fund is one of the largest UK Pension Schemes managing the pension benefits for over 330,000 members working in collaboration with over 800 employers.

Administered by the City of Wolverhampton Council, the West Midlands Pension Fund serves public sector employers across the region, borne out of the historic West Midlands County Council, its Governing Body memberships have collective representation of all categories of employers and members.

Governance Structure

Acknowledging the role the Fund plays in representing, collaborating and determining aspects which have the potential to impact its customers, the Fund operates as a stand-alone function with its Administering Authority, City of Wolverhampton Council, acknowledging the potential conflict which may arise from its dual role as employer within the Fund.

The Fund allocates and manages its own budget (in line with LGPS regulatory standards), operates from a separate office location (under legally enforceable lease arrangements, separate to the Council building) and in line with the Scheme Advisory Board Good Governance Project, has a dedicated senior LGPS Officer responsible for the management of Fund resources (including its people).

More information on the Fund's Governance Structure can be found in the Governance Compliance Statement.

Purpose

Notwithstanding the separate operating arrangements, the Fund acknowledges and is live to, the potential for conflicts to arise in both its Governance and Operational functions.

This policy seeks to outline the Fund's approach to identifying potential and actual conflicts and the process adopted to support their good management.

The Fund acknowledges that it is not always possible to eradicate conflicts, instead taking a balanced view on their mitigation and management.

What are Conflicts of Interest?

A conflict of interest is a situation or circumstance where one or more persons or entities have competing interests and the serving of one, may involve the detriment to another.

A conflict of interest under this policy includes both an actual conflict (i.e. one that has arisen) and a potential conflict (i.e. one that may arise in a particular set of circumstances). It also includes a perceived conflict (even if one may not arise) together with actual or the perception of bias (the favouring of one over another, but not necessarily to any detriment).

Certain conflicts of interest are persistent and need to be managed on an ongoing basis, while others may arise in relation to a single event and can usually be managed by one off measures.

Failure by the Fund to recognise actual and potential conflicts have the ability to impede its ability to effectively deliver for its members and employers together with the potential for reputational damage and regulatory enforcement.

The Scheme Advisory Board's Good Governance Project outlined within its Phase 3 recommendations that each Fund must produce and publish a conflicts of interest policy which includes details of how actual, potential and perceived conflicts are addressed within the governance of the Fund.

Identified Conflicts within the West Midlands Pension Fund

The following list is not exhaustive but seeks to identify the different roles played by the Fund in the management and administration of a fund within the Local Government Pension Scheme, its investment financial managements and benefit payments.

The following conflicts are identified as persistent conflicts.

Officers and Employees

Officers of the Fund are employees of the City of Wolverhampton Council and adhere to the Council's employee code of conduct (outlined in the Council's constitution).

Employees are required to conduct themselves in the highest standards placing their responsibility to the Authority at the forefront of their conduct. This can include considerations on political and wider beliefs together with any other employment or voluntary work undertaken in addition to their role with the Fund.

Membership of the Fund is not in itself a conflict, however certain roles have been identified as holding a higher risk of perceived conflict due to the nature of their roles and the level of information they have access to which could be sensitive or confidential information.

More information on the assessment of conflict for specific roles is outlined in the Fund's compliance manual and inside information policy.

Governing Bodies

Members of the Fund's Governing Bodies are required to adhere to the relevant Code of Conduct for their membership (elected Councillor, or Local Pension Board member), adhering to the ten principles of public life (Nolan Principles).

Each of the Governing Bodies have a duty to disclose conflicts of interest and are not allowed to participate in the decision making and debate of matters in which they hold a conflict.

Further information on the management of Governing Body conflicts is outlined in their Code of Conduct and Terms of Reference published on the Fund's website.

Administering Authority

The Administering Authority for the West Midlands Pension Fund is City of Wolverhampton Council.

The Fund operates separate to the day-to-day management of the Council with a designated LGPS Senior Officer responsible for the management of the Fund.

The Fund acknowledges the dual role the City of Wolverhampton Council plays in being the statutory body responsible for the Fund and as scheme employer and seeks to manage those conflicting roles through appropriate delegation and separation of duties.

Matters pertaining to the Council's statutory functions are managed by the Executive Director of Pensions (LGPS Senior Officer) and the Head of Governance, Risk and Assurance.

Further information on the role of statutory officers is published in the City of Wolverhampton Constitution and the Fund's Governance Compliance Statement.

Employers and Funding

The Fund has a dedicated employer services team overseen by the Assistant Director, Pension Services, who manage City of Wolverhampton as a scheme employer (including the assessment of Funding and contribution rate under the triennial Actuarial Valuation Process).

The Fund's Funding Strategy Statement outlines the process for independently assessing the covenant risk/strength of all employers within the Fund supported by independent risk advisors and the Fund Actuary.

More information on the Fund's approach to employer management can be found in the Funding Strategy Statement and Risk Covenant Framework.

Investment Pooling

Within its investment strategy statement, the Fund has provided for investment pooling through LGPS Central Limited, a separate FCA regulated entity owned in equal share with 7 other Administering Authorities within the LGPS.

Within those arrangements the Fund has two distinct roles, one as Client/Customer and one as Shareholder (owner of LGPS Central Limited) with each role held separately by individual officers of the Fund with the responsibilities of each outlined in contractual arrangements (Shareholder agreement and Client Services/Investment Management Agreements).

More information on how the two roles are managed is outlined in the Investment Pool Governance Framework.

In addition to the above, the Fund recognises the following potential one-off conflicts.

Contractual arrangements with service suppliers

This can include services “procured” from the Administering Authority, where support services are provided by the core Council corporate service delivery, such as

- ICT support
- HR support
- Legal and Procurement support

Due to the separation of budgets, the Fund “procures” services from the Administering Authority to enable efficiency in service delivery and agrees the recharge of cost, based on the scope of service and utilisation each year. In cases where these services are provided, assessment is undertaken to ensure compliance with the procurement and fair competition rules.

The Fund adheres to the public contract regulations when appointing suppliers ensuring fair competition and market testing on the availability of suppliers and the best value offered in tenders.

More information on the Fund’s procurement process can be found in the procurement procedure and contract procedure rules.

Ongoing Monitoring and Review

This policy is reviewed on an annual basis and periodically where required.

Where potential conflict are identified these are declared, assessed and mitigated.

Conflicts of Interest are included within the West Midlands’ Local Pension Board workplan who receive quarterly reports on the governance of the Fund.

Version Control

Version	Author	Document Title	Reviewed By	Adopted On
1.0	Head of Governance, Risk and Assurance	Conflicts Management Policy 2022	Pensions Committee	21 September 2022

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CITY OF WOLVERHAMPTON COUNCIL	Pensions Board 31 October 2022
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Report title	Annual Report and Accounts 2021/22	
Originating service	Pension Services	
Accountable employee	Femi Olatunde	Finance Project Consultant
	Tel	01902 555768
	Email	femi.olatunde@wolverhampton.gov.uk
Report to be/has been considered by	Rachel Brothwood	Executive Director of Pensions
	Tel	01902 551715
	Email	rachel.brothwood@wolverhampton.gov.uk

Recommendations for noting:

The Pensions Board is asked to note:

1. Delegation of the authority to the Chair and Vice-Chair of Pensions Committee to approve; the final Statement of Accounts, once the audit is completed, and the final publication of the Fund's 2021-2022 Annual Report, as agreed by the Committee in June 2022.
2. Progress on the Fund Audit and development of the draft Annual report for West Midlands Pension Fund (WMPF).

1.0 Purpose

- 1.1 The purpose of this report is to update the Board on the finalisation of the Statement of Accounts and the Annual Report for the year ending 31 March 2022 and the latter's publication on the Fund's website.

2.0 Background

- 2.1 Local Government Pension Scheme (LGPS) funds are required by law to produce an Annual Statement of Accounts. These form part of the wider Administering Local Authority's accounts and are subject to Local Government Accounts and Audit regulations and publication deadlines. They are also included in the LGPS Fund's own Annual Report and Accounts for audit and publication by the statutory deadline each year (1 December 2022 for current year).
- 2.2 In preparing their accounts, Funds must have regard to proper practice and to any guidance which has the effective standing of 'statutory guidance'. These are for the Statement of Accounts, 'The Code of Practice on Local Authority Accounting in the United Kingdom 2021/22' (Chartered Institute of Public Finance & Accountancy (CIPFA)) ('the Code').
- 2.3 In line with the above, as well as being published in the Fund's own Annual Report, the WMPF accounts are included in the Statement of Accounts of the City of Wolverhampton Council. In line with the LGPS (Management and Investment of Funds) Regulations 2009, the transactions and balances of the Fund are separate and not consolidated with those of the Administering Authority. Monies held by the Fund are for the purposes of the pension fund only.

3.0 Amendments to the Account and Audit Regulations 2015 and Audit Findings

- 3.1 As part of a package of measures to support the improved timeliness of local audit the deadline for local authorities to publish their accounts for the financial year beginning 2021 has been extended from 30 September to 30 November 2022.
- 3.2 At the time of writing, it is anticipated that Grant Thornton will issue an unqualified audit opinion for the Fund with the Statement of Accounts having been finalised before the revised statutory deadline and the Audit Findings Report circulated to the Pensions Committee during October. The final audit opinion for the Fund's Accounts and Annual Report is subject to completion of the wider Administering Local Authority's accounts.
- 3.3 In accordance with International Auditing Standards, the Fund is required to confirm to the external auditor that it has complied with all relevant requirements and provided all relevant information to the auditor. This takes the form of a Management Representation letter, to be signed by the Chair of the Pensions Committee and the Executive Director of Pensions on behalf of WMPF.

4.0 Draft Annual Report 2021/22

4.1 The draft Annual Report is being circulated to all Local Pensions Board and Pensions Committee members for review and comment. The contents of the Annual Report are as follows:

- Introduction and Opening Statements
- Risk Management and Assurance
- Benefit Operations and Pensions Services
- Governance Arrangements
- Our People
- Management and Financial Performance
- Investment Policy and Performance
- Actuarial Statement for 2021/22
- Statement of Accounts as at 31 March 2022
- Strategy and Policy Statements
- Further Information

4.2 The Annual Report provides a thorough review of the Fund's activities during the year and notes some particular successes including:

- The move to our new office space which has been developed to support collaboration, learning and wellbeing whilst also providing a base to serve our customers, Fund members and employers.
- Becoming one of the first group of UK asset owners to be awarded signatory status to the UK Stewardship Code.
- The return of face-to-face events and ongoing member and employer support.
- Continuing to support the development of the Asset Owner Diversity Charter and actively using the toolkit with its own investment managers.
- Winning the Pension Age Award for Pension Marketing Campaign of the Year for the Fund's targeted approach to members approaching their 55th birthday.
- Awarding of Investors in People Gold standard, demonstrating our ongoing commitment to championing people development.

4.3 The final approved Annual Report will be placed on the Fund's website at the following link, <http://www.wmpfonline.com/annualreports>.

4.4 The consolidated Scheme Annual Report for the LGPS in England & Wales will be published by the Scheme Advisory Board in due course, expected late Spring 2023.

5.0 Financial Implications

5.1 The financial implications are discussed in the body of the report.

6.0 Legal Implications

6.1 This report contains no direct legal implications.

7.0 Equalities Implications

7.1 This report has no equalities implications.

8.0 Schedule of Background Papers

8.1 Statement of Accounts 2021/22, Report to Pensions Board, 19 July 2022.
<https://wolverhamptonintranet.moderngov.co.uk/documents/s216441/Statement%20of%20Accounts%202021-%202022.pdf>

9.0 Schedule of Appendices

9.1 This report has no appendices.

CITY OF WOLVERHAMPTON COUNCIL	Pensions Board 31 October 2022
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Report title	Investment Governance	
Originating service	Pension Services	
Accountable employee	Shiventa Sivanesan	Assistant Director, Investment Management & Stewardship
	Tel	01902 556659
	Email	Shiventa.Sivanesan@wolverhampton.gov.uk
Report to be/has been considered by	Rachel Brothwood	Executive Director of Pensions
	Tel	01902 551715
	Email	Rachel.brothwood@wolverhampton.gov.uk

Recommendations for noting:

The Pensions Board is asked to note:

1. The update on investment governance matters including those in relation to responsible investment and investment pooling.
2. The Fund has retained its signatory status to the UK Stewardship Code, following submission of its second Annual Stewardship Report to the Financial Reporting Council (FRC) in April 2022.

1.0 Purpose and Background

- 1.1 This report provides an update on investment related matters, an update on responsible investment activities, together with the ongoing development of Local Government Pension Scheme (LGPS) Central Investment Pool.
- 1.2 The Fund has a longstanding policy of supporting good corporate governance in the companies in which it invests. The Fund will also challenge companies who do not meet either the standards set by their peers or reasonable expectations as measured by best practice. The Fund's approach is part of its overall investment management arrangements and its active Responsible Investment Framework. There are three main pillars to the framework: **selection** (of assets), **stewardship** (of assets), and **transparency & disclosure**. The Fund's Responsible Investment Framework incorporates four targeted engagement themes including Climate Change, for which the Fund has developed a policy framework and risk management strategy.
- 1.3 LGPS Central Ltd ("the Company") is a jointly owned investment management company established by West Midlands Pension Fund and seven Partner Funds to deliver investment pooling for the LGPS Central pool in accordance with the criteria laid down by the Secretary of State. The pool plays a role in enabling and supporting the implementation of Partner Fund investment strategy.
- 1.4 Investment products and services to Partner Funds are developed, supported and overseen by the governance structures established within the Company and across the wider investment pool. The Shareholder Forum and Joint Committee each meet at least twice annually with the Shareholder Forum considering shareholder related matters such as the Company's strategic business plan, annual budget and annual report and accounts. The Joint Committee is focused on the client deliverables of investment pooling, together with governance and oversight of pooling arrangements.

2.0 Investment Strategy and Implementation

- 2.1 The Fund continues to work closely with its investment pool company LGPS Central Ltd (LGPSC) and Partner Funds to look for opportunities to transition assets where it can see value add from doing so, including the opportunity to make cost savings. Over the most recent quarter, work has been ongoing to review the infrastructure fund recently developed by LGPS Central to determine a strategic fit alongside the Fund's existing infrastructure assets.
- 2.2 The Fund's Investment Advisory Panel (IAP), comprising external advisers, the Executive Director of Pensions, Assistant Director of Investment Strategy and Assistant Director of Investment Management and Stewardship, continue to review strategic asset allocation, implementation and adherence to the Fund's Investment Strategy Statement (ISS), Responsible Investment Framework and Climate Framework and Strategy including development and allocation to sub-funds as these are developed by the pool and delivery against policy ambition, taking into account the strategic fit for the Fund. The Pensions Committee received an annual report from the IAP at their meeting on 29 June.

3.0 Responsible Investment

- 3.1 The Fund's strategy is to engage with its investee companies and other key stakeholders through partnerships and on its own. The Fund aims to protect and increase shareholder value by engaging on a range of financially material Economic, Social and Governance (ESG) investment factors. A significant part of the Fund's engagement programme is implemented through partnerships including the Local Authority Pension Fund Forum (LAPFF), EOS at Federated Hermes ('EOS' - via a contract held by LGPS Central Ltd, the Fund's investment pool operator), the Institutional Investors Group on Climate Change (IIGCC), Climate Action 100+ (CA 100+), the Transition Pathway Initiative (TPI), and the Principles for Responsible Investment (PRI).
- 3.2 The Fund's engagement activity is monitored and reported to the Pensions Committee on a quarterly basis. Engagement activity includes a number of direct company engagements, on a range of themes, voting activity and working in partnership with other institutional investors to consider shareholder resolutions. Activity and progress are included in published reports from LGPS Central Limited, the Local Authority Pension Fund Forum (LAPFF) and EOS at Federated Hermes.
- 3.3 As previously reported to the Board in April the Fund submitted its Annual Stewardship Report to the Financial Reporting Council (FRC) for review. The report highlights stewardship activity undertaken by the Fund and its investment providers over 2021, which has developed following feedback from the FRC on the Fund's 2020 report. In September 2022, the Fund received the outcome of the FRC's 2022 review, confirming continuation of the Fund's signatory status and noting the improvements made to reporting following feedback in 2021. LGPS Central Limited has also retained their signatory status.

4.0 LGPS Climate Change and Risk Consultation

- 4.1 On 1 September DLUHC launched their consultation on Governance and Reporting of Climate Risks, the proposals within the consultation apply to all LGPS Funds in England and Wales, with the new regulations expected to come into force by April 2023, with reporting for 2023/24 due in December 2024.
- 4.2 The key proposals, as set out in the consultation, include the establishment of a governance approach for the oversight, identification and management of climate risks and opportunities, assessing the impact of climate risk and opportunities on funding and investment strategies, annual reporting on four prescribed climate metrics and publication of an annual climate risk report. For information, a link to the consultation has been provided in the background papers to this report and the Fund's response will be reported to a future meeting of the Board.

