

Staff and Pensions Committee

Date: Monday 4 March 2024
Time: 10.00 am
Venue: Committee Room 2, Shire Hall

Membership

Councillor Yousef Dahmash (Chair)
Councillor Bill Gifford (Vice-Chair)
Councillor Brian Hammersley
Councillor Christopher Kettle
Councillor Sarah Millar
Councillor Mandy Tromans

Items on the agenda:

1. **General**
 - (1) **Apologies**
 - (2) **Disclosures of Pecuniary and Non-Pecuniary Interests**
 - (3) **Minutes of the Previous Meeting** 5 - 10
To confirm the minutes of the meeting held on 11 December 2023.
2. **Our People Strategy Annual Review 2023/24 and Year 4 Plan 2024/25** 11 - 28
3. **Pension Fund Regulatory and Policy Update Report** 29 - 32
4. **Pension Fund Business Plan 2024/25** 33 - 46
5. **Pensions Delegation Update** 47 - 58
6. **Pensions Administration Activity and Performance Update** 59 - 66
7. **Review of the Minutes of the Warwickshire Local Fire Pension Board of 6 November 2023** 67 - 74
8. **Employers Joining and Leaving the Warwickshire Pension Fund** 75 - 78

9. Future Meeting Dates

The Committee will meet at 2pm on the following dates:

- Monday 10 June 2024
- Monday 9 September 2024
- Monday 9 December 2024
- Monday 10 March 2025

Monica Fogarty
Chief Executive
Warwickshire County Council
Shire Hall, Warwick

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Disclosures of Pecuniary and Non-Pecuniary Interests

Members are required to register their disclosable pecuniary interests within 28 days of their election of appointment to the Council. Any changes to matters registered or new matters that require to be registered must be notified to the Monitoring Officer as soon as practicable after they arise.

A member attending a meeting where a matter arises in which they have a disclosable pecuniary interest must (unless they have a dispensation):

- Declare the interest if they have not already registered it
- Not participate in any discussion or vote
- Leave the meeting room until the matter has been dealt with
- Give written notice of any unregistered interest to the Monitoring Officer within 28 days of the meeting

Non-pecuniary interests relevant to the agenda should be declared at the commencement of the meeting.

The public reports referred to are available on the Warwickshire Web
<https://democracy.warwickshire.gov.uk/uuCoverPage.aspx?bcr=1>

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Staff and Pensions Committee

Monday 11 December 2023

Minutes

Attendance

Committee Members

Councillor Bill Gifford (Vice Chair in the Chair)
Councillor Brian Hammersley
Councillor Christopher Kettle
Councillor Mandy Tromans

Officers

John Cole, Senior Democratic Services Officer
Jan Cumming, Senior Solicitor and Team Leader, Commercial and Contracts
Lisa Eglesfield, Team Lead – Benefits
Andy Felton, Director of Finance
Liz Firmstone, Head of Finance Transformation and Transactions
Martin Griffiths, Technical Specialist – Pension Fund Policy and Governance
Bal Jacob, Director of Workforce and Local Services
Vicky Jenks, Pensions Administration Delivery Lead
Sally Waldron, Assistant Chief Fire Officer

1. General

The Chair highlighted that Vicky Jenks (Pensions Administration Delivery Lead) would shortly leave Warwickshire County Council to join another local authority. On behalf of the Committee, he thanked Vicky Jenks for her dedication and for the high-quality support she had provided to the Committee.

(1) Apologies

Apologies for absence had been received from Councillor Yousef Dahmash (Chair) and Councillor Sarah Millar.

(2) Disclosures of Pecuniary and Non-Pecuniary Interests

There was none.

(3) Minutes of Previous Meetings

Resolved:

That the minutes of the meetings held on 11 September 2023 and 22 November 2023 be

approved as an accurate record and signed by the Chair.

There were no matters arising.

