

Attendance

Members of the Pensions Board

Employer Representatives

Ian Martin
Mark Smith (Vice-Chair)
Joe McCormick

Member Representatives

Adrian Turner
Stan Ruddock
Julian Allam (Chair)

Observer Member

Steve Smith

Employees

Rachel Brothwood	Executive Director of Pensions
Rachel Howe	Head of Governance, Risk and Assurance
Simon Taylor	Assistant Director – Pensions
Shiventa Sivanesan	Assistant Director – Investment Management and Stewardship
Paul Nevin	Assistant Director – Investment Strategy
Christopher Manning	Head of Finance
Hayley Reid	Regulatory Governance Manager
Laura Parker-Marsden	Governance Support Officer
Simran Chonk	Graduate Management Trainee

Part 1 – items open to the press and public

Item No. *Title*

- 1 Apologies for Absence**
No apologies for absence were received.
- 2 Declaration of Interests**
There were no declarations of interest.
- 3 Minutes of Previous Meeting**

That the minutes of the meeting held on 4 July 2023 be approved as a correct record.

4 **Matters Arising**

The Chair congratulated the Head of Operations on the birth of her baby. There were no other matters arising.

5 **Customer Engagement**

Simon Taylor, Assistant Director – Pensions, presented the report on the Fund's customer engagement activity from 1st April 2023 to 30th June 2023 and covered future planned customer engagement activity in the context of the Fund's Customer Engagement Strategy.

The Board were asked to note the member engagement and communication of the Fund, including the satellite support events, the rollout of the new pensions portal and roadshow events across the region.

Contact volumes via the Fund's member helpline were higher than usual, due to the range of communications issued during the period. Complaint numbers were higher than the previous quarter but remained relatively low against the overall scheme membership.

The Board were asked to note that the next pensioner engagement forum would be held on the 25 October 2023.

In response to a question raised around the uptake of registering to the new portal, the Assistant Director- Pensions was pleased to confirm that circa 30,000 members have registered to date, with further reminders to register being issued imminently.

In response to a question regarding outstanding case work, the Assistant Director- Pensions advised that some case work is dependent upon receipt of data from employers and reassured the Board that data is monitored every quarter and that cases are escalated with employers where appropriate.

Resolved:

1. That the engagement activity and informed service development be noted.

6 **Pensions Administration**

Simon Taylor, Assistant Director – Pensions, presented the report on the routine operational work undertaken by the Pensions Administration Service areas during the period 1 April 2023 – 30 June 2023.

The Fund saw a slight increase in outstanding casework due to work being undertaken with employers prior to a required close down of the system to enable the administration system transition. Additionally, more resources across teams were supporting on the testing and implementation of the new system. The Fund expects to see the impact continue as the new system processes are embedded throughout the year.

The Board were asked to note three KPI's which did not achieve 90% target for the period, despite this the teams did complete more casework in the same period than the previous year. On average, casework across the three KPI's was completed within the timescales.

The Board were asked to note that Committee had approved at the September meeting the 14 applications for admission of employers into the Fund.

In response to a question raised around increased number of transfer-out quotes, the Assistant Director - Pensions explained that there is no specific drive for increase other than members wishing to access benefits at an earlier age, and that appropriate due diligence checks are carried out to ensure a transfer to a safe scheme.

Resolved:

1. That the 14 applications for admission from employers into the Fund as detailed in Section 9 and Appendix E of this report be noted.
2. That the performance and workloads of the key pension administration functions be noted.
3. That the development of the Fund's membership and participating employers be noted.

7

Risk and Assurance

Rachel Howe, Head of Governance, Risk and Assurance, presented the report on the work of the Fund to deliver a well governed scheme, highlighting the current areas of focus in the management of risk across the Fund and reporting that Fund is alive to the ongoing environment as the Funding Strategy Statement is implemented.

In response to a question regarding operational resilience, the Head of Governance, Risk and Assurance confirmed that work is ongoing in this area, noting that the graduate management programme continued to be successful, with a number of graduates obtaining permanent roles. It was further noted that the Fund is a PMI centre of excellence, is an ACCA employer and has retained Gold status for Investors in People. The Executive Director of Pensions explained that as there continues to be a competition for talent within the industry, the Fund continues to develop its people. The Head of Governance, Risk and Assurance also outlined the training and development opportunities alongside equal opportunities within the Fund.