5.0 LGPS Central Investment Pool Governance

- 5.1 As previously reported to the Board, the governance arrangements for the LGPS Central pool include a Shareholder Forum (as the group of "owner" representatives) and the Joint Committee (focused on investment matters and client-side).

- 5.2 The Shareholder Forum meets ahead of Company meetings (General and AGM) held twice per year. The last meeting was held on 27 September 2022 with representatives of all Central Pool Authorities and the Company present.
- 5.3 At the Annual General Meeting in September Shareholders received a governance update from the board and its sub-committees and voted on a number of routine items including:
- Adoption of the Company Report and Accounts for the year ended 31 March 2022
 - Approval of external Auditor appointment and remuneration
 - Re-election of the Company Directors and Chair
- 5.4 Following approval of the Board's succession plan earlier this year, recruitment and Non-Executive Director appointments are expected to be made over the Autumn, ensuring the Board retains full complement as current members come to the end of their term.
- 5.5 The Joint Committee for LGPS Central last met on Thursday 23 June 2022. The agenda, reports, minutes and questions are available via the Joint Committee hosting authority website; a link is provided within the background papers below. The Committee was attended by the Chair of Pensions Committee and Trade Unison Representative Malcolm Cantello (Unison), Pensions Committee Member. The next meeting is scheduled for 11 November 2022.
- 5.6 The Company's Annual Report for the Year to 31 March 2022 has been audited and published (with link available within the background papers to this report). The Annual Report summarises progress over 2021/22, noting an increase of £5.8bn in the value of pooled assets, increase in commitment to investment funds launched in private markets and further development of responsible investment policy, to include commitment to target net zero. The report also includes a summary of the work of the Board's three sub-committees and overview of the Company's risk management and governance frameworks.
- 6.0 2022 Progress Report to DLUHC and Forward Planning for 2023/24**
- 6.1 Reporting to the Department by all LGPS investment pools through standard templates has been ongoing since the original pooling business cases were submitted in 2017. For the third year running, a template has been completed and returned to DLUHC outlining progress within the LGPS Central pool. DLUHC is expected to collect and review responses across the eight pools prior to finalising further consultation on guidance for pooling within the LGPS.
- 7.0 Financial Implications**
- 7.1 There are no direct financial implications arising as a result of this report.

8.0 Legal Implications

8.1 The requirement to pool fund investments is a requirement of law, failure to work collaboratively and meet the Government's criteria and timetable for delivery may result in Government intervention.

9.0 Equalities Implications

9.1 There are no direct equalities implications arising as a result of this report.

10.0 All Other Implications

10.1 There are no other implications arising as a result of this report.

11.0 Schedule of Background Papers

11.1 LGPS Central pool Joint Committee Friday 23 June Papers - [Meetings and Agendas | Members \(cheshirepensionfund.org\)](#)

11.2 LGPS Central Limited 2022/23 Business Plan and Budget – January 2022 (available on request)

11.3 LGPS Central Limited Annual Report 2021/22 – September 2022
[2022-07_Annual-Report_v15-FINAL-1.pdf \(lgpscentral.co.uk\)](#)

12.0 Schedule of Appendices

12.1 None.

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Pensions Board

31 October 2022

Report Title	Pensions Administration Report from 1 April to 30 June 2022	
Originating service	Pension Services	
Accountable employee	Amy Regler Tel Email	Head of Operations 01902 55 5976 Amy.Regler@wolverhampton.gov.uk
Report to be/has been considered by	Rachel Brothwood Tel Email	Executive Director of Pensions 01902 55 1715 Rachel.Brothwood@wolverhampton.gov.uk

Recommendations for noting:

The Pensions Board is asked to note:

1. Performance and workloads of the key pension administration functions.
2. Development of the Fund's membership and participating employers.

1.0 Purpose

1.1 To inform the Board of the routine operational work undertaken by the Pensions Administration Service areas during the period 1 April – 30 June 2022.

2.0 Background

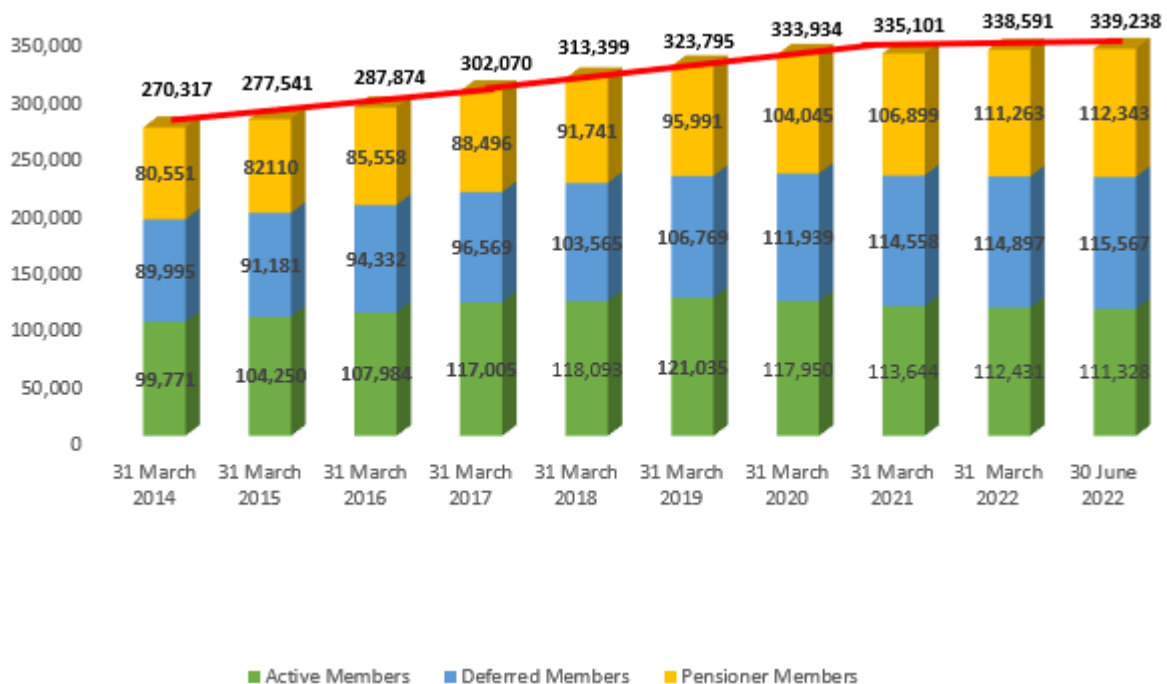
2.1 The Fund provides a pension administration service covering employer, customer and member services, data processing, benefit operations, payroll and systems/technical support. A report is provided to Board on a quarterly basis to assist monitoring of the activity and performance of these functions during that period.

3.0 Scheme Activity

3.1 Membership Movement – Main Fund

3.1.1 The total number of scheme member records in the Fund at 30 June 2022 stands at 339,238, with an overall increase since March 2022. The long-term trend over a 12 year period in membership continues to illustrate a move towards a more mature profile whereby, in general, pensioners and deferred memberships continue to rise.

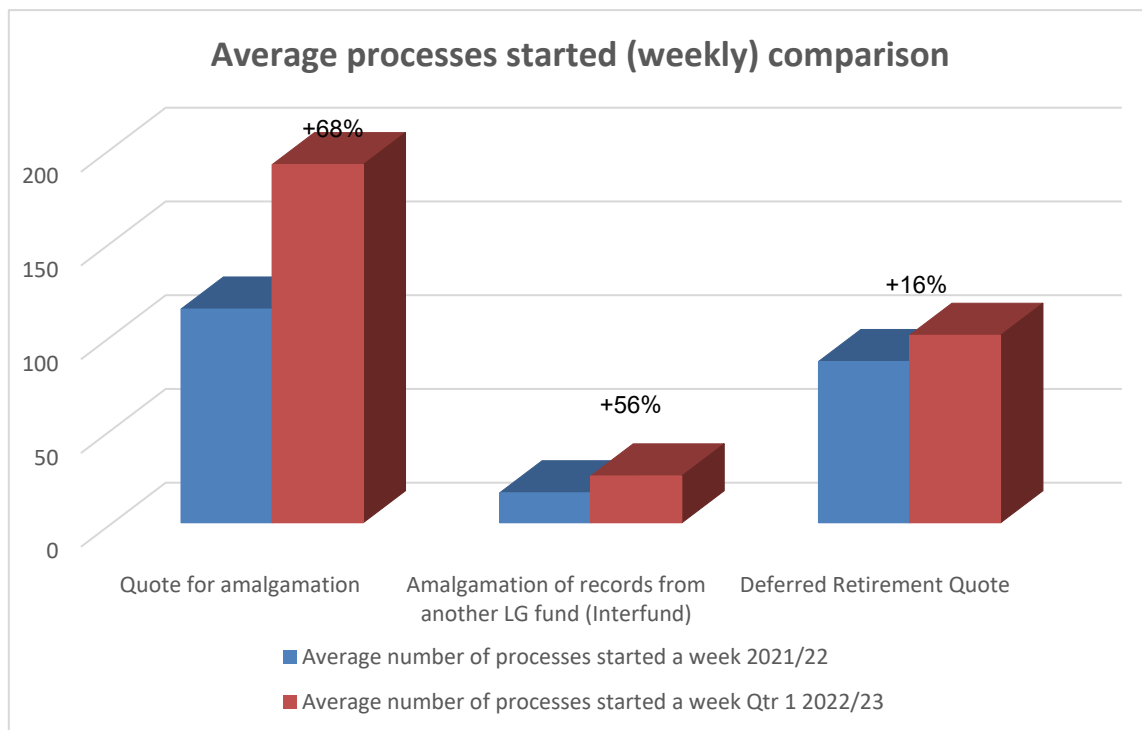
	Membership as at 31 March 2022	Net Movements during the period	Membership as at 30 June 2022
Active Members	112,431	-1,103	111,328
Deferred Members	114,897	670	115,567
Pensioner Members	111,263	1080	112,343
Total Members	338,591	647	339,238



3.2 Workflow Statistics

3.2.1 The process analysis statistics in Appendix A show details of overall workflow within the Pensions Administration Service during the period 1 April to 30 June 2022. During the period covered by this report, 44,921 administrative processes were commenced and 44,252 processes were completed.

3.2.2 As we continue to see an increase in member movements, the workload volumes will also naturally remain high. On 30 June 2022 there were 43,598 items of work outstanding. This represents a slight increase of 869 items outstanding compared to 31 March 2022 (42,729). This increase is mainly due to the profile of the Fund's membership, as we have seen a high volume of deferred members attain their retirement age. In addition, we continue to see increasing members moving between employers within the Fund, requiring the provision of their options for amalgamating records. This is highlighted in the graph below:



3.2.3 Of the 43,598 items of work outstanding, 5,169 items were pending as a result of information awaited from a third party e.g. scheme members, employers or transferring authorities and 38,429 processes are now either proceeding to the next stage of the process or through to final completion.

3.2.4 The Fund continues to review the volumes of incoming work and puts in place plans to monitor and address high volume areas. Opportunities for bulk processing and streamlining the management of queries back to employers continue to be explored to increase efficiency in processing.

3.2.5 Appendix B provides a summary of the key processes completed by volume across benefit operational functions e.g. calculating benefits for retirements, pensioner member data changes as well as the maintenance of updating membership details. This shows the trend

of lower joiners and higher leavers and retirements year to date is consistent with the tail off in growth of membership and increase in deferred and pensioner membership. In addition, the Fund continues to monitor the level of members opting out of the scheme which remain at a low level.

4.0 Key Performance Indicators (KPIs)

- 4.1 The Fund uses a number of KPIs to measure performance when processing items such as Transfers In and Out, Retirements and Deferred Retirements.
- 4.2 During the period, two KPI's did not achieve target for two of the months, as follows:
- Active Retirement Quote – May 2022
 - The KPI fell slightly short of the 90% target, achieving 88%. The Fund routinely sees an increase in volume of active retirement cases at this time of year and recorded an improvement in KPI compared to the previous year.
 - Deferred Retirement Quote – June 2022
 - The KPI achieved 88% against the target of 90%. The team completed 44% more casework this month, compared to the previous.
- 4.3 Further information on achievement of target KPIs by process by month over the reporting period and Scheme year is included in Appendix C.

5.0 Customer Services

- 5.1 An overview of our front-line customer contact activity is shown in Appendix D. This outlines the variety and volume of support provided by the Fund to address members' pension queries. An indication of the statistics for the previous year are included within the charts as a comparative measure.
- 5.2 The most popular queries to our contact centre remain as follows:
- Customers following up on an existing Fund process
 - Requests for Pensions Portal support
 - Enquiries about accessing pension benefits
 - Requests for support with a Fund letter/form
 - Members updating their personal details
- 5.3 There are a number of employees who are new to their role on the Customer Services team and training and knowledge on the team has been a priority over the quarter, to increase capacity. To further support ongoing employee development and customer services, a "Knowledge Hub" has been developed for easy access to scheme information and member support material.
- 5.4 Calls and written responses remained stable during the quarter, with the exception of May, where the Fund received a 20% increase in calls, some of which were generated following the successful member campaigns referenced in the Customer Engagement Update. We have continued to work closely with Member Services to stagger mailings sent to members, with overseas deferred member verifications being sent within this period. Staggering mailings smoothes the impact on the contact centre and reduces call queues/written response times, allowing us to better serve our customers and reduce the number of chaser requests received.

6.0 Complaints

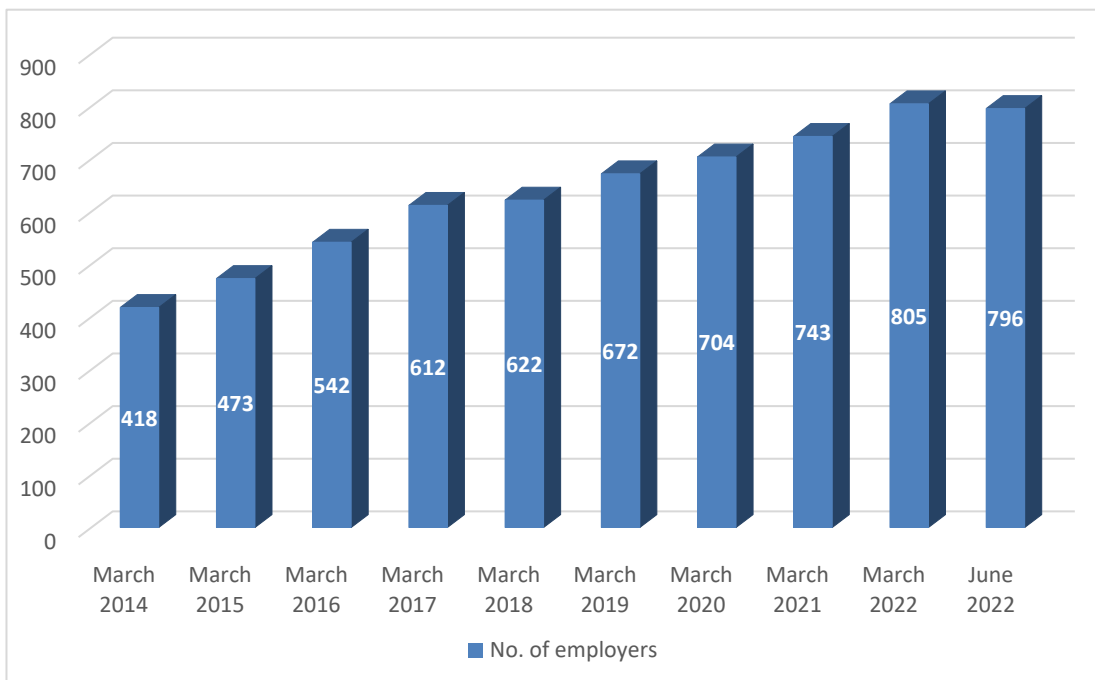
- 6.1 The Fund has a complaint monitoring framework, which enables regular monitoring and review of trends impacting performance. Where a complaint highlights an improvement area, this is investigated and monitored to help shape future services and improve overall customer satisfaction going forward. This mirrors the process undertaken for general customer feedback as outlined within the Customer Engagement Update.
- 6.2 Complaint numbers were lower than average during the last quarter. Overall the number of complaints received by the Fund is proportionally low compared to the number of scheme members, with 45 complaints received for the last quarter. Of those complaints, 40% were upheld and lessons learned incorporated in training and process development.