2. Regulatory and Policy Update Report

Martin Griffiths (Technical Specialist – Pension Fund Policy and Governance) introduced the report which provided a summary of recently reviewed Pension Fund policies and gave an update on regulatory developments in the pensions arena. The report included details of proposed changes to the Fund’s Conflicts of Interest Policy for which approval was sought from the Committee. He advised that the Cyber Security Policy had also been reviewed by Fund officers. The revised version would be presented to the Committee at the next meeting. Cyber security had been identified as a high risk; therefore, consideration would be given to commissioning an external consultant to also review the Policy.

Martin Griffiths advised that input from Hymans Robertson had been sought to inform the review of the Conflicts of Interest Policy. Hymans Robertson had recommended that reference be made to the relationship between the Fund and Border to Coast Pensions Partnership (BCPP) as well as the relationship between the Fund and Warwickshire County Council, where possible conflicts may arise. The proposed changes were highlighted within the updated Conflicts of Interest Policy appended to the report. He provided a summary of the regulatory and general Local Government Pension Scheme (LGPS) updates within the report.

Councillor Kettle highlighted that the updated Conflicts of Interest Policy included a proposed amendment that “to mitigate the risk of conflict... the role of Section 151 Officer for the Pension Fund is held by the Director of Finance while the role of Section 151 Officer for the Council is held by the Executive Director for Resources”. He queried what provision would be made during the interim period following the departure of Andy Felton (Director of Finance) from the organisation.

Andy Felton (Director of Finance) advised that recruitment for a new Director of Finance was progressing, and internal interim arrangements existed through Virginia Rennie (Head of Strategic Finance) should there be a gap between Andy’s departure and the new Director starting. Specifically on pensions, Rob Powell (Executive Director for Resources) remained Section 151 Officer and would be more involved with the Pension Fund as the transitional arrangements progressed.

Councillor Kettle moved that the recommendations be accepted and was seconded by Councillor Tromans. This was supported unanimously by the Committee.

Resolved:

That the Staff and Pensions Committee:

1. Notes the updates contained within the report; and
2. Approves the changes proposed to the Fund’s Conflicts of Interest Policy.

3. Pensions Administration Activity and Performance Update

Vicky Jenks (Pensions Administration Delivery Lead) introduced the report which outlined key developments affecting pensions administration and the performance of the Pensions Administration Service (PAS). She reported that the PAS had continued to promote the Member Self Service (MSS) scheme. She advised that the latest figures showed take up of MSS by active members at 33.9%, for deferred members this was 24.2%, and for pensioners, 29.8%. She advised that the PAS made use of opportunities to promote MSS when circulating bulletins. For example, the recent update to members on the McCloud Remedy included a plug for MSS.

Vicky Jenks provided a summary of Pensions Administration Key Performance Indicators (KPIs), as well as details of Pensioner Payroll KPIs, workloads, breaches, the McCloud Project, and pensions dashboards.

In respect of the McCloud Remedy, the Chair noted that the PAS was now able to process all cases going forward from 1 October 2023, and apply the underpin where required, which avoided backlogs. He praised the work that had gone into making this possible.

In response to the Chair, Vicky Jenks advised that pension funds which had adopted MSS earlier than Warwickshire Pension Fund had achieved take up of around 50%. The Fund was close to this level which was positive given that MSS was at an earlier stage. It was not targeted to achieve 100% take up as it was acknowledged that, for a variety of reasons, MSS would not be used by all members. However, continued promotion could see take up of around 50% by the end of 2024 which would be a significant achievement.

Councillor Tromans moved that the recommendation be accepted and was seconded by Councillor Kettle. This was supported unanimously by the Committee.

Resolved:

That the Staff and Pensions Committee notes the content of the report.

4. Employers Joining and Leaving the Warwickshire Pension Fund

Vicky Jenks (Pensions Administration Delivery Lead) introduced this report which provided details of academies and contractors that had applied to join the Pension Fund. It also gave details of an existing employer that had left the Fund for which cessation arrangements would be made. More information about these arrangements would be provided at the next meeting.

