

Pensions Board

24 January 2023

Report title	Delivering our Corporate Plan	
Originating service	Pension Services	
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Recommendations for action:

The Pensions Board is asked to note:

1. The work undertaken by the Fund to work towards the goals and ambitions outlined in the Corporate Plan 2022 – 2027.

1.0 Purpose

- 1.1 To provide Board with an update on the work of the Fund in achieving its deliverables and targets set out in the Corporate Plan.

2.0 Corporate Plan 2022 – 2027

- 2.1 The Fund adopted its corporate plan in March 2022 following a period of engagement with our Governing Bodies, employees, and customers which helped shape the focus of our service delivery and goals and ambitions for the next five years including;

- People and Customers – providing an inclusive and supportive environment for individuals to develop knowledge and become engaged in pensions.
- Corporate Communications – building on the Fund’s strong customer services proposition to deliver on our ambition to increase accessibility and engage stakeholders.
- Compliance and Risk – building and maintaining integrated assurance, instilling confidence in outcomes.
- Operational Resilience – enhancing the Fund’s ability to flex, adapt and respond to change both through service delivery and developing our people.
- Investment Implementation – reviewing opportunities and changes which support in working towards the longer-term Strategy Asset Allocation Benchmark, align with responsible investment and climate change objectives and aim to build resilience within strategy to deliver the returns required over the long-term.
- Stewardship – engaging to protect and enhance investment outcomes.
- Corporate Responsibility – ensuring we manage our social impact, add social value and continue to support our employees and local community.

- 2.2 During the first quarter of 2022 the Fund remained committed to supporting our people as the final stages of lockdown easing came into effect and the Fund moved to its new offices in I9. This delivered on a number of priorities for the Fund, as it created a welcoming and inclusive environment for our customer base together with enhanced development and learning opportunities for our people with bespoke training facilities as we look to develop our offering to our people and customers. The move to the new office space has also supported our aim of Corporate Responsibility in creating a space that lives up to the standards we seek of our invested assets and supply chain, achieving a Building Research Establishment Environmental Assessment Method (BREEAM) rating of very good in its fit out.

- 2.3 The Fund is committed to act to champion and develop initiatives to support employee wellbeing and inclusion. As a member of the Employer Network for Equality and Inclusion and through involvement in the Diversity Project, focused on the investment and pension saving industry, West Midlands Pension Fund (WMPF) initiatives are currently focused on social mobility (including through apprentice, trainee and graduate opportunities) and neurodiversity (including through dyslexia champions and support), with the Fund welcoming the opportunity to support these dimensions through the nature of its work with both its people and its customers.

- 2.4 Following the period of office closures and online support services through 2020 and 2021, the Fund was able to open its doors once more and visit customers across the region, offering face-to-face engagement to assist members with their pension benefits. Year to date, the Fund has offered face-to-face engagement and training events, alongside online and hybrid support, with feedback continuing to rate very good and excellent. Supporting members with retirement planning and ensuring they are equipped and supported in their decision making has been a key focus and demand for this remains strong as demonstrated by the c2,000 served through the regional roadshows during October/November. As cost-of-living pressures take hold, focus has shifted to supporting members in finding pension savings and increasing awareness of alternatives to opt-out, such as the 50/50 option within the Local Government Pension Scheme (LGPS).
- 2.5 In response, the Fund focussed its delivery on providing an inclusive and supporting environment. Building on the success of last year's active member campaign, the Fund's Member Services team have been recognised for the retirement planning campaign for deferred members, achieving Pensions Communication Initiative of the Year from Professional Pensions, competing against large, private schemes to win the award.
- 2.6 Building on our Operational Resilience, the Fund continues to enhance its service delivery and this year launched a review of its Pension Administration System (PAS) engaging with a new provider to deliver the benefit calculation and member processing system as well as new member and employer portals. The PAS will play a material role in the delivery of core functions, looking to enhance efficiency and provide further development for customer self-service.
- 2.7 In 2021, the Fund was within the first group of UK asset owners and LGPS Funds to report and publish its 2021 Stewardship Code, receiving signatory status from the Financial Reporting Council and the Fund has now achieved renewed signatory status for 2022. In addition, the Fund has completed its initial target disclosures and submitted these to the International Investor Group on Climate Change as progress continues to build from the 2021 Climate Change Framework and Strategy, including the Fund's commitment to Net Zero.

3.0 Looking Ahead

- 3.1 The LGPS, and pension industry generally, continues to be an industry in the spotlight, noting the recent reaction to the market volatility and increased oversight and reporting requirements on LGPS Funds. In addition, the Fund continues to await regulatory guidance on the McCloud remedy and pension dashboard implementation which will require timely and targeted work to implement.
- 3.2 Over the next 6 months the Fund anticipates the outcomes from a number of key statutory consultations, including the Consultation on Governance and Reporting of Climate Change Risks.

3.3 Over the next quarter, focus remains on supporting our people, acknowledging the ongoing competition in the recruitment market as we look to develop our offering as a people development champion, seeking reaccreditation of our Investor in People status, as well as building and enhancing our employee inclusion approach through soft skill development, including broadening of training opportunities for Mental Health First Aiders. Recruitment and retention of the skills and experience required to deliver the wide range of Fund core functions to the standard aspired and expected by Fund stakeholders and regulators remains the greatest delivery risk at this time.

3.4 Triennial funding and investment strategy reviews have been developing over the year and have evolved to reflect the changing market conditions and longer-term outlook. These will move to formal consultation of key policy statements and employer contribution outcomes over the coming weeks, concluding ahead of the statutory deadline of 31 March 2023.

4.0 Financial Implications

4.1 The Fund's delivery of its Corporate Plan and the initiatives developed to support are included in the Fund's budget for 2022/23, an update is provided in the Budget report.

5.0 Legal Implications

5.1 Failure by the Fund to comply with legislation and/or statutory guidance can result in enforcement action and fine from both the Pensions Regulator (tPR) and the Courts via judicial review.

6.0 Equalities Implications

6.1 The Fund undertakes Equality Impact Assessments for all new initiatives with considerations given to Equality and Inclusion in line with guidance from the Employers Network for Equality and Inclusion (ENEI). There are no implications.

7.0 Other Potential Implications

7.1 There are no other implications in this report.

8.0 Schedule of Background Papers

8.1 [Corporate Plan 2022 - 2027](#)

9.0 Schedule of Appendices

9.1 None.