7.0 Internal Dispute Resolution Procedure (IDRP) Casework

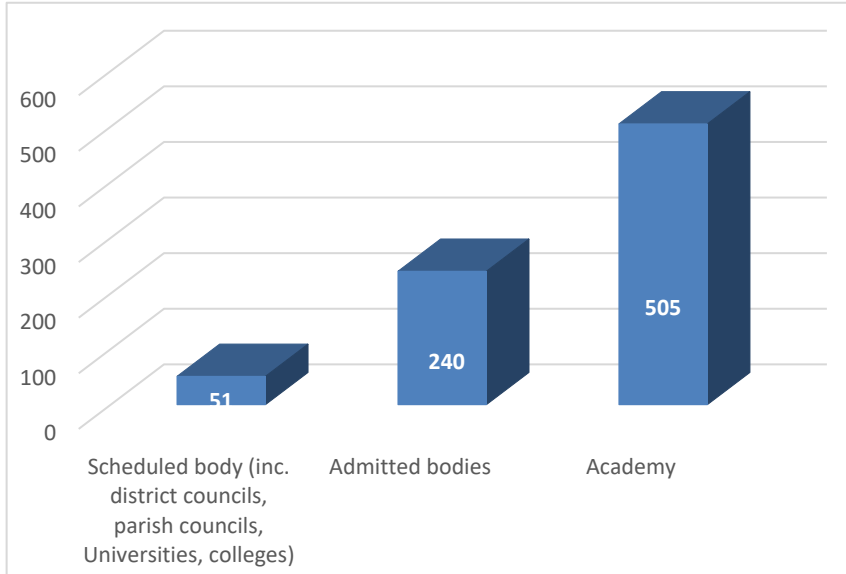
- 7.1 Year to date for 2022/2023, five cases have been referred to Stage 2 of the procedure on appeal against the Fund, two of which have not been upheld and three are currently under investigation.

8.0 Employer Membership

- 8.1 During the period, the Fund has seen a slight decrease in employer numbers, with the overall number of employers registered with the Fund reducing to 796 at 30 June 2022. This decrease is attributable to a combination of employee exits compared to new employers joining the Fund and employer consolidations. Despite the decrease from the previous period, a 90% increase has been seen since March 2014 as shown in the graph below.



8.2 The employer base is categorised into the following employer types:



8.3 The level of on-going work being processed at the end of the period is as follows: -

- 52 admission agreements
- 7 academies
- 52 employer terminations

9.0 Application for Admission Body Status

9.1 Organisations must satisfy one or more of the admission criteria before they can be admitted to the Fund following approval of applications. Where applications need to be progressed outside of the Committee meeting cycle, Pensions Committee has delegated responsibility for approving such applications to the Executive Director of Pensions in consultation with the Chair or Vice Chair of Pensions Committee.

9.2 There were 13 approvals approved by Committee in regard to applications for admission to the West Midlands Pension Fund, these are detailed in Appendix E.

10.0 Pensions in Payment

10.1 The gross annual value of pensions in payment to June 2022 was £577.02m, £15.1m of which (£7.9m for pensions increase and £7.2m for added year’s compensation) was recovered from employing authorities and other bodies as the expenditure was incurred.

10.2 Monthly payroll details were:

Month	Number	Value (£)
April 2022	90,952	41,568,795
May 2022	91,223	42,464,383
June 2022	102,207	43,318,380

The June figure includes pensioners paid on a quarterly basis.

10.3 Pensions are increased each April, in line with the Consumer Price Index (CPI), with uplift calculation based on September CPI in the previous year. An increase rate in excess of 10% is expected to be applied from April 2023 (and will be confirmed in October), following rising inflation over the last year.

11.0 Transfer Out – all casework

11.1 A total of 201 individual transfer payments were made during the period 1 April 2022 to 30 June 2022, resulting in a total amount transferred of £8.8 million. This is broken down into the following categories:

Type of transfer	Number of transfer payments	Value of Transfer Payments (£000s)
Non Local Government Pension Scheme (LGPS)	48	£2,329
Interfund (LGPS fund)	150	£6,443
Additional Voluntary Contributions	3	£27

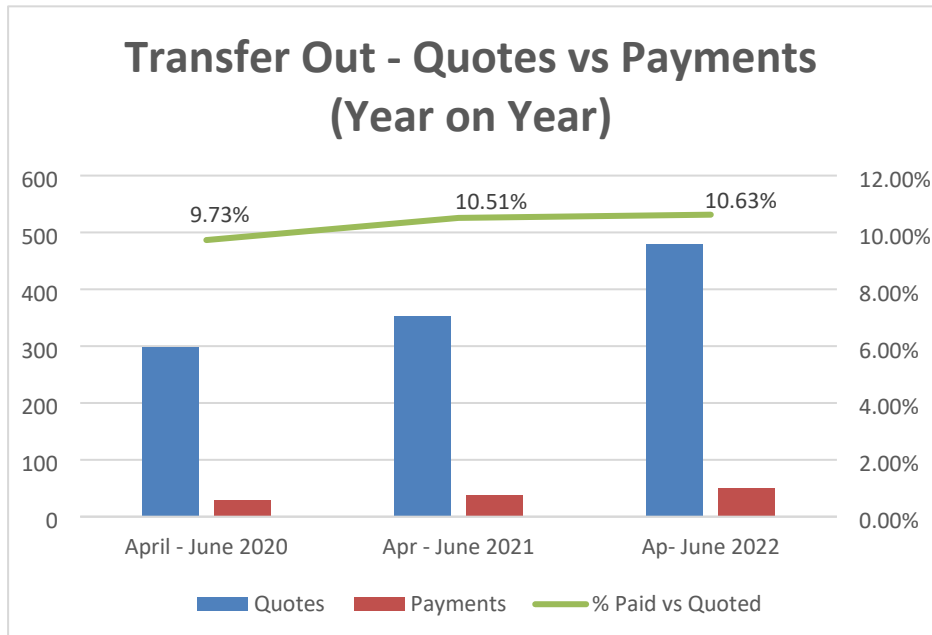
11.2 Non LGPS Transfers

11.2.1 During the period 1 April 2022 to 30 June 2022, 388 transfer value quotations were issued to members considering transferring their benefits out of the scheme (in the prior year 1 April 2021 to 30 June 2021, 352 transfer value quotations were issued to members). The Fund continues to monitor any trends and increases in demands, as part of its programme of work to protect members from potential pension scams.

11.2.2 In total 48 transfer payments were made during the period 1 April 2022 to 30 June 2022 resulting in a total amount transferred of £2.3 million (in the prior year 1 April 2021 to 30 June 2021 a total of 37 transfer payments were made, totalling £1.5 million). The payments by value and value break down are as follows:

Value of Transfer Payments	Number of Transfer Payments
0 to £30,000	30
£30,001 to £100,000	13
£100,001 to £200,000	2
£200,001 to £300,000	1
£300,001 to £400,000	2
£400,001 to £500,000	0
Above £500,001	0
Total	48

11.2.3 The Fund has seen a gradual increase in the number of requests from members for transfer out quotes, however the number of members electing to progress with the transfer of their benefits out of the Fund remains fairly low and stable (c11% of the quotations requested for the period). This is shown in the graph below:



11.2.4 Analysis has been undertaken of the Transfer Out payments to non-public sector or occupational schemes over the period of April to June 2022 to review the volume and trends. During the period, of the 48 completed, 26 transfer payments were made to non-public sector or occupational schemes, to 15 different receiving schemes. Just under half (12) of these were under £30,000 in value, meaning members were able to transfer these payments without a requirement to take financial advice. The average age of members transferring out was 53 years with the main reasons cited for transferring out were either to consolidate their benefits into one provider or release cash and enable flexible draw down (members over 55).

12.0 Financial Implications

12.1 The report contains financial information which should be noted.

12.2 Employees of organisations who become members of the LGPS will contribute the percentage of their pensionable pay as specified in the Regulations. The Fund's actuary will initially, and at each triennial valuation or on joining intervaluation, set an appropriate employer's contribution rate based on the pension assets and liabilities of the individual employer.

13.0 Legal Implications

13.1 The Fund on behalf of the City of Wolverhampton Council will enter into a legally binding contract with organisations applying to join the LGPS under an admission agreement.

14.0 Equalities Implications

14.1 There are no direct equalities implications.

15.0 All Other Implications

15.1 There are no other potential implications.

16.0 Schedule of Background Papers

16.1 None.

17.0 Schedule of Appendices

17.1 Appendix A: Workflow Summary

17.2 Appendix B: Detailed Process Analysis

17.3 Appendix C: Key Performance Indicators (KPIs)

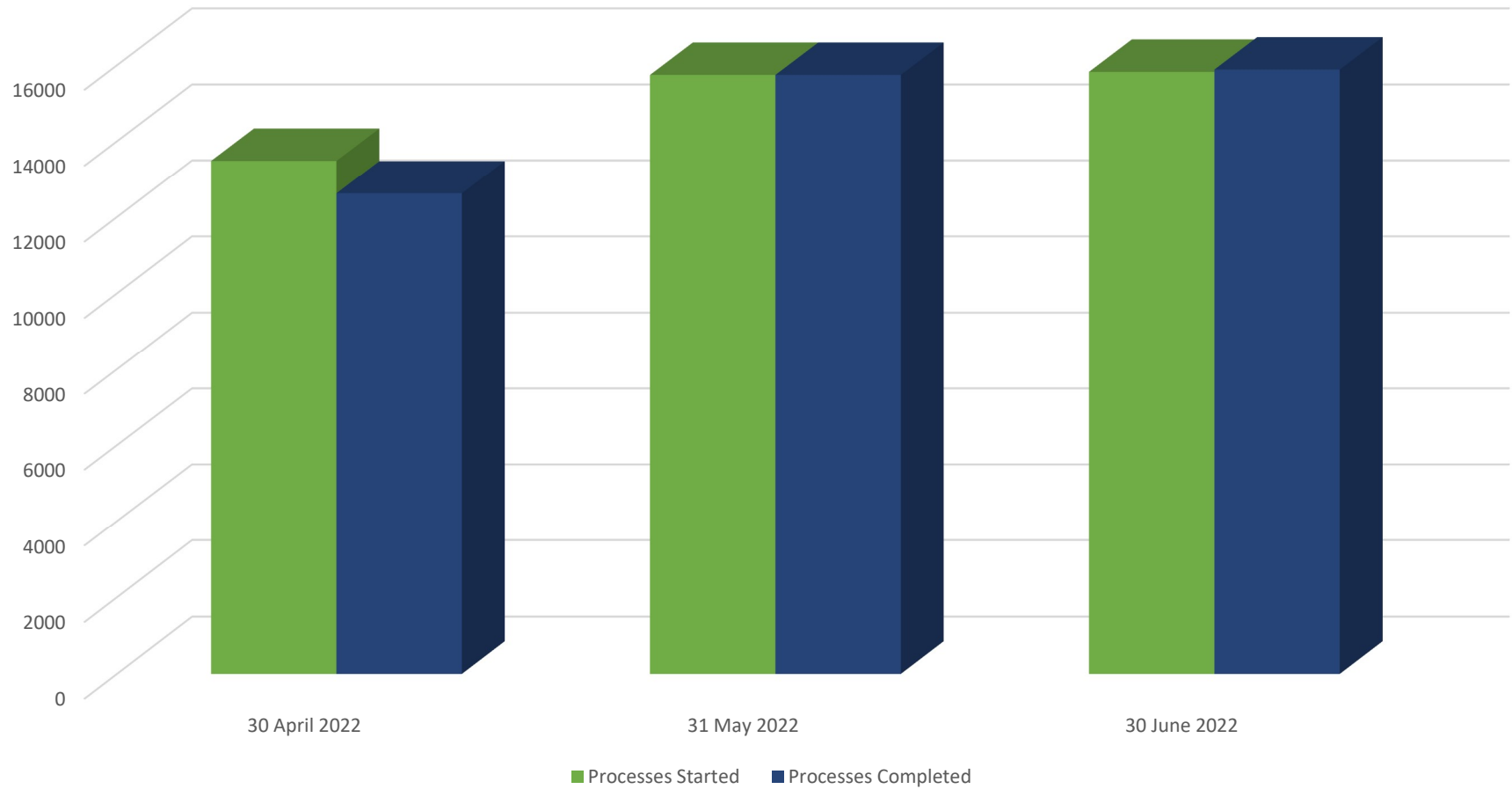
17.4 Appendix D: Customer Service Statistics

17.5 Appendix E: Admitted Body Applications

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Appendix A

Total Processes Started vs Processes Completed



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Pension Board Statistical Report
Detailed Process Analysis

Appendix B

2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	April	May	June	YTD
---------	---------	---------	---------	---------	---------	---------	---------	-------	-----	------	-----

Active & Deferred members

Process type												
Joiners and Rejoiners (Bulk)	9,816	16,688	20,227	17755	25509	19939	17479	16533	1773	1211	1168	4152
Changes in circumstances eg change in hours	6,391	8,752	6,370	5386	5725	6658	5161	4542	299	366	420	1085
Deferments	5,664	8,340	8,178	8629	15934	11994	9444	10950	946	1048	1155	3149
Active Retirements (Employer retirements)	2,351	2,775	2,593	2676	2280	2112	1908	2198	201	237	173	611
Deferred Retirements	2,301	3,421	3,552	4429	4814	5071	4844	5507	493	486	421	1400
Deaths of members	230	379	399	470	429	441	570	452	30	52	31	113
Refund						6877	4499	5036	449	412	582	1443
Opt Outs						3585	1228	1228	57	87	55	199
Amalgamations						11628	8841	8098	637	905	1189	2731

Page 79

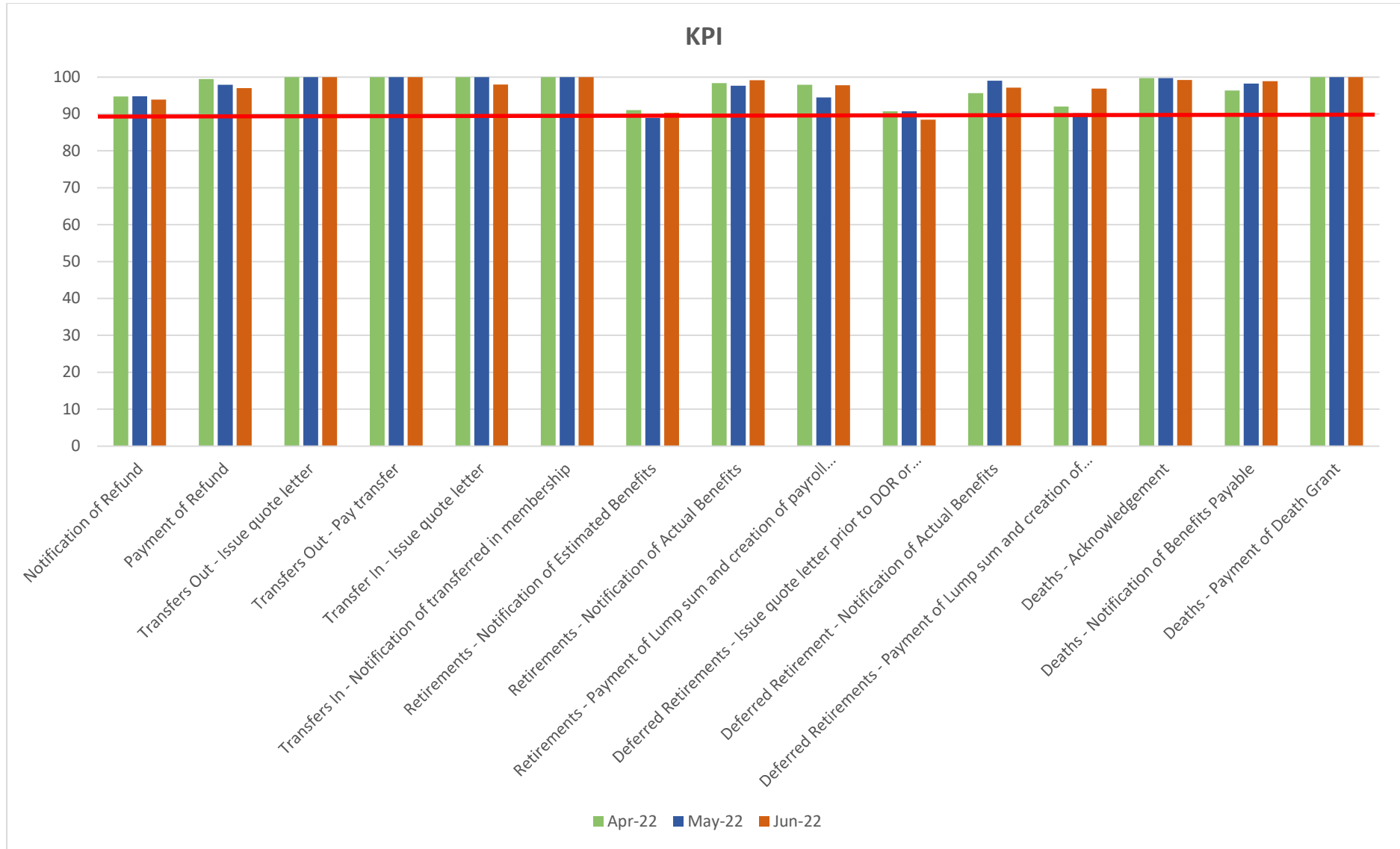
Pensioner members

Process type												
Changes in circumstances:-												
Data eg Passwords, NI Numbers	2,604	4,548	2,427	3105	2694	1953	1761	2457	175	188	175	538
Changes of Address	1,733	2,237	2,589	3004	2628	2423	2448	2886	287	442	227	956
Changes of Bank	3,281	1,573	2,272	2214	1957	1874	1539	2057	153	196	130	479
Deaths of pensioners	2,454	1,702	2,813	2919	2793	2650	3886	3226	272	315	303	890