In response to Councillor Hammersley, Vicky Jenks advised that each employer was evaluated to ensure that it could cover its own assets and liabilities. When an employer left the Fund, a cessation report was produced which included details of the employer's asset and liability level at the point of its exit from the Fund. At this stage, the PAS would ensure that money was paid to Fund if there was a deficit. Alternatively, an exit credit could be paid if the employer was in credit.

Councillor Kettle moved that the recommendations be accepted and was seconded by Councillor Tromans. This was supported unanimously by the Committee.

Resolved:

That the Staff and Pensions Committee delegates authority to the Executive Director for Resources:

1. To approve applications to the Pension Fund from the employers listed in Appendix 1 of the report, subject to the applications meeting the criteria set out in the Local Government Pension Scheme Regulations 2013; and
2. To facilitate those employers listed in Appendix 1 of the report to exit the Pension Fund.

5. Review of the Minutes of the Warwickshire Local Fire Pension Board Meetings of 5 June 2023 and 25 September 2023

Vicky Jenks (Pensions Administration Delivery Lead) advised that following discussion with the Chair of the Staff and Pensions Committee, Councillor Yousef Dahmash, it had been resolved to include a summary of key points from meetings of the Local Fire and Rescue Local Pension Board in future reports to the Committee.

Councillor Hammersley moved that the recommendation be accepted and was seconded by Councillor Tromans. This was supported unanimously by the Committee.

Resolved:

That the Staff and Pensions Committee notes the minutes of the meetings of the Warwickshire Fire and Rescue Local Pension Board of the Firefighters' Pension Scheme of 5 June 2023 and 25 September 2023.

6. Reports Containing Exempt or Confidential Information

Resolved:

That members of the public be excluded from the meeting for the items mentioned below on the grounds that their presence would involve the disclosure of exempt information as defined in paragraph 3 of Schedule 12A of Part 1 of the Local Government Act 1972.

7. Exempt Minutes of the Previous Meeting

Resolved:

That the exempt minutes of the meeting held on 11 September 2023 be approved as an accurate record and signed by the Chair.

There were no matters arising.

8. Future Meeting Dates

The Committee noted the dates of future meetings.

The meeting rose at 14.35.

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Chair

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Staff and Pensions Committee

4 March 2024

Our People Strategy Annual Review 2023/24 and Delivery Plan 2024/2025

Recommendation

That the Committee notes the activity as set out in the 2023/24 Annual Review of Our People Strategy and endorses the 2024/25 Our People Strategy Delivery Plan.

1. Executive Summary

- 1.1 The refreshed Our People Strategy 2020-2025 was originally endorsed by both the Resources and Fire & Rescue Overview and Scrutiny Committee and Staff and Pensions Committee in December 2020. Since this date, the Strategy has returned to both committees on an annual basis to review and endorse the plans for the coming year.
- 1.2 The Annual Review of Our People Strategy, at Appendix 1, showcases and celebrates the activity and performance against our organisational priorities supported by HROD over the previous year, and considers the performance data, the current context and details the key priorities for the coming year.
- 1.3 Whilst some of our major projects and initiatives will continue into 2024/25, we have identified some key activities to best support the delivery of the Council Plan and respond to the internal and external employment challenges we are currently facing. These include the Council's key priority themes of strategic workforce planning; reward and recognition; recruitment and retention; leadership; and EDI and wellbeing.
- 1.4 The key priorities have been considered and endorsed by Corporate Board and the Resources and Fire & Rescue Overview and Scrutiny Committee and have been updated to reflect their feedback.
- 1.5 Following approval from Members, the Annual Review will be shared with a wider audience to support the Council's ongoing Employee Offer and the ongoing recruitment and retention of our people by continuing to confirm our commitment to making Warwickshire a great place to work.