Resolved:

1. That the latest Strategic Risk Register and areas being closely monitored in the current environment be noted.
2. That the Fund's Key Performance Indicators (KPI) and action taken to support service delivery be noted.
3. That the compliance monitoring activity undertaken during the quarter be noted.
4. That the statutory delivery of members' 2023 Annual Benefit Statements be noted.

8 **Annual Report and Accounts**

Christopher Manning, Head of Finance, presented the report on the external audit and finalisation of the Statement of Accounts for the year ended 31 March 2023 and the Annual Report for the 2022/23 year.

The Board were advised that the audit was in its final stages and that as per previous years, the signing of the Fund's annual accounts will take place at the same time as the signing of the City of Wolverhampton Council's accounts. The Head of Finance confirmed that last year's accounts are now complete.

In response to a question raised about preparations for next year's audit, the Head of Finance gave an outline of the Fund's planned meetings with the external auditors in order to be well prepared in advance of next year.

Resolved:

1. That the delegation of the authority to the Chair to approve; the final Statement of Accounts, once the audit is completed, and the final publication of the Fund's 2022-23 Annual Report, agreed by the Committee in June 2023, be noted.
2. That the External Audit plan issued by Grant Thornton and previously circulated to the Committee be noted.
3. That an update on the Fund's External Audit from Grant Thornton be noted.

9 **Investment Governance**

Paul Nevin, Assistant Director Investment Strategy, presented the report and provided an update on routine investment matters. It was noted that the new Investment Strategy Statement was approved in March 2023, with a 3-step plan for implementation over the period to 2025.

In relation to the Fund's responsible investment activities, it was reported that the Fund has retained signatory status to the Stewardship Code and the Assistant Director of Investment Management and Stewardship provided an overview of the outcomes of the Fund's Responsible Investment member survey.

The Assistant Director of Investment Strategy confirmed that the Fund submitted its response to the LGPS (England and Wales): Next Steps on Investment Consultation in October 2023.

A question was asked around the overall effectiveness of investment pooling. The Assistant Director of Investment Strategy summarised that this has indeed been successful in delivering cost benefits and that the Fund is working with partners to now grow that success.

Resolved:

1. That the update on investment governance matters including those in relation to responsible investment and the implementation of investment strategy be noted.
2. That the Fund has retained its signatory status to the UK Stewardship Code, following submission of its third Annual Stewardship Report to the Financial Reporting Council (FRC) in May 2023 be noted.

10

Regulatory Update

Rachel Brothwood, Executive Director of Pensions, presented the report on the regulatory environment, potential forthcoming changes in legislation across the Local Government Pension Scheme (LGPS) and the wider pensions industry.

A brief discussion was held around the Economic Activity of Public Bodies Bill and it was confirmed that further updates on this will follow as the Bill progresses through parliament.

In response to a question raised around potential lifetime allowance changes, the Executive Director of Pensions confirmed that any members who may incur additional tax charges as a result of legislation changes would be alerted to this.

Resolved:

1. That the developments within the current regulatory environment in which the Fund operates be noted.

11

Corporate Plan Monitoring

Rachel Howe, Head of Governance, Risk and Assurance, presented the report on the work of the Fund in achieving its deliverables and targets set out in the Corporate Plan. Key achievements noted include the re-accreditation of Customer Service Excellence and the re-attainment of Investors in People Gold standard.

Resolved:

1. That the work undertaken by the Fund to work towards the goals and ambitions outlined in the Corporate Plan 2023 – 2028 be noted.

12

Exclusion of press and public

Resolved: That in accordance with Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business as they involve the likely disclosure of exempt information falling within the paragraph 3 of Schedule 12A of the Act.

13

Pensions Administration System Transition

Rachel Brothwood, Executive Director of Pensions, presented a report on the progress with the transition of the pension administration system to the new provider, Equiniti and roll out of the new system, Compendia, following provider appointment in November 2021, an 18-month development phase and transition to the “live” environment as planned over Summer 2023.

Resolved:

1. That the progress made in transition of the Fund’s core services following phased roll-out of the new pension administration system be noted.