Payroll												
Actual number paid	913,864	888,954	915,275	945,196	979,819	1,019,295	1,093,949	1,105,423	90,952	91,223	102,207	284,382

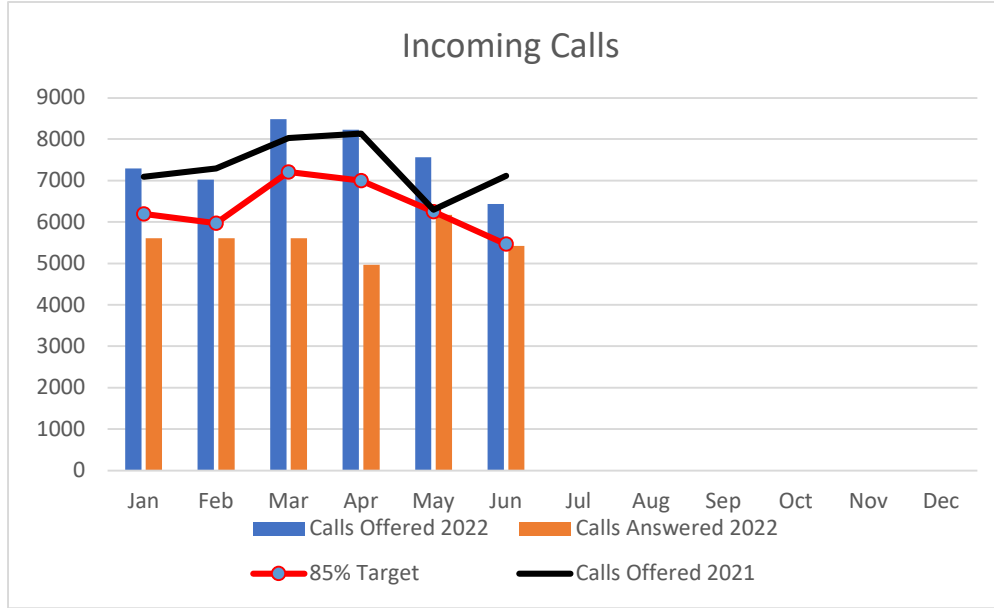
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KPI



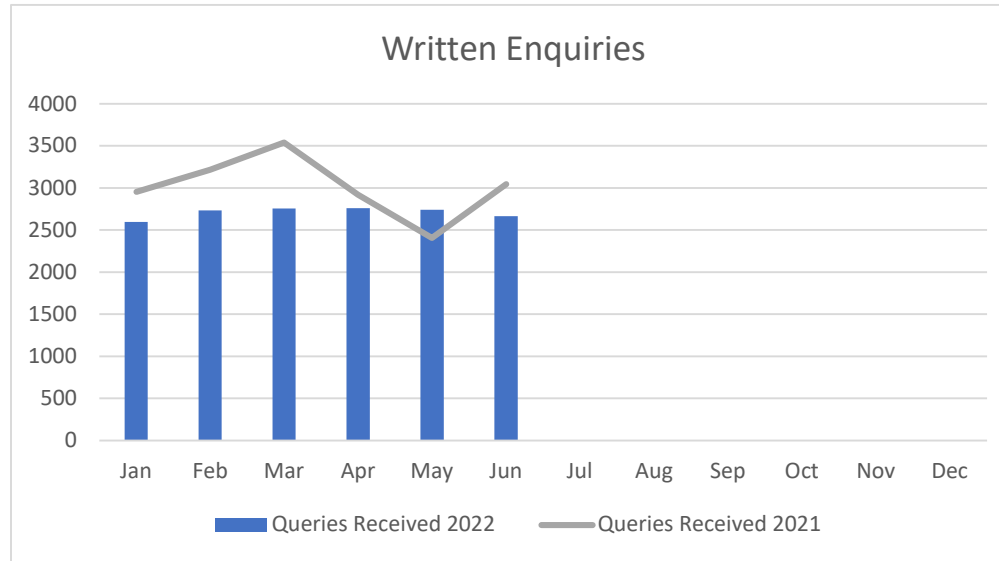
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Appendix D: Customer Services Statistics
April - June 2022



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Calls Offered 2022	7291	7021	8483	8231	7560	6432						
Calls Answered 2022	5609	5609	5609	4968	6171	5419						
Calls Offered 2021	7094	7293	8027	8142	6299	7114						
Answer Rate (Target 85%)	76.93%	79.89%	66.12%	60.36%	81.63%	84.25%						
Percentage increase	2.78%	-3.73%	5.68%	1.09%	20.02%	-9.59%						

Appendix D: Customer Services Statistics



Page 54

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Queries Received 2022	2597	2731	2754	2761	2741	2665						
Queries Received 2021	2953	3217	3541	2921	2406	3043						
Percentage increase	-12.06%	-15.11%	-22.23%	-5.48%	13.92%	-12.42%						

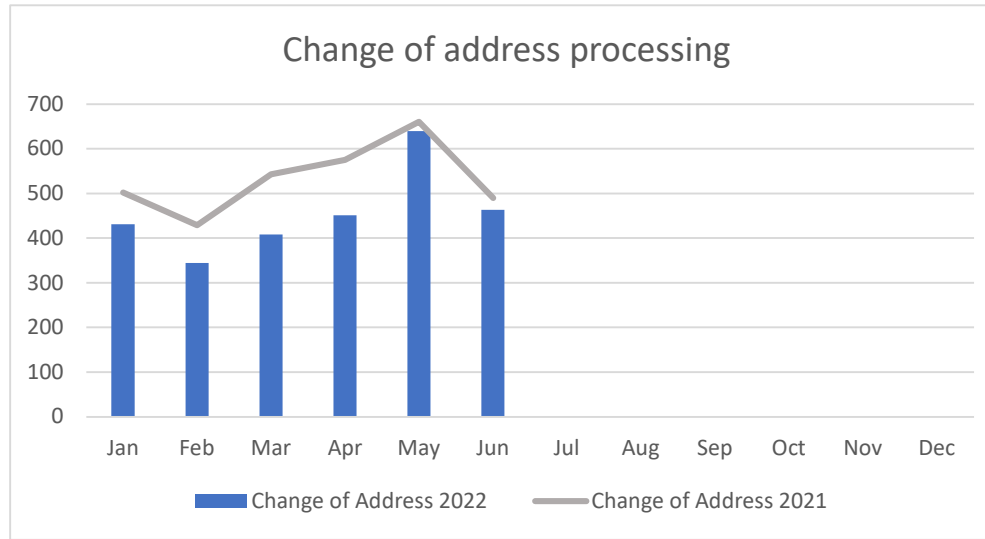
Appendix D: Customer Services Statistics



Page 55

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Visitors in 2022	0	0	0	50	94	138						
Visitors in 2021	0	0	0	0	0	0						

Appendix D: Customer Services Statistics



Change of Address 2022
Change of Address 2021

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Change of Address 2022	431	344	408	451	640	463						
Change of Address 2021	502	429	543	575	661	490						

Appendix E

Employer name	Guarantee Status (Agreement)	No. of employees (Scheme members) Agreement type	Status (Approved/pending approval)
Cleantec Services Ltd (Colmer School and sixth form)	Birmingham City Council	5 (5) Closed	Pending approval
Innovate Services Ltd (Alderbrook School)	Alderbrook School	8 (8) Closed	Pending approval
Caterlink Ltd (Perry Hall MAT)	Perry Hall MAT	11 (11) Closed	Pending approval
Cleantec Services Ltd (Bordesley Green Girls)	Birmingham City Council	1 (1) Closed	Pending approval
Cleantec Services Ltd (Hodge Hill Girls School)	Birmingham City Council	1 (1) Closed	Pending approval
Miquill Catering Ltd (Abbey Primary School)	Birmingham City Council	TBC (TBC) Closed	Pending approval
Mellors Catering Services Ltd (Central Co-operative Learning Trust)	Central Co-Operative Learning Trust	TBC (TBC) Closed	Pending approval
Alliance in Partnership (Holly Hill Church School)	Birmingham City Council	2 (2) Closed	Pending approval
Aspens Services Ltd (Central RSA)	Central RSA	13 (6) Closed	Pending approval
Miquill Catering Ltd (Ryder Hayes Academy)	Ryders Hayes Academy Trust	TBC (TBC) Closed	Pending approval
Miquill Catering Ltd (Thornton Primary)	Birmingham City Council	2 (2) Closed	Pending approval
Miquill Catering Ltd (Pagnel Primary)	Birmingham City Council	1 (1) Closed	Pending approval
Compass Contract Services (UK) Ltd (DRB Ignite)	DRB Ignite MAT	10 (10) Closed	Pending approval

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Pensions Board

31 October 2022

Report Title	Customer Engagement Update	
Originating service	Pension Services	
Accountable employee	Simon Taylor	Assistant Director (Pensions)
	Tel	01902 554276
	Email	Simon.taylor2@wolverhampton.gov.uk
Report to be/has been considered by	Rachel Brothwood	Executive Director of Pensions
	Tel	01902 551715
	Email	Rachel.brothwood@wolverhampton.gov.uk

Recommendations for noting:

The Pensions Board is asked to note:

1. The Customer Engagement Strategy and Communications Policy as set out in Appendices B and C.
2. The re-accreditation of the Fund for Customer Service Excellence for 2022.

1.0 Purpose

- 1.1 To provide Board with an update of the Fund's customer engagement activity from 1 April 2022 to 30 June 2022 and to cover future planned customer engagement activity in the context of the Fund's Customer Engagement Strategy.

2.0 Background

- 2.1 One of the Fund's key objectives is to engage to improve outcomes for our customers. In line with this objective, the Fund has published, and keeps under review, a Customer Engagement Strategy, to review satisfaction and help inform improvements to its pension services.

3.0 Member Engagement & Communication

- 3.1 During the summer, a Customer Service Excellence (CSE) assessor visited the Fund to review customer service and engagement over the last 12 months and consider the Fund's re-accreditation of CSE. The Fund has successfully passed the accreditation with a number of developing engagement activities receiving positive recognition and achieving compliance plus rating for certain areas of activity.
- 3.2 The Member Services team continues to deliver member support via hybrid channels including member webinars, face to face presentation and followed up with individual consultations as required. During this reporting period **1,470** members attended our presentations, webinars and workshops (**10%** increase compared to the previous reporting period). These were followed by **173** individual member consultations. Our events are delivered at various times throughout the day to accommodate attendance around member and work commitments. This delivery and the associated feedback is summarised in Appendix A.
- 3.3 During this reporting period the Member Services team engagement encompassed district Police offices, Local Education Authority (LEA) schools and green park areas, and provided **15** satellite support events to **235** hard to reach members. These are members who may not normally be able to access our services due to the nature of their work and location, which might include access to web-based delivery (i.e. computer facilities), working hours or 'satellite' locations.
- 3.4 Through the "Be Pension Smart & Take Control of your benefits" campaign the Fund continues to encourage members to view and manage their pension record online using the pensions portal. During this reporting period registrations increased by **2,726** bringing the total pension portal registrations to **121,676** at the end of June 2022.
- 3.5 The Fund continues to promote aspects of our work via the social media platform LinkedIn. Since the last reporting period a further **2,286** people have interacted with our variety of articles from sharing shortlisting for award success to advertising our Pension Roadshow events.

- 3.6 The West Midland Pension Fund roadshow bus is now back out for face-to-face delivery, the focus from April to June was providing Roadshow support to the educational sector, such as schools, academies, colleges and universities. **6** roadshow events were delivered which provided **137** members with face to face pension support on the bus. Feedback from these events was **68%** rated the events as excellent and **32%** rated them as very good.
- 3.7 During this reporting period the Fund's member video suite (providing on-demand support and guidance to members) has been updated to include guidance so members can understand their 2022 Deferred and Active Benefit Statements.
- 3.8 "Planning your retirement" workshops are still proving to be popular with members who are over the age of 55. In this quarter the Member Service team delivered **9** workshops to active members which helped **206** members with their retirement planning. Due to the success and demand of these workshops we have adapted the support to suit our deferred members, we delivered our first one in July 2022.
- 3.9 The Fund continues to target active and deferred members who do not hold a valid Nomination Form through our Nomination Form campaign, the focus over this period was contacting members who work in the education sector.
- 3.10 Following the Fund's office move from April 2022, we have completed extensive engagement to communicate our new location and how accessible we now are to local transport links with our members. Our communication channels included bulk emails which were sent to all three membership categories, an article in our Pensioner newsletter, a reminder on our Active & Deferred Benefit Statements and information on the Fund's website.
- 3.11 Progress has been underway to produce as many Deferred Benefits Statements as possible. This year the Fund has produced **99,385** statements, and this was followed up with **55,000** emails and **17,000** text messages to members where we hold a valid email address and mobile number to notify members that their statement was available on the portal.
- 3.12 Prior to the pandemic the Fund hosted a pilot "Tea & Teach" session at Wolverhampton Art Gallery with the objective to bring pensioners together face to face over refreshments and give them the chance to sit down with a Fund officer to talk about any pensions-related issues they may have. Due to the success of this pilot event and with the easement of Covid restrictions, during this reporting period we delivered **7** "Tea & Teach" events across the whole of the West Midlands, which **286** pensioners attended. These events were supported by selected partners including:
- Pensions Age
 - Independent Age
 - Local transport providers
 - Dementia Friends

Feedback from these events were **83%** of attendees rated the event as excellent, **16%**

rated us as good and **1%** as satisfactory.

- 3.13 In May 2022 the Fund undertook a verification exercise of its overseas deferred scheme members to ensure accurate and up to date details are held on our systems. This is done through letter from our 3rd party provider “Target”, however we sent **495** emails in advance to let members know that the letter was coming to ensure they engage and complete our correspondence, out of **495** emails were sent, **83%** of members read the communication.
- 3.14 In April 2022, in-line with the Customer Engagement Plan we delivered **10** deferred Local Government Pension Scheme (LGPS) webinars to **324** attendees to ensure that our services are accessible to members who have previously left the scheme, and these members have the opportunity for support and guidance with planning their retirement.
- 3.15 To increase pension education across our newer members, we piloted reaching out via bulk email to members who have recently joined the pension scheme to try and enhance their education and knowledge of the LGPS and to encourage them to engage early with their benefits. We did this by offering them the chance to attend an Induction webinar. We have delivered our first **2** webinars in May to **128** attendees. Due to the success of this piece of engagement, plans will be made to repeat this process on a quarterly basis to ensure all future new joiners of the scheme receive an email to give them the opportunity to attend an Induction webinar.
- 3.16 Member information leaflets and videos have been updated and are now being uploaded to the Fund’s website. There have been **368,000** web page views in this quarter.
- 3.17 Customer feedback is key to understanding our customer’s journey, highlighting our strengths and any gaps in the service we deliver so that we can continually improve the services we offer. We are currently reviewing the way we issue ‘Post Event’ surveys to scheme members and developing a customer feedback dashboard. Post-event surveys are on hold while this work is completed, and the new look surveys are scheduled to restart in September. Taking into consideration the other surveys that have been issued during this quarter, the performance against our KPI is **99%**.