2. Financial Implications

2.1 None

3. Environmental Implications

3.1 None

4. Supporting Information

4.1 The following outlines our year three achievements, our measures and our proposed priorities for 2024/2025. These focus around:

- Strategic Workforce Planning
- Recruitment and Retention
- Reward and Recognition
- Leadership
- EDI and Wellbeing

4.2 Culture Leadership and Performance

Year 3

- Wellbeing check-in, flu vaccinations, procured Occupational Health and EAP Provider and refreshed attendance policy.
- Community teams project.
- Updated agile working principles.
- Launched approach to EDI, changes to socio mobility recording and refreshed bullying and harassment policy.

Measures

- YourSay engagement levels and EDI indicators remained positive.
- Absence has started to increase.

2024/25

- Proactive action to reduce absence, maximise wellbeing offer and gain Silver Thrive accreditation.
- Embed approach to EDI, work closer with network groups, maximise employee experience for people with disabilities and support the levelling up agenda.

4.3 **Leadership**

Year 3

- Launched leadership approach, offer and development programme.
- Launched first HR dashboards for managers.

Measures

- YourSay Engagement scores for our leaders and managers remained positive.

2024 /2025

- Embed leadership approach and develop a manager's guide.
- Further develop dashboards for managers

4.4 **Organisational Development and Design**

Year 3

- Strategic Workforce planning Pilot.
- Reviewed our Tier 1-4 job titles.

Measures

- Headcount has increased by 3.7%.

2024 /2025

- Implement our strategic workforce planning framework.
- Review our establishment process.
- Build data driven culture and develop data literacy capability.

4.5 **Performance**

Year 3

- Refreshed Performance Improvement Policy.

Measures

- Our YourSay High Performance culture score remained positive.

2024 /2025

- Scope our approach to performance.
- H&S performance Management system.

4.6 **Reward and Recognition**

Year 3

- Consolidation of benefits offer, with development of newsletter, gym memberships, share cost AVCs and lease cars.
- Started to review approach to pay and reward and updated market supplement policy.
- Updated our Star and Long Service Awards.

Measures

- 82% of our people are committed to working here.

2024 /2025

- Continue to review our reward and recognition strategy.

- Showcase our benefits offer, implement Cost Share AVCs and Lease Cars schemes and continue to review other opportunities.

4.7 **Talent Development and Career Opportunities**

Year 3

- Recommissioned our temporary agency workers' contract.
- Increased our work experience placements.
- Consolidation of career pathways
- Review of our Learning and Development offer

Measures

- Management of 1000+ WCC recruitment campaigns
- 91% satisfaction across all L&S programmes.

2024 /2025

- Onboard and embed our temporary agency workers' contract.
- Strategic review of resourcing model
- Scope our approach to talent development
- Develop a grow our own toolkit and widen apprenticeship and graduate opportunities.

4.8 **HR Service Improvements**

Year 3

- Refreshing key policies and legislative changes around holiday pay, Fire HMIC Spotlight requirements
- Starters Leavers and Movers (SLAM) review
- Scoping future HROD System requirements

2024/2025

- Implement SLAM outcomes.
- Changes regarding family friendly legislation

4.9 Full details of the proposed activities can be found on page 9 of appendix A.

Appendices

1. Appendix 1 - Our People Strategy Annual Review (2023/24) and 2024/25 Delivery Plan

Background Papers

None.

| | Name | Contact Information |
|--------------------|--|--|
| Report Author | Kate Sullivan, Interim Head of Strategic HR | katesullivan@warwickshire.gov.uk |
| Director | Bal Jacob Director, Workforce and Local Services | baljacob@warwickshire.gov.uk |
| Executive Director | Rob Powell Executive Director for Resources | robpowell@warwickshire.gov.uk |
| Portfolio Holder | Councillor Dahmash Portfolio Holder for Customer & Transformation | yousefdahmash@warwickshire.gov.uk |

The report was circulated to the following members prior to publication:

Local Member(s): not applicable

Other members: Councillors Dahmash and Gifford

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OUR PEOPLE

Focus on Our People Strategy

Annual Review - 2023/24 & 2024/25 Plan.

Warwickshire County Council, a great place to work where diverse and talented people are enabled to be their best.