4.0 Employer Engagement

4.1 Employer Peer Group

4.1.1 The first session of the Funds Employer Peer Group cycle for 2022/23 took place in June. Once again, a number of organisations who had not previously attended, showed interest in joining this year’s cycle, with 14 out of the 18 registered employer representatives present at the first meeting. The content for the meeting included:

- Transition of Pensions Administration System – overview and first thoughts from employers.
- The Future of Member Support – how can this be improved in the hybrid world.
- Employer Support with the bulk updating of active member email addresses.
- 2022 Actuarial Valuation – provisional schedule review and employer feedback.

- 4.1.2 We also received a suggestion from an employer attendee for a new standing item focusing on 'Best Practice' discussions to be driven by the employers. At this first meeting discussions took place about how to tackle outstanding leaver submissions and workload planning.
- 4.1.3 The first session was held virtually however the intention is for future sessions to be held in a hybrid format with attendees being given the option attend in person or via a virtual link.

4.2 Employer Webinars

- 4.2.1 The Employer Services team has continued to deliver a programme of employer education over the quarter with a further 5 virtual sessions delivered to 50 attendees representing 35 organisations. The sessions are free to attend and provide a useful refresher for existing employer pension and payroll teams or as an introduction to processes for those who are new to Fund administration.
- 4.2.2 Sessions delivered over the quarter are set out below and will continue to be rolled out over the course of the year. An increased suite of webinars is now available each month and employers are able to easily sign-up via the Fund's website for guidance on:
- Employer Discretions
 - Early Leaver Submissions on Employer Hub
 - Monthly Data Collection
 - Pay and Service
 - Final Statement Completion – NEW For 2022
 - The Pensions Administration Strategy: Your Role and Responsibilities – NEW For 2022

4.3 Employer Performance

- 4.3.1 Utilising the virtual working arrangements currently in place, the Employer Services team have continued to hold performance meetings with various employers throughout the period. Employer performance is assessed in line with the Fund's Pension Administration Strategy (PAS).
- 4.3.2 During the period the Fund held 18 feedback and performance meetings with a number of both our major and smaller employers and also with third-party payroll providers. Collectively these employers and payroll service providers are responsible for submitting the data to the Fund for over 100 organisations servicing over almost 40,000 members.
- 4.3.3 The work and engagement that has taken place with these employers contributed towards the increased availability of Annual Benefit Statements (ABS) for members. As final positions become available following the 2022 ABS run the Employer Services team will begin reaching out to request performance meetings with those seeing lower than average production rates.

4.4 McCloud: Employer Support

- 4.4.1 Engagement continues to be undertaken with those employers who have yet to submit the data required to comply with the expected McCloud legislation changes. The Employer Services team continues to offer support including 1:1 meetings where appropriate, helping with data collation and submission.
- 4.4.2 Analysis has been undertaken regarding those employers who have consistently remained unresponsive to the Fund's offers of support and who are currently deemed non-compliant with the Fund's requirements for McCloud. A letter will be issued to approximately 90 organisations aligned to the Fund's Escalation Policy, clearly setting out the implications of non-compliance, with particular reference to the potential impact on member benefits.

5.0 Other Communication and Events

- 5.1 In July 2022 the Member & Employer Services teams provided a bespoke webinar to the WM Bursars' Group providing an update of the LGPS and topical issues across the pensions industry and employers. **52** attendees joined our webinar and initial feedback was very positive.
- 5.2 On the 12 July the Fund held its first face to face Mid-Year Review event and the first large event at the Fund's new premises at i9. The event covered a variety of topics including a choice of two workshops to enable more targeted engagement on developing employer relationships and the changing economic and investment landscape.

We welcomed over **60** attendees from employers, Pensions Board and Pensions Committee, attendees rated the event as **63%** excellent and **37%** as good.

6.0 Future Engagement

- 6.1 As part of the Fund's hard to reach campaign to target members who may not normally be able to access our services due to the nature of their work and location, from July to September 2022 the Member Services team will be focusing on engaging with members who work in leisure centres and LEA schools.
- 6.2 Following changes to regulations (known as "stronger nudge") in relation to members who are, or who have previously paid Additional Voluntary Contributions (AVCs), in August 2022 the Fund wrote to **2,703** members to disclose these changes and explain the guidance that they will be required to take advice from Pension Wise in regard to the options available to them when claiming their AVC.
- 6.3 Progress is currently underway to organise Pension Roadshow events across the West Midlands' seven districts to provide members with face-to-face support with their benefits in the months of September & October. This will be the first set of district roadshows that the team has delivered since the pandemic. Further details and statistics will be provided in the next report.

6.4 Engagement is currently being planned about Pension Awareness week. Members will be sent bulk emails advertising a host of events from webinars, workshops, our Roadshow events and notifying members that their Annual Statement is online.

7.0 Customer Engagement Strategy

7.1 Outside of bespoke issues or new developments, the Fund's ongoing customer engagement is largely structured around the Customer Engagement Strategy and associated Customer Engagement Plan. The Customer Engagement Strategy has been reviewed, primarily to focus upon changes which need to be made having emerged from the Covid-19 pandemic, such as the restrictions placed on face-to-face delivery, and to harness the potential afforded by our new premises through hybrid engagement and extended outreach. The updated version is provided in Appendix B.

7.2 As confirmed, and appended to the June 2022 report, the Fund reviewed and updated the Customer Engagement Plan to factor in these changes in terms of more immediate delivery.

8.0 Communication Policy

8.1 Aligned to the Customer Engagement Strategy and in line with the statutory obligations set out in the LGPS Regulations, the Fund has reviewed its Communication Policy (Appendix C), which is referenced in the Fund's Annual Report. As might be expected, this most recent review captures changes made in the Fund's communications aligned to the changes made to the Customer Engagement Strategy. This policy will remain subject to a process of continued review against the Fund's objectives and deliverables set out in the Customer Engagement Strategy.

9.0 Financial Implications

9.1 There are no financial implications associated with this report.

10.0 Legal Implications

10.1 There are no legal implications associated with this report.

11.0 Equalities Implications

11.1 The report contains no direct equalities implications.

12.0 Environmental Implications

12.1 The report contains no direct environmental implications.

13.0 Human Resources Implications

13.1 This report contains no direct human resources implications.

14.0 Corporate Landlord Implications

14.1 The report contains no direct corporate landlord implications.

15.0 Schedule of Background Papers

15.1 There are no background papers.

16.0 Appendices

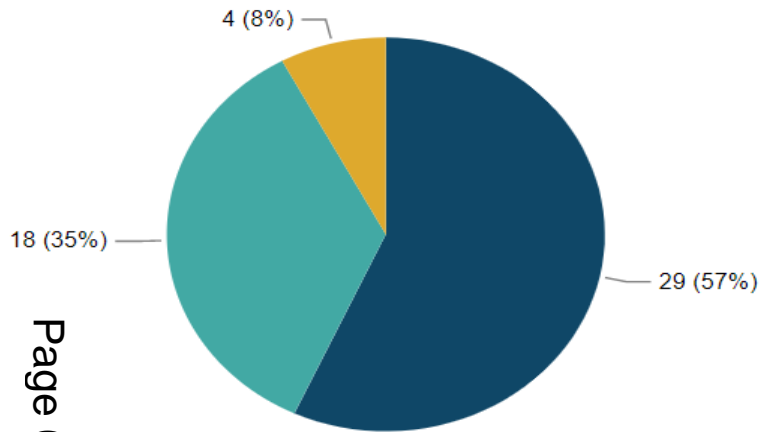
16.1 Appendix A: Review of feedback from member presentations and individual pension consultations

16.2 Appendix B: Customer Engagement Strategy

16.3 Appendix C: Communications Policy

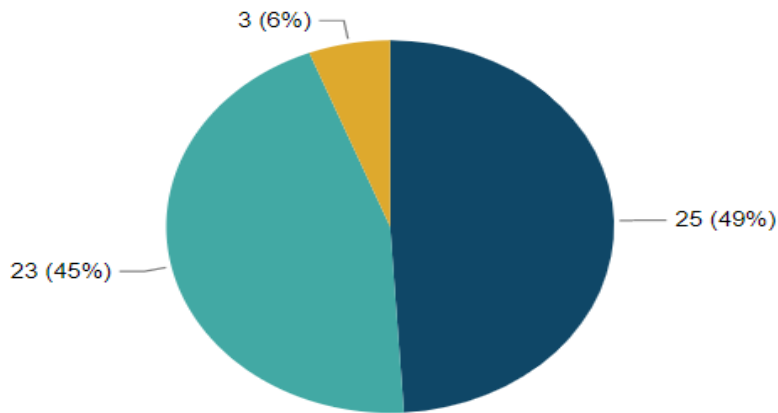
Appendix A: Member Service Team Presentation Feedback - 1st April 2022- 30th June 2022

Event Rating



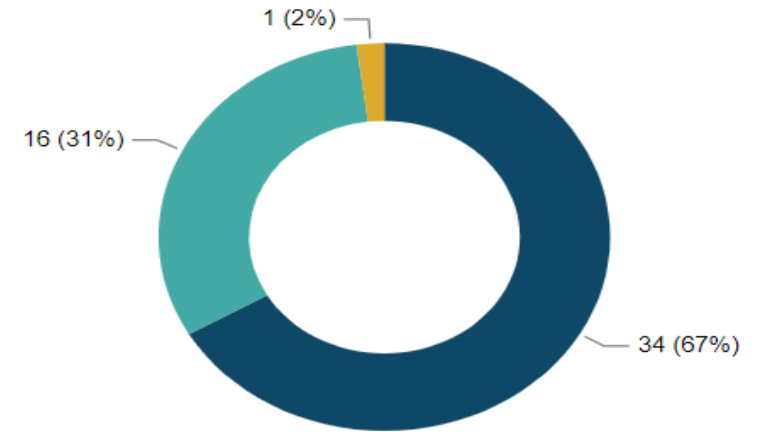
● Excellent ● Good ● Satisfactory

Interaction Rating



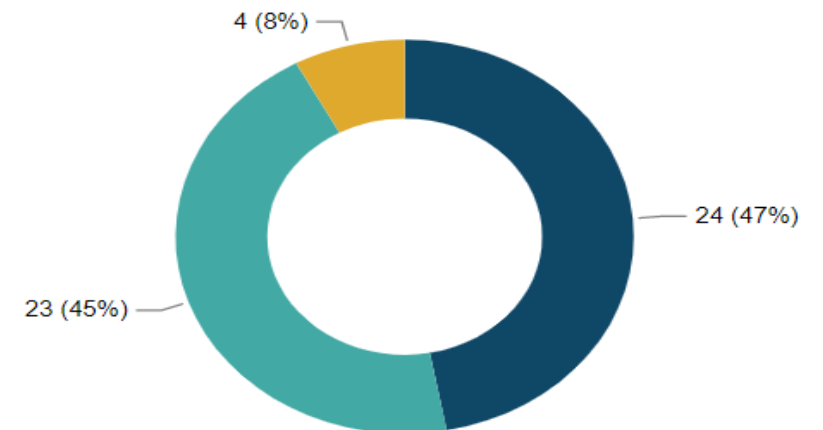
● Very satisfied ● Satisfied ● Neither satisfied nor dissatisfied

Presenter Rating



● Excellent ● Good ● Satisfactory

Service Rating

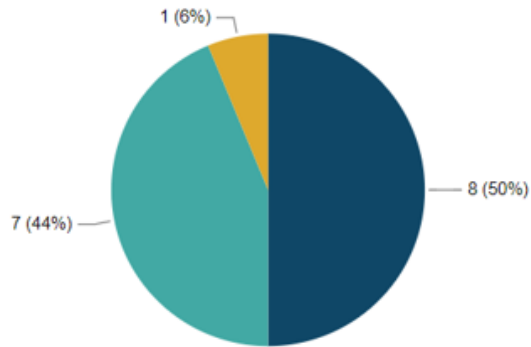


● Very satisfied ● Satisfied ● Neither satisfied nor dissatisfied

Member Service Team Feedback - 1st April 2022 – 30th June 2022

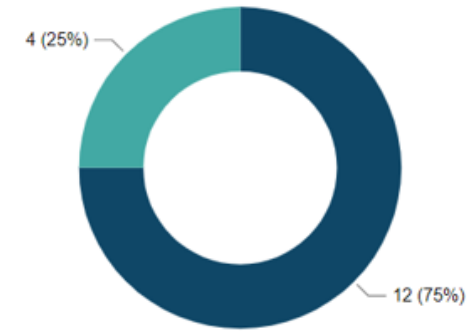
Individual Pension Consultations

Event Rating



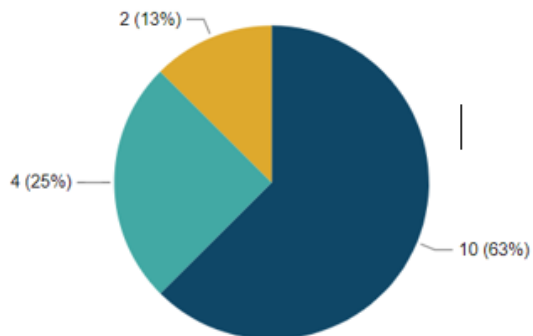
● Excellent ● Good ● Satisfactory

Presenter Rating



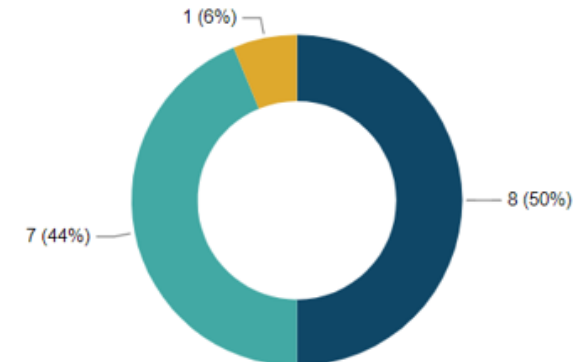
● Excellent ● Good

Interaction Rating



● Very satisfied ● Satisfied ● Neither satisfied nor dissatisfied

Service Rating



● Very satisfied ● Satisfied ● Neither satisfied nor dissatisfied



CUSTOMER ENGAGEMENT STRATEGY 2022 SEPTEMBER 2022



West Midlands Pension Fund

CONTENTS

The Aim of this Engagement Strategy	3
About the Fund	3
Aims and Objectives	5
Our Values and Behaviours	5
Ensuring the Ongoing Development of Our Services	6
Our Customers and Stakeholders	7
The Pension Journeys	8
How Can You Engage With the Fund?	10
Services Delivery Review	12
Service Developments and Improvements	14
Members' Feedback	15
Employers' Feedback	15
The Fund's Focus in Line With the Service Plan	16

THE AIM OF THIS ENGAGEMENT STRATEGY

Raising Awareness and Aiding Understanding

The *Customer Engagement Strategy* sets out how we will engage, consult and involve our customers as we seek to put our customers at the heart of everything we do. In line with the Fund’s objectives, the Customer Engagement Strategy plays a key role in ensuring the Fund drives continuous improvement and develops working practices, systems and processes which are informed and prioritised according to the needs of our customers.

The strategy aims to inform our customers of the opportunities for them to engage and contribute towards the way we develop and deliver our services whilst emphasising that engagement sessions are not just about delivering information, but about enabling members and employers to work with the Fund to shape our services to be fit for the future.

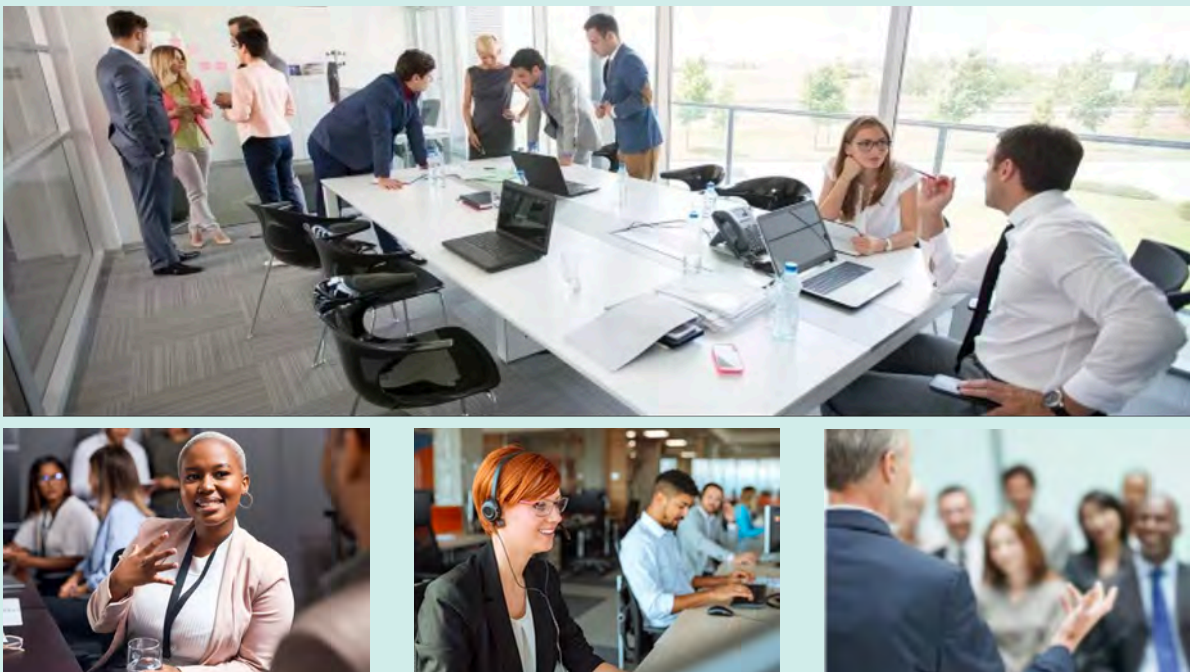
We measure effectiveness through frequent surveys, feedback and internal reports to ensure we’re improving customer satisfaction, engagement and relationships, and creating efficiencies within ongoing development and digital transformation.



MEET THE FUND

West Midlands Pension Fund (the Fund) is one of the UK’s largest pension funds, managing and administering the pension interests of over 330,000 members and around 800 scheme employers.

As a public service pension scheme, the Fund’s main focus is on providing a high quality service to its members to enable their planning for a comfortable retirement and our ability to assist them depends on our ability to manage and deliver a service that is responsive to their needs.



Our Awards and Accreditations

INVESTORS IN PEOPLE® We invest in people Gold

Investors in People (IIP) - Gold Award

The Investors in People accreditation is much more than a business assessment. Investors in People aids in embedding excellence in an organisation and recognising the value and achievement of its people. Achieving 'Gold' status recognises our organisational excellence and is testament to the fact that everyone is fully engaged in our vision.

CUSTOMER SERVICE EXCELLENCE®



Customer Service Excellence

The Government wants public services for all that are efficient, effective, excellent, equitable and empowering – with the citizen always and everywhere at the heart of public service provision. With this in mind, Customer Service Excellence was developed to offer public services a practical tool for driving customer-focused change within their organisation. The West Midlands Pension Fund have been holders of this accreditation continually since 2008.



Enei

We are committed to building a workforce that is reflective of the diverse community we serve. As employees of the City of Wolverhampton Council, we strongly believe in adding value through diversity, inclusion, and equality. We encourage, inspire and value an inclusive culture where employees can flourish, thrive and be themselves. The Fund supports the equality forums held at the City of Wolverhampton Council to ensure our workforce has a voice, employees feel empowered to speak up and everyone is treated with respect and overall be a great place to work.



The Pensions Administration Standards Association (PASA)

The PASA, the independent body dedicated to driving up standards in pensions administration, today announced West Midlands Pension Fund has been awarded PASA Accreditation – the 'gold standard' for high quality pensions administration.

CORE VALUES

Our core values guide how we work and engage with each other, our customers and industry – it’s what make us different and stand out from the crowd.

THE FUND’S CORE VALUES

- P** PARTNERING FOR SUCCESS
- R** RESPONSIBLE ASSET OWNER, EMPLOYER AND LOCAL COMMUNITY PARTNER
- I** INVESTING TO INCREASE CAPACITY
- D** DELIVERING VALUE ADDED SERVICES
- E** ENGAGE TO IMPROVE OUTCOMES FOR CUSTOMERS

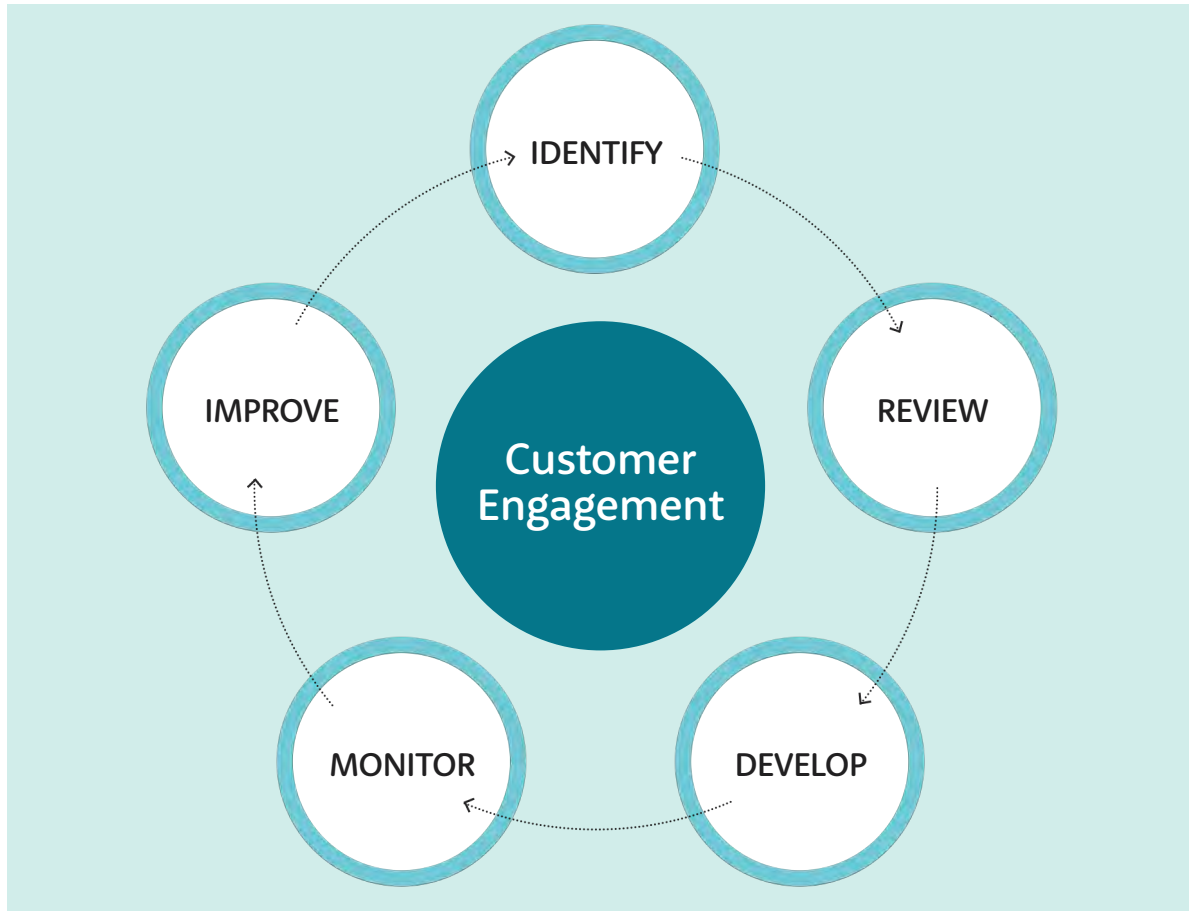
OUR VALUES AND BEHAVIOURS

This demonstrates our wider commitment to customer focus and being alive to evolving needs and set against the Fund's ambitions towards our customers and people as set out in the Corporate Plan.

Place our customers first	Ensure ownership, responsibility and accountability	Have trust, mutual respect and professional integrity
Build long-term working relationships to deliver team and Fund objectives, raise the profile of the Fund	Learn from our experiences and share knowledge to get things right first time	Value our colleagues

ENSURING THE ONGOING DEVELOPMENT OF OUR SERVICES

Ultimately, engaging with our customers helps the Fund to understand customer feedback, review and monitor service effectiveness, analyse performance, and develop and deliver a service that is focused on the requirements of our customers.



By taking the time to engage with our customers about the services we deliver, we aim to fully understand the use of our services and our customers' expectations in order to keep up to date with customer experience and changing needs. The Fund regularly reviews our performance to help maintain, build and develop partnerships with our stakeholders, utilising opportunities for service improvements and efficiency.

Effective customer engagement ensures the Fund is able to support our customers through significant events, equipping them with the knowledge to make decisions.

Our success is dependent on building and maintaining good working relationships with our employers and scheme members, and this strategy aims to ensure customer focus is embedded in Fund operations and exhibited in our behaviours.


OUR CUSTOMERS AND STAKEHOLDERS

The Fund aims to have an inclusive and consistent approach to its customer engagement, we seek opportunities to reach out to representatives across the employer and member base to ensure a valued service is delivered.




Members

The Fund has over 330,000 members and recognises that good customer engagement ensures we provide clear and concise information at the times when it's most important to assist our members in making the right decisions to help to secure their future pension benefits.



Employers

The Fund has more than 800 employers including local authorities, the education sector (higher education, further education and academies), housing associations, private and voluntary sector organisations. In recognising the range of employers we have, the Fund tailors its engagement to ensure it delivers for differing employer needs.



Partner organisations and trade unions

Being one of 86 Local Government Pension Scheme funds in England and Wales, we recognise the value in engagement with our partner organisations, be it other LGPS funds or the wider industry. The Fund has representatives from our trade unions sitting on Pensions Committee where they are invited to engage and debate issues relevant to our members. Five trade union representatives currently sit as member representatives on the Fund's Local Pensions Board.



Governing Bodies and the Representation Policy

These documents confirm how we will engage a broad range of representatives and stakeholders:



Governance Compliance Policy

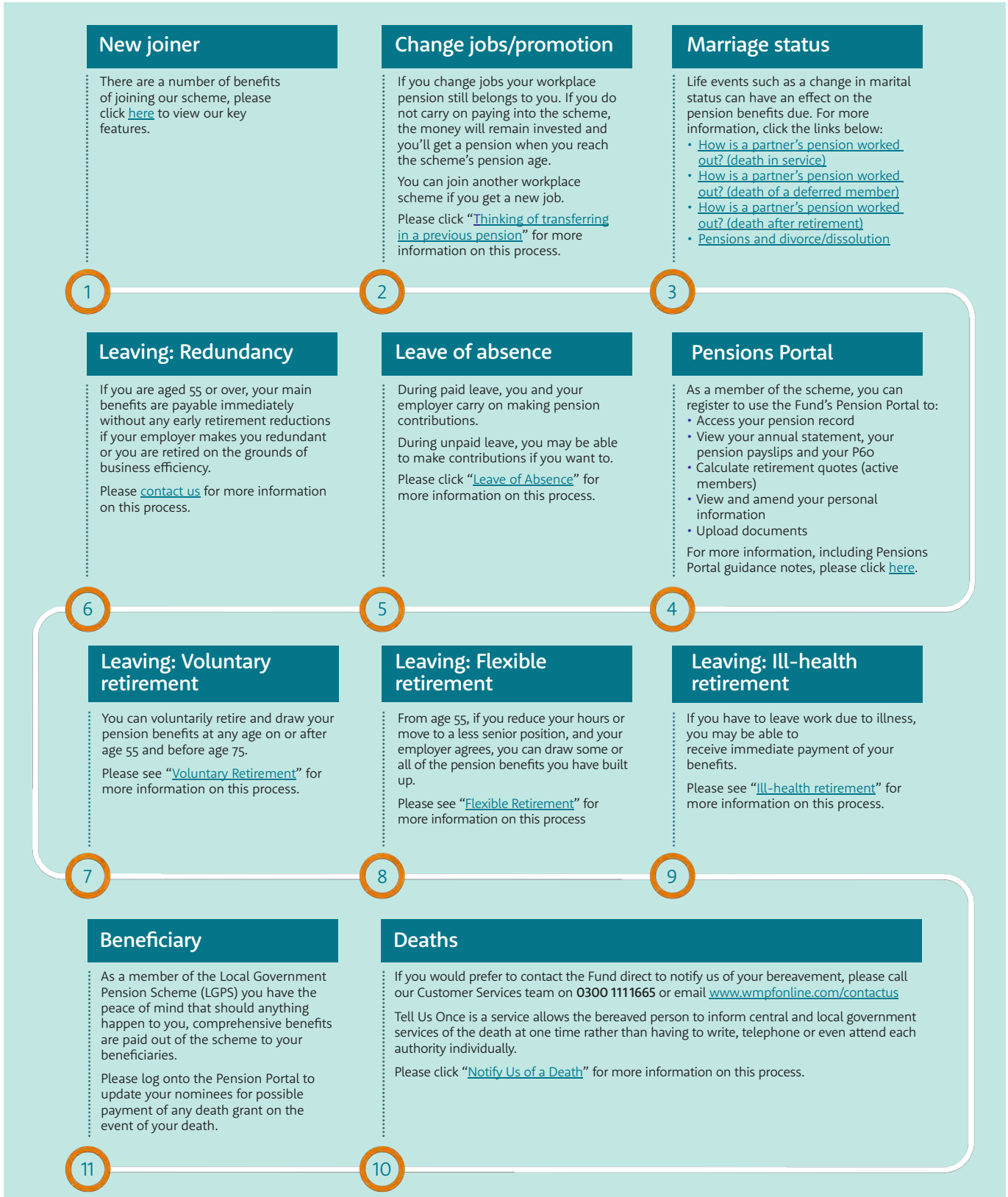


Representation Policy

THE PENSION JOURNEYS

Members' Pension Journey

The Fund manages over 330,000 membership records (including active, deferred, pensioner and beneficiary). The Fund recognises that the journey of our customers can span a significant portion of their lifetime and vary between generations, as life events such as changing jobs or changing working hours, impact on pension benefits and options.



Keeping up to date
on your journey

Pensions Portal: Use the Pensions Portal to access to your Fund account information.

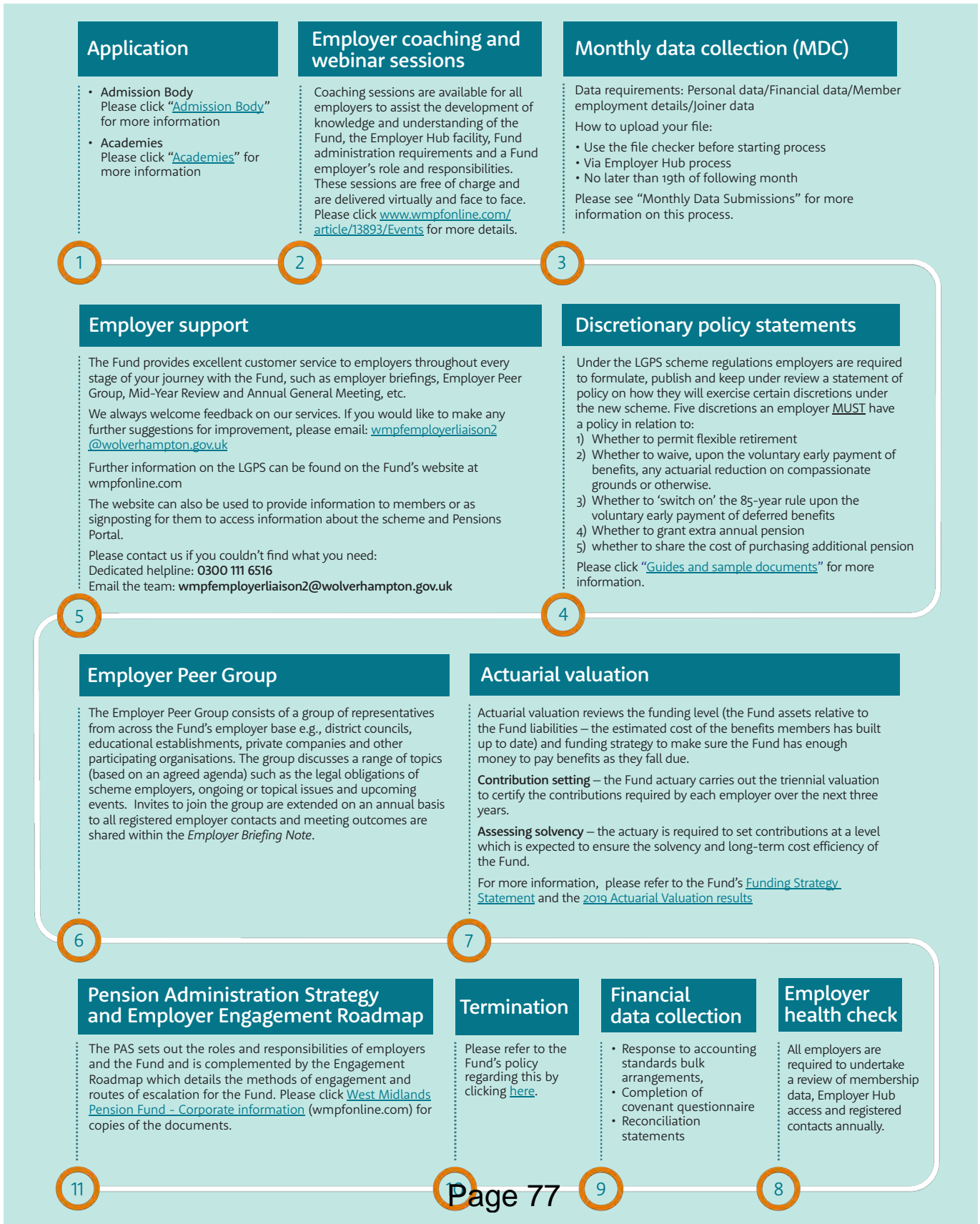
Newsletter: Annual newsletters from the Fund providing you with essential information about your pension benefits.