Our People Strategy

Warwickshire's Story



We are now entering the fourth year of Our People Strategy and I am once again pleased to introduce our annual review, which updates on progress made in 2023/2024 and the planned priorities for 2024/2025

It has been good to see so many examples of innovative activity to deliver our people strategy and continuing positive engagement and feedback from our people about the Council as a place to work. We still have much to do and are looking forward to continuing our journey to make Warwickshire a great place to work, where diverse and talented people are enabled to be their best.

Highlights from the last year have included the introduction of a new leadership offer, reviewing our benefits offer and the development of workforce dashboards, to support of workforce planning ambitions.

As we move forward, we have identified a number of priority activities under the key themes of:

- Strategic workforce planning
- Recruitment and Retention
- Reward and recognition
- Leadership
- Equality, diversity inclusion and wellbeing

Our people are at the heart of our success, and therefore prioritising their experience through the Our People Strategy, enables us to thrive and deliver great outcomes for the residents of Warwickshire.

At a glance

The Our People Strategy provides direction and focus for the development and implementation of a range of projects and initiatives under six building blocks. A summary of our year 3 2023/24 activity, measurement of success and priority actions for year 4 2024/25 are as follows:

Culture Leadership and behaviours

Year 3

- Wellbeing check-in, flu vaccinations, procured Occupational Health and EAP Provider and refreshed attendance policy.
- Community teams project.
- Updated agile working principles.
- Launched approach to EDI, changes to socio mobility recording and refreshed bullying and harassment policy.

Measures

- YourSay engagement levels and EDI indicators remained positive.
- Absence has started to increase.

2024 /2025

- Proactive action to reduce absence, maximise wellbeing offer, and gain Silver Thrive.
- Embed approach to EDI, work closer with network groups, maximise employee experience for people with disabilities and support the socio-mobility agenda

Leadership

Year 3

- Launched leadership approach, offer and development programme.
- Launched first HR dashboards for managers.

Measures

- YourSay Engagement scores for our leaders and managers remained positive.

2024 /2025

- Embed leadership approach and develop a manager's guide.
- Further develop dashboards for managers

Organisational Development and Design

Year 3 –

- Strategic Workforce planning Pilot.
- Reviewed our Tier 1-4 job titles.

Measures

- Headcount has increased by 3.7%.

2024 /2025

- Implement our strategic workforce planning framework.
- Review our establishment process.
- Build data driven culture and develop data literacy capability.

Performance

Year 3

- Refreshed Performance Improvement Policy

Measures

- Our YourSay High Performance culture score remained positive.

2024 /2025

- Scope our approach to performance
- H&S performance Management system

Reward and Recognition

Year 3

- Consolidation of benefits offer, with development of newsletter, gym memberships, share cost AVC's and lease cars.
- Started to review approach to reward & recognition and updated market supplement policy.
- Updated our Star and Long Service Awards

Measures

- 82% of our people are committed to working here.

2024 /2025

- Continue to review our reward & recognition strategy.
- Showcase our benefits offer, implement Cost Share AVC's and Lease Cars schemes and continue to review other opportunities.

Talent Development and Career Opportunities

Year 3

- Recommissioned our temporary agency worker's contract.
- Increased our work experience placements.
- Consolidation of career pathways.
- Review of our Learning and Development offer.

Measures

- Management of 1000+ WCC recruitment campaigns
- 91% satisfaction across all L&S programmes.

2024 /2025

- Onboard and embed our temporary agency worker's contract.
- Strategic review of resourcing model.
- Scope our approach to talent development.
- Develop a grow our own toolkit and widen apprenticeship and graduate opportunities.

HR Service Improvements

Year 3

- Refreshing key policies and legislative changes around holiday pay, Fire HMIC Spotlight requirements
- Starters Leavers and Movers (SLAM) review
- Scoping future HROD System requirements

2024/2025

- Implement SLAM outcomes.
- Changes regarding family friendly legislation

Focus on Our People Strategy



Through the later end of 2020, the council refreshed its Our People Strategy, to drive through the vision of Warwickshire County Council, a great place to work where diverse and talented people are enabled to be their best.