Benefit statements: Benefit statements are uploaded to the Pensions Portal, [check your Pensions Portal account](#) today! Please [contact the Fund](#) if you couldn't find what you need.

Employers' Pension Journey

The Fund has more than 800 employers varying from local authorities and academies to charities and contracting bodies.

Our engagement strategy ensures the delivery and improvement of our services for all our employers whether they are just starting their journey with the Fund or going through a transition.



OUR ENGAGEMENT SERVICES

The Fund's aim is to ensure relevant information is available to its members in a timely manner and presented clearly. To ensure effective engagement, activities are developed in consideration of the knowledge, range of personal circumstances and contact method preferences.



The West Midlands Pension Fund has dedicated Customer Services team and Member Services team; both are specialist support functions of pension officers who have extensive knowledge and expertise of the Local Government Pension Scheme and are committed to supporting members by providing information on a wide range of pension matters.

Contact via My Pension Portal

Call the Fund's Dedicated Customer Services Team on 0300 111 1665

All letters should be sent to:
West Midlands Pension Fund
PO Box 3948
Wolverhampton
WV1 1XP

Use our secure email form at wmpfonline.com/emailus

Visit www.wmpfonline.com
Our website is kept up to date with the latest scheme and Fund information.

Members can access information in different formats, including booklets and videos as well as page text. If you require a copy of any information in a different format, we will be more than happy to facilitate this. Please contact us with your request at wmpfonline.com/contactus

Visit us
Members can visit our offices at:
ig, Wolverhampton Interchange
Railway Drive
Wolverhampton
WV1 1LD

Pre-Retirement



- Roadshow Events

- Presentations
- Bespoke Employer Events
- Drop-in Sessions
- Member Newsletters



- Statutory Disclosures
- Deferred Members
- Workshops



Retirement



- Pensioner Workshops
- Pensioner Mailings and Newsletters
- For Overseas Members



The Fund has a dedicated Employer Services team who are on hand to assist with enquires about Fund and employer responsibilities. The team offers support to a variety of employer types and can be contacted on the following email address: wmpfemployerliaison2@wolverhampton.gov.uk

Alternatively, you can call the Fund’s dedicated employer helpline on 0300 111 6516.



- Employer Coaching and Webinar Sessions
- Employer Briefing Note


- Employer Peer Group
- Employer Events (Mid-Year Review and Annual General Meeting)

- Employer Survey




- Employer Annual Health Check






Self-service helps members access secure self-service platforms and interact with organisations on a real-time basis. Members can follow the link to 'My Pensions Portal' to access their pension record.

In addition, the Fund continues to work with employers developing our services and online forms through the employer portal providing them an opportunity to self-serve also.



- Pensions Portal
- Employer Portal
- Employer Hub





The Fund has dedicated support for governing bodies and specialist support functions to ensure Fund data, systems and reporting is in place to support our customers.



- Pension Committee and Pensions Board Members

Our Customer Engagement Plan is appended to this document highlighting the various events and locations where our customers can engage with the Fund. Click [Customer Engagement Plan](#) for more information.

CUSTOMER SAFEGUARDING

In the UK, the NHS defines safeguarding as 'protecting people's' health, wellbeing and human rights, and enabling them to live free from harm, abuse and neglect'.

It is our responsibility to appropriately safeguard individuals, and it is a fundamental part of how we engage to improve outcomes for customers.

Where there is a safeguarding concern, we will engage with the customer and work closely with the relevant authorities to investigate and resolve issues raised.

For this process to be effective, we need to ensure that staff are suitably trained to be able to identify safeguarding concerns and to know how to deal with them should they arise. Staff receive regular safeguarding training, and we have appointed a Designated Safeguarding Lead, in addition to an Internal Safeguarding Board.

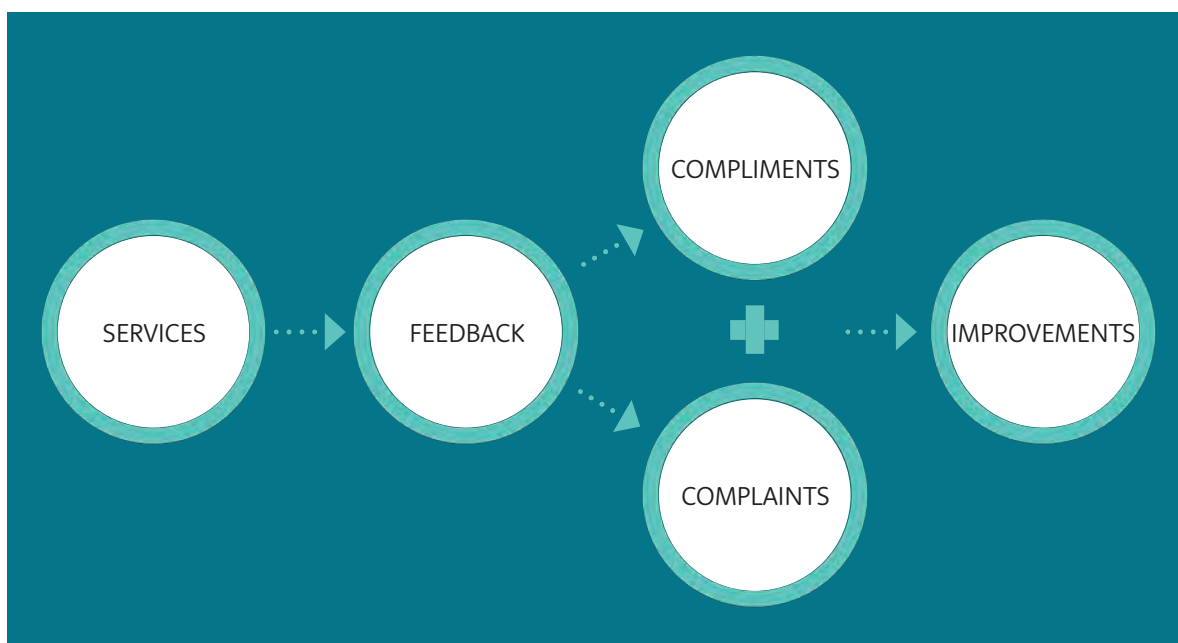
We are committed to maintaining confidentiality at all times, and expect all staff to comply with data protection law. Information will not be shared unless it is required, and, in these instances, it will be shared with the relevant authorities in the right way and at the right time to ensure that any potential risk is reduced or avoided.

SERVICE DELIVERY REVIEW

The Fund aims to deal with our customers fairly, promptly and to give them the best possible service in accordance with our standards and timescales. The Fund monitors the quality of our service and reports on how well we have lived up to the expectations of our customers.

To achieve our aim, we seek the reviews of our customers to help inform us on how well we are performing and any improvements we could make. We also aim to encourage feedback and comments regarding different communication channels in order to identify improvements and changes.

If you have any questions or requests that are personal to your account, you can use online, secure messaging to ask us a question within the Pensions Portal or you can call us on **0300 111 1665**.



Compliments

Receiving praise for providing good customer service helps teams and individuals to improve and share areas of best practice. Your compliment will be sent to the line manager and the colleague(s) concerned, and we then share these within the organisation using our compliments register.

Feedback/Suggestions

Customer feedback is key to understanding our customer's journey, highlighting our strengths and any gaps in the service we deliver so that we can continually improve the services we offer. To help us understand our customer's journey, we have introduced a range of 'post-event' surveys that invite members to share their experiences with a range of Fund processes. Surveys are continuing to expand and include:

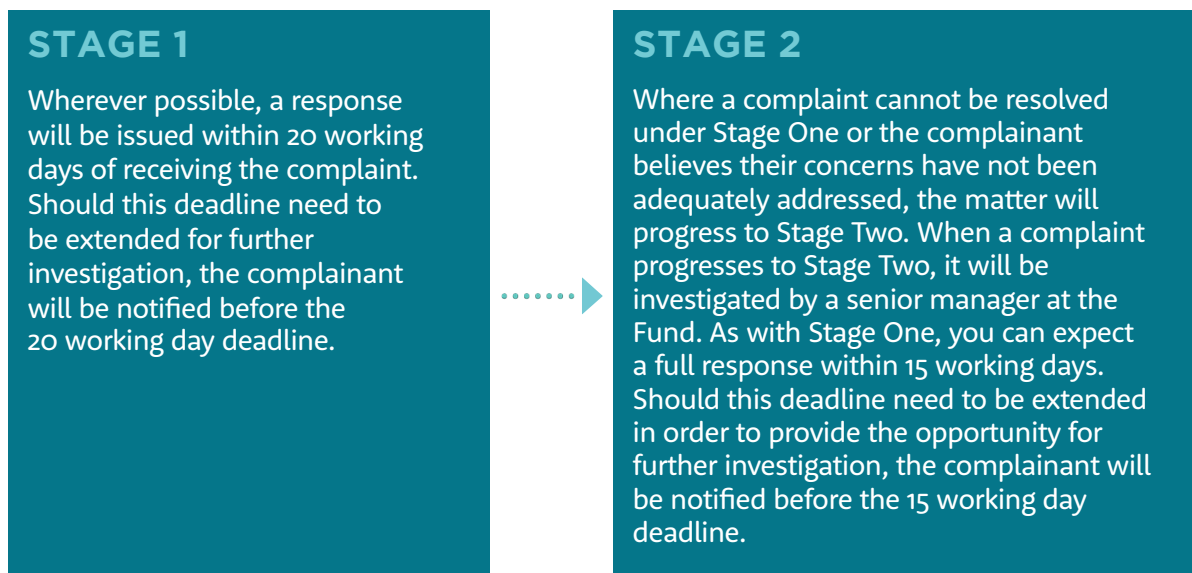
- New Joiner Surveys
- Retirement Surveys
- Transfer Surveys
- Customer Services Surveys
- Website Surveys
- Annual Employer Survey

If you would like to provide feedback on the service you have received, please visit www.wmpfonline.com/feedback

Complaints

If something has gone wrong, we want to know so that we can put it right as quickly as we can for you. Where possible, the Fund will always try to resolve your complaint at the first point of contact. There will be times where we are unable to resolve a complaint raised at the first point of contact and where this occurs, the formal complaints process will begin, and the matter will be formally logged as a complaint.

The Fund has a two-stage complaints process:



Internal Dispute Resolution Procedure (IDRP)

The Fund has a two stage IDRP process which allows for review of appeals by nominated adjudicator.

A summary of the process followed by an employer and the Fund can be found using the following links:

[Decision of an employer](#)

[Decision of the Fund](#)

The full process is detailed in the following document: [Internal Dispute Resolution Procedure](#)

Target Outcomes and Monitoring

The Customer Engagement Strategy is subject to the Fund's programme of continual review and development to ensure the activities and opportunities we present achieve our aims and objectives. To measure this success, the Fund will focus on the following outputs:

- Improving our communication and accessibility of online services.
- Maintaining and improving Fund performance for processing member benefits.
- Reduction in outstanding data queries for employers.
- Improvement in timely and accurate submission of information to the Fund and to increase provision of Annual Benefit Statement and Deferred Benefit Statement to members.

Through our engagement activities, we report back on the successes or challenges of our engagement which have led to service development and improvements, reporting on a quarterly basis to our Pensions Committee our key performance indicators (KPIs) on customer service.

MEMBERS' FEEDBACK

"All staff were friendly and welcoming. Really enjoyable event, Thank you"

Pensioner after attending a Tea & Teach session
June 2022



"Everyone I spoke to was clear and helpful and got back to me when they said they would"

Member calling helpline –
July 2022



"Staff were very patient and professional at all times"

Fund member following a face-to-face consultation
May 2022



"Excellent customer service and reassuring that it's so straightforward to contact the Fund"

Member calling helpline –
July 2022



EMPLOYERS' FEEDBACK

"Can I say I have received a number of comments from attendees who said the presentation was outstanding"

Fund employer following a LGPS & You presentation for staff



"Always welcoming and listen to what we say"

Employer event attendee –
February 2022




"Many thanks for the retirement briefing session. It was really helpful and clear (which is quite an achievement with pensions)"

Fund employer following a Pre-Retirement presentation delivered to staff



THE FUND'S FOCUS IN LINE WITH THE SERVICE PLAN

The Fund's focus is:

<p>ENHANCING MEMBER COMMUNICATION and ensuring sound financial management through investment and funding strategy.</p> 	<p>DATA IMPROVEMENT in line with The Pensions Regulator's expectations of data quality and the delivery of benefit statements.</p> 	<p>DIGITAL TRANSFORMATION including service development that assists employers processing of monthly submissions.</p> 
<p>ENGAGE WITH EMPLOYERS on the submission of data and ideas for future development.</p> 	<p>INCREASE REGISTRATIONS for Pensions Portal and encourage self-service of our members.</p> 	<p>CONTINUED ENGAGEMENT with other funds and other key stakeholders on member communication and other initiatives.</p> 
<p>WORK WITH OUR TRADE UNIONS to shape and deliver our services ensuring they deliver for our members.</p> 	<p>INVEST in our Pensions Committee and Pensions Board members to ensure they are able to meet their statutory duty on knowledge and understanding.</p> 	<p>INVEST in the Fund workforce to ensure our employees are trained and developed in their specialised area able to respond to and support our customers and employers with their queries.</p> 

West Midlands Pension Fund
PO Box 3948
Wolverhampton
WV1 1XP

Last updated:	September 2022
Next review:	September 2023



COMMUNICATIONS POLICY STATEMENT SEPTEMBER 2022



West Midlands Pension Fund

COMMUNICATING WITH OUR STAKEHOLDERS

The Fund's communication policy details the support which we provide and the different channels we use to engage with our customers. Following the pandemic, the Fund now has a hybrid approach to delivering communications meaning that stakeholders have more options and channels to engage with the Fund.

This *Communications Policy Statement* highlights the Fund's extensive range of support and communications to various stakeholders which also includes dedicated helplines for members and employers and email inboxes.

BACKGROUND

The West Midlands Pension Fund ("the Fund") is one of the UK's largest pension funds, managing and administering the pension interests of over 320,000 members and around 800 scheme employers. We are administered by the City of Wolverhampton Council on behalf of all West Midlands local authority bodies.

Our core mission is to ensure that our members receive their pension benefits when they fall due. Through increasing dialogue with our customers in the Local Government Pension Scheme we work in partnership with employers contributing together for our members' future. This plays a key role in enabling employers to meet their statutory responsibility to assist members planning their retirement.

This *Communications Policy Statement* outlines how we will communicate with our customers, ensuring information is provided in a clear and concise way, and is readily available.

Regulation 61 of the Local Government Pension Scheme Regulations 2013 state that each pension fund administering authority is required to prepare, publish and review regularly its *Communications Policy Statement*, this regulation outlines what the fund are required to publish.

This document outlines our communications policy in line with that requirement, and covers the following categories in our regular communication activity:

- Communicating with scheme members
- Communicating with prospective members
- Member self-service
- Communicating with member's representatives
- Communicating with participating employers
- Communicating with prospective employers

All of the Fund's communications are delivered in line with, and to support the delivery of the Fund's *Customer Engagement Strategy* and *Employer Road Map*.

1 COMMUNICATING WITH SCHEME MEMBERS

We produce an extensive range of scheme literature for all membership categories. Copies of scheme literature are made available on our website, www.wmpfonline.com/memberinfo with direct links to the national LGPS member site www.lgpsmember.org



Annual Newsletters

The Fund produces annual newsletters for our active, deferred and pensioner members. These newsletters provide important updates and valuable member information.

Annual Benefit Statements

An annual benefit statement is made available online for all active and deferred members. These statements provide members with an update on the value of their pension benefits and a projection at normal pension age. Statements are made available through our pensions portal self-service facility. Benefit statements can be issued in paper form on request.

If there is an instance where a benefit statement cannot be made available, due to incomplete or inaccurate data, we will notify members and their employers of this.