Embodying our Values and Behaviours, the Our People Strategy is built on 6 building blocks:

Our Values



Our People Strategy building blocks

The building blocks provide the foundations for the delivery of Our People Strategy vision. We have identified six key building blocks:



Our behaviours

Our behaviours were first introduced in 2016 and these haven't changed. Our behaviours frame how we should behave at work. They help us to understand how we should go about our work and the way we should interact with each other and our customers.



HROD How We Work



THIS IS THE DIFFERENCE YOU MAKE



Achievements 2023/2024 – against our Priorities

Leading Organisational Wellbeing

The wellbeing check in took place in the summer, which saw an increase in our wellbeing score, provided priority areas of focus for our wellbeing offer going forward and will support with the evidence required to apply for Silver Thrive accreditation in Summer 2024. We are now working with our re-commissioned occupational health and employee assistance providers, to maximise the wellbeing offer. The flu vaccination campaign delivered over 700 on site vaccinations, in 5 locations across the county.

Our Approach to EDI

Our commitment to EDI has been drafted and ready to be launched. In terms of social mobility, we have refreshed the questions we ask, so we can start to better understand our workforce, we have also increased the number of work experience placements offered this year.

How we work

A review of our approach to agile working has been completed.

Workload

Workload continues to be a theme from our YourSay surveys, we have developed a set of resources to support managers and teams in ensuring manageable workloads.

Community teams

Delivered a project to research engagement, wellbeing and communications experiences - and associated business challenges - experienced by Community Teams. Working towards an equitable and inclusive offer and has resulted in a number of actions for HR, Marketing and Comms and ICT to take forward and progress as well as sharing existing good practice between community teams.

People Metrics for Managers

The dashboard has been launched and will support managers with their strategic workforce planning activity.

Leadership Approach

We have launched the leadership approach and wider offers, as well as the leadership development offer, which incorporates step up to management for aspiring leaders, conscious leadership for new managers, Leadership in action for existing managers and Inspiring leadership for our Senior Leadership Team. We have also reviewed the job titles at Tier 0-4 to bring them more in line with our competitors to support recruitment and retention.



Performance and Appraisal Frameworks

Annual refresh of the Tier 0-3 performance Framework, along with targeted support to increase appraisal completion recording.

Performance improvement procedure

Refreshed the capability policy in line with our policy framework and relaunched as the performance improvement procedure.



Strategic Workforce Planning

Working with West Midlands Employers and the Chartered Institute of Personnel Development, we have undertaken a Strategic Workforce planning pilot with 8 service areas, evaluated its success and started to develop a framework for use across the organisation. Continue to ensure our structures are fit for purpose and any changes are smoothly implemented.



Pay and Reward

Undertaken an initial review of our approach to pay and reward, updated the Market Supplement policy and continue to consider future development.



Recognition

We have refreshed the Star Award categories and have had an amazing number of nominations from across the council with an award ceremony taking place in March 2024. We have also completed a light touch review on our Long Service Award, with a biennial event, the first of which is due to take place in Summer 2024.

Benefits

We have consolidated our benefits and developed a newsletter for colleagues, to ensure all are aware of what is on offer. We have also investigated introducing lease cars and beneficial changes to the AVC offer, both of which are due to be implemented in April 2024.



Recruitment and Retention Approach

The strategic workforce planning pilot has identified some key areas for development. We are re-commissioning our temporary agency worker's contract. Our specialist recruitment team continue to proactively support leaders with key recruitment campaigns.

Apprenticeships

We have trialled an Apprenticeship First approach and will be looking to take this forward in key areas of the business. We have also increased the number of Children's Social work degree apprenticeships and currently have 40 Social Work apprentices.