Pensioner Pay Advice Slips

All Fund members in receipt of a pension receive a combined paper pay advice slip and P60 in April of each year. In the months of May through to March, we will only send a paper pay advice slip when there is a variance of £10 in their gross or net payment. For scheme pensioners that are paid quarterly and annually, we will issue a pay advice slip every time a payment is made (June, September, December and March).

Scheme pensioners can also register to use the pensions portal, where pay advice information can be viewed electronically and printed at any time following the payment date.

Customer Service Support

We understand that pensions can be complicated; that's why we have a dedicated Customer Services Team who are ready to support members through each stage of their retirement journey.

The team pride themselves on delivering an excellent customer service, providing tailored support through the following channels:



Email: through our www.wmpfonline.com/emailus page



Portal Secure Message: <https://portal2.wmpfonline.com>

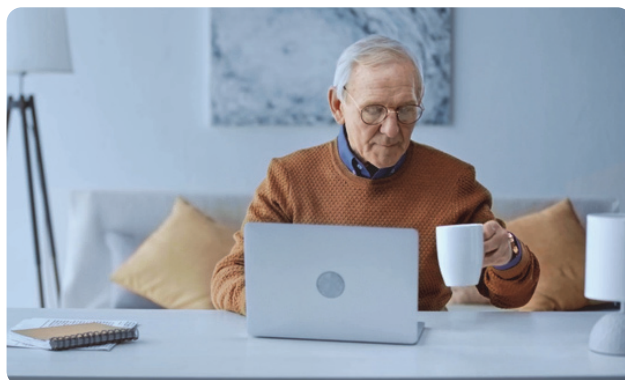


In writing: West Midlands Pension Fund, PO Box 3948, Wolverhampton, WV1 3NH.



Phone: 0300 111 665* (local rate number)

As well as the above, we also provide information on the Fund's website and facilitate a reception service where members can make an appointment to speak to a team member face to face.



Tea and Teach

The Fund holds tea and teach events that are aimed at our pensioner members and provides pensioners with the opportunity to openly discuss their pension queries, such as payment options.

Members get a warm welcome with tea, coffee and biscuits.

Surveys

Seeking feedback on the delivery of our services is key to continually improving the support we offer. In addition to the rolling survey which can be accessed through our [website](#), we have launched bespoke [customer feedback surveys](#) which relate to our customer's most recent interaction with us (e.g. retirement, joiner, etc.).

The surveys help us understand our customer's journey, whilst highlighting areas of best practice, identifying potential service developments and, in turn, allowing us to continually improve our customer's experience.

Member Services Team



We have a dedicated team that provides support and guidance for all members. The team has extensive knowledge of the scheme and provides information through various methods including webinars, videos, presentations, face-to-face consultations and roadshows. Support can be generally arranged at a time and place to suit our members and can be held at employer locations or at the Fund's offices in Wolverhampton.

Member Support

Drop-In Sessions

Members can attend drop in sessions held at their workplace for support and guidance in relation to their pension.

Individual Pension Consultations

Members can make an appointment with one of our officers to discuss their pension options either face to face or via a telephone call.

Presentations

The team offers a suite of presentations which include:

- Introductions to the Scheme
- LGPS & You
- Pension Tax
- Pre-Retirement
- Redeployment

Retirement Planning Workshops

We understand that there is more to retirement planning than your LGPS benefits. Therefore, the team offers workshops to provide support not only on the LGPS, but on other key areas such as tax and state pension.

Pension Roadshows

We host information events at employer locations across the West Midlands region. In addition to these roadshows at district council offices, additional events can be held on request, particularly when there may be pension organisational changes occurring which have pensions implications.



Roadshow events provide members with an opportunity to engage with Fund officers regarding their pension benefits. The team has a self-sufficient, purpose-built exhibition vehicle which is maintained and driven by Fund officers and can be taken out to employers across the region. Members can come and see the virtual roadshow at any time throughout the event.

Literature is provided for members to take away. This includes general information on the LGPS, how to register for Pensions Portal,

information on additional voluntary contributions, additional pension contributions, and much more.

We can assist employers in advertising events by providing e-posters or wording for intranet sites in advance to fully promote the roadshows.

Webinars

We understand that it is not always convenient for members to attend face-to-face events, therefore, we offer webinars to cover all the basics of the scheme and provide members with links and guidance to assist them to take control and plan their retirement. Webinars are run at various times to try and ensure all members have access to pensions support. This communication channel has significantly increased due to the impact of the pandemic and is now one of the main mediums we use. All member support offerings are detailed in our [Member Services Team leaflet](#).

2 COMMUNICATING WITH PROSPECTIVE MEMBERS

Scheme Booklet and Website

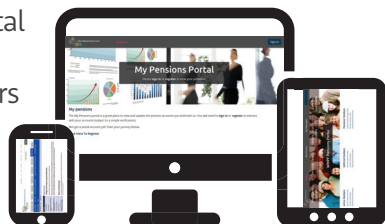
All prospective scheme members will be provided with a link to the Fund's website where they can [access scheme booklets](#). Our website also provides information to help members make an informed decision about contributing to the LGPS, the 50:50 scheme and how to opt out of the scheme.

Corporate Induction Courses

We can attend corporate induction events across the region to present to prospective scheme members the benefits of being a member of the LGPS.

3 MEMBER SELF-SERVICE

The Pensions Portal An online portal gives our members secure access to their LGPS record/s.

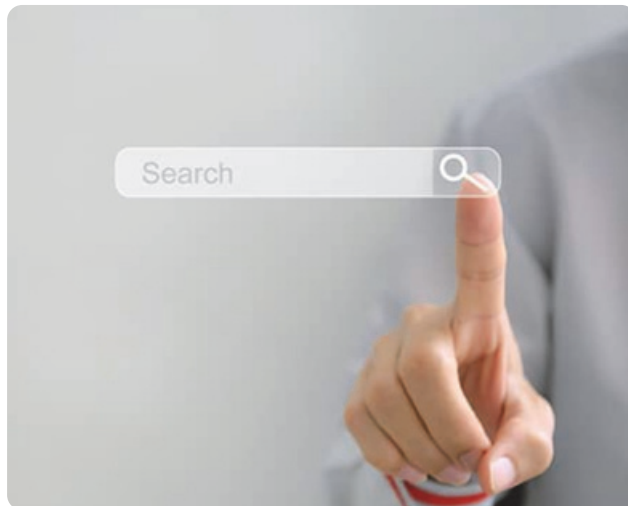


This facility provides members with an online platform to enable them to update their personal details and contact the fund about their benefits.

Also, member's annual benefit statements can be accessed, and members can run pension projections as well as update their nomination form.

The Fund's Website

www.wmpfonline.com



The Fund maintains an extensive online resource at wmpfonline.com containing information about the scheme and the details about our current activities. There are also links to organisations such as The Prudential and the LGPS member site.

4 COMMUNICATING WITH MEMBERS' REPRESENTATIVES

Materials available to members are also available on request to their representatives or through wmpfonline.com

The Fund works with trade unions, Local Pension Board and various governing bodies to ensure the scheme is understood by all interested parties. Training days are provided where required, and the Fund ensures that all pension-related issues are communicated effectively through to representatives on the Pensions Committee.

5 COMMUNICATING WITH SCHEME EMPLOYERS

The Employer Services Team are generally the first point of contact employers have with the Fund and provide support to both participating and prospective employers.



With extensive pensions experience, the team are well versed in the issues that Fund employers face and are able to tailor their support accordingly. The team offers support by email and on the telephone, as well as offering regular coaching sessions, webinars and bespoke meetings.

Employer Services Team

e-Newsletter

An electronic newsletter, entitled *Employer's Briefing Note* is generally issued on a quarterly basis to all employers, in addition to ad hoc *Briefing Notes* on topical and specialist subjects. This is used to communicate the activities of the Fund and inform of any regulatory changes which may impact on the employer's function or their members' pension benefits.

Website and Employer Hub

The Fund maintains [a dedicated area of its website](#) for scheme employers containing news, learning materials and other electronic resources.

Each employer can request to access the Fund's [Web Portal \(Employer Hub\)](#). Through the Hub, employers and/or their nominated payroll provider are able to securely access details of their current employees. The portal

provides employers with the ability to make changes to member records including working hours and personal details. The portal also provides the facility to calculate early retirement estimates and any associated early retirement costs.

Dedicated Telephone Helpline:

0300 111 6516

A dedicated local rate employer customer service line is provided for scheme employers between Mondays and Fridays.

Annual General Meeting and Mid-Year Review for Employers

The Fund invites all employers to our annual general meeting each winter. This event is used to communicate strategic issues, performance, legislative changes, Fund updates and triennial valuation matters.

In addition to this, the Fund also holds a similar employer event each summer where employers are kept up to date with important issues through presentations and roundtable discussions.

Employer Peer Group

A quarterly working group consisting of Fund officers and employer representatives from a cross section of the employer base. The group discusses a range of topics such as the legal obligations of scheme employers, ongoing and topical issues, upcoming events and new Fund initiatives. Discussion outcomes are shared with all employers via the quarterly *Employer Briefing Notes*.

Employer Education: Coaching and Webinars

The Fund now offers a full hybrid education programme. A comprehensive suite of webinars are available free of charge to all employers and their payroll providers.

The sessions are designed to assist with the development of LGPS and Fund-specific knowledge to aid compliance with day-to-day administration of the scheme. They are ideal for both new staff or existing staff as a refresher for existing staff. Subjects covered include employer roles and responsibilities aligned to the Fund's *Pension Administration Strategy*, Employer Hub navigation, data requirements, employer discretions and information for admission bodies. For a full list of available sessions and

to register for attendance, please refer to the [online booking system](#).

Following the easing of coronavirus restrictions the Fund is now offering on-site face-to-face coaching support at its Wolverhampton office, ig.

6 PROSPECTIVE EMPLOYERS

The Fund's Employer Services Team works with new and prospective employers who have won contracts and schools converting to an academy, throughout the onboarding process to help with their understanding of the obligations under the LGPS regulations. The team liaise with new employers to produce the necessary admission agreements, provide clarity regarding duties as a new scheme employer and encourages all new employers to attend either a full coaching session or the bite-size webinars, specifically the 'Fund Induction for New Employers', TUPE, tenders and passthrough arrangement webinars.

There is also a dedicated area on the Fund's website to provide support to new employers to the LGPS.

7 EMPLOYER ENGAGEMENT ROADMAP

The Fund is dedicated to evolving, developing and communicating effectively with its members and employers to drive efficiencies and deliver value for money services.

The Employer Engagement Roadmap defines the methods by which the Fund will support employers in attaining expected standards and to formalise the ways in which it will support performance and monitor compliance. The roadmap complements both the Pensions Administration Strategy and the Customer Engagement Strategy to help improve outcomes for all stakeholders of the Fund.

8 CUSTOMER ENGAGEMENT STRATEGY

In line with the Fund's objectives, the *Customer Engagement Strategy* plays a key role in ensuring the Fund drives continuous improvement and develops working practices, systems and processes which are informed and prioritised according to the needs of our customer base.

Ultimately, engaging with our customers helps the Fund to understand customer feedback, review and monitor service effectiveness, analyse performance, and develop and deliver a service that is focused on the requirements of our customers.

We actively engage with our customers to keep them informed about the scheme, the performance of the Fund in the delivery of its service, ensuring these meets both the legal and regulatory duty of scheme administration as set out in The Pensions Regulator's Code of Practice, and the Fund's own objectives for service development.

Our success is dependent on building and maintaining good working relationships with our employers and scheme members, and this strategy aims to ensure customer focus is embedded in Fund operations exhibited on our behaviours.

Our strategy outlines:

- what customer engagement is to the West Midlands Pension Fund;
- who we will engage with regarding the delivery of our services;
- the types of engagement activities we undertake;
- how the insights from customer engagement activities are used;
- how we feed back to our customers the results and actions arising from their engagement with us; and
- how our customers can engage with us.



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CITY OF WOLVERHAMPTON COUNCIL	Pensions Board 31 October 2022	Agenda Item No: 10
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Report Title	2022 Actuarial Valuation Update	
Originating service	Pension Services	
Accountable employee	Simon Taylor Tel Email	Assistant Director (Pensions) 01902 554276 Simon.taylor2@wolverhampton.gov.uk
Report to be/has been considered by	Rachel Brothwood Tel Email	Executive Director of Pensions 01902 551715 Rachel.brothwood@wolverhampton.gov.uk

Recommendations for noting:

The Pensions Board is asked to note:

1. The report and the associated update on progress with the 2022 actuarial valuation of the Fund.
2. The update on the associated employer covenant review in the context of the Fund's Integrated Risk Management Framework, to include exposure aligned to climate risk.

1.0 Purpose

- 1.1 To provide the Board with an update on matters relevant to the triennial review of the Funding Strategy Statement over 2022/23 and delivery of the 2022 actuarial valuation.

2.0 Background

- 2.1 The Fund provided the Board with prior reports relating to the 2022 actuarial valuation on 25 January 2022 and 26 April 2022.
- 2.2 This report is to update members on the progress of the 2022 valuation since the April 2022 report, in particular focussing on the Fund's employer covenant monitoring in the context of our Integrated Risk Management approach and the broader themes which might influence the funding strategy and underlying actuarial assumptions.

3.0 2022 Actuarial Valuation Progress

- 3.1 With the member data and the cashflow information provided by the Fund having been reviewed, the Fund actuary is in the process of carrying out calculations with a view to providing provisional total Fund results. Progress over the summer has focused on development of employer covenant reviews and collation of information to inform review of the Funding Strategy Statement, including derivation of actuarial assumptions.
- 3.2 The review of key financial assumptions is being undertaken against the backdrop of significant economic changes, not least the high inflationary environment combined with heightened volatility in global markets. The derivation of final assumptions will involve wider consideration of the anticipated time horizon for such economic trends in the context of the three-year period for setting employer contributions, whilst ensuring we retain a focus on funding plans based upon long-term expectations.
- 3.3 In addition the Fund, in conjunction with the Fund actuary, will be considering wider demographic assumptions (e.g. allowance for life expectancy, retirement ages, membership of the 50:50 section) to update these to reflect the most up-to-date Fund and national membership experience analysis available.
- 3.4 The Fund will also be undertaking a review of our Funding Strategy Statement and associated policies (including Termination Policy and Admissions Policy) for consultation with employers.

4.0 Employer Covenant

- 4.1 The covenant review aligned to the 2022 actuarial valuation will inform the application of the Funding Statement Strategy used by the Actuary as a basis of calculation for employer contribution rates and this will form a key part of the engagement with employers prior to provisional results being released.

- 4.2 The Fund has carried out a full covenant review across all participating employers, the results of which have been supplied to the Fund actuary to consider in the context of funding strategy, unfunded pension liability risk and contribution outcomes. This review incorporates information received from questionnaires completed by participating employers in July 2022.
- 4.3. In general at sectoral level, covenant strength has been maintained from 2019 to 2022, noting that in many cases the impact of the coronavirus pandemic is considered at this stage to be a shorter-term one, as opposed to a longer-term trend, although this position will continue to be monitored.
- 4.4 In addition, PwC will be providing further detailed analysis on the Admitted Body Separate Funds (ABSFs) in due course and to inform discussions with the participating employer's Company management next month.
- 4.5 The covenant review also includes consideration of climate risk related factors. This will extend to consideration of how the transition to a low carbon economy and/or physical risk (such as flooding) could impact employers in terms of their business model and ultimately the underlying long-term covenant to the Fund. The information provided through questionnaires serves to derive a separate "climate risk covenant rating" for each employer and PwC have carried out more detailed analysis on the potential impact of climate risk on each sector.
- 4.6 With recent extreme weather events in the UK since 2019 informing updates to the climate science as it relates to the UK, that analysis shows that both heat stress and storm damage have increased in their severity and frequency in short-term predictions, including for the West Midlands.

5.0 Financial Implications

- 5.1 This report has financial implications for employers and guarantors in that the outcomes will drive contribution requirements as part of the 2022 actuarial valuation, effective from 1 April 2023, together with reliance on the underlying strength of guarantor.

6.0 Legal Implications

- 6.1 The report contains no direct legal implications.

7.0 Equalities Implications

- 7.1 The report contains no direct equalities implications.

8.0 Other Potential Implications

- 8.1 There are no other potential implications.

9.0 Schedule of Background Papers

- 9.1 26 April 2022, Pensions Board Report – 2022 Actuarial Valuation Update - [2022 Actuarial Valuation Update.pdf \(modern.gov.co.uk\)](#)
- 9.2 25 January 2022, Pensions Board Report – Preparations for 2022 Actuarial Valuation - [Preparation for 2022 Valuation.pdf \(modern.gov.co.uk\)](#)

10.0 Schedule of Appendices

- 10.1 None.