Learning and Development

Service Improvements across HROD

Some key service improvements that have taken place across our One HROD service, including both our Strategy and Commissioning team and our People Solutions Delivery team:

- **Policy, legal and compliance** we have undertaken a compliance review on all our policies and continued to review a number of our policies, in line with our policy framework. We have also worked on some key pieces of legislation including the Harper V Brazel findings and are preparing for the upcoming changes to carers leave and Flexible working rights. We responded to the HMIC Fire Spotlight Report, by rolling out a DBS process within the service.
- **HR Commercial Strategy** – onboarding new customers, reviewing our HR Advisory offer to schools and revamped our Warwickshire Education Service HR Newsletter, which has received great feedback.
- **Approach to Health and Safety** – refreshed policy and roles and responsibilities and developed the lone worker guidance.
- **HR Service Data metrics** – Developed a set of service metrics to better understand our performance.
- **Service offer** – with the high-level structure changes within the organisation, both HR Strategy and Delivery has been brought together and joined by Local Services, under one Directorate – Workforce and Local Services. As a management team, we have been considering how we can best support the organisation and are looking to implement a structure to maximise our impact.
- **Service Simplification** – HROD system requirements scoping. refreshing the landing page of the HR intranet. Our HR Advisory community of practice has been working through some key policies, to support our own learning and improve the service offered to managers. The SLAM project has looked at the end of end process of starters, leavers and movers, and looks to implement changes which will simplify the process for managers and provide a warm welcome for employees new to Warwickshire. There has been enhancements to the HR Service Desk on Hornbill, our customer system, to make it simpler and easier to use and to add wider HR service to the platform.
- **HROD wellbeing** – Within the HR delivery service, we have reviewed our YourSay Survey results to gain more insight into our employee experience and as a result have introduced new initiatives such as lunchtime learn sessions, revised team principles, and have sought more regular feedback to inform our ways of working and enhance wellbeing. The HR strategy team have undertaken a series of team development sessions to understand each other better to maximise our performance.

Awards and Recognition



Warwickshire County Council Star Awards:

9 separate nominations for teams/individuals in workforce services



Diversity, Inclusion and Wellbeing Team, submitted Warwickshire County Council to be accredited with the Inclusive Employer Standard Silver



Leading Organisational Wellbeing Group, achieved Bronze status, and aiming to achieve Silver in Summer 2024.



Disability Confident Employer Status Level 2 renewed during Autumn 2023.

HR: Our year in numbers

Across the HROD service, as well as the achievements listed, we have delivered the following activity:

85,000

HROD intranet page hits

136

School HR & Payroll Customers

11

External Customers

209

School H&S Customers

16

Tender opportunities received

HR advisory/HR change

- 651 formal cases supported
- 52 change projects supported
- 18 Subject Access requests
- 727 queries from schools
- 128 jobs graded



Health and Safety

- 109 training programmes delivered
- 54 DSE assessments
- 199 workplace inspections
- 238 eye test vouchers issued
- 892 occupational health referrals



HROD Improvement

- 221 communications produced
- 369 intranet and document updates completed
- 15 processes written, reviewed and improved
- 93 FOIs completed



Customer experience

- 25,203 customer connections (email, call, chat)
- 0.3 day average response time
- 5 structure changes implemented



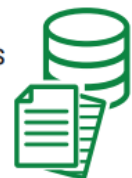
Organisational Development

- 2887 Your Say survey responses
- 252 STAR Award nominations
- 16 team development sessions
- 76 colleagues recognised for long service



Payroll

- 393,836 payslips produced
- £493.2 Million pound paid through the payroll
- 40 different payrolls processed
- 13 pay awards
- 7,717 payroll queries



People Skills

- 170 apprentices supported
- 28 apprentices recruited
- 18,777 delegates completed training
- 319 courses delivered



Recruitment

- 1,009 WCC jobs posted
- 1,456 traded jobs posted
- 722 new starters onboarded
- 9,590 DBS checks countersigned



Equality, Diversity, Inclusion & Wellbeing

- 46 Equality Impact Assessments supported
- 42 training courses delivered
- 1,285 attended training
- 710 vaccinated through on-site clinics
- 10 staff networks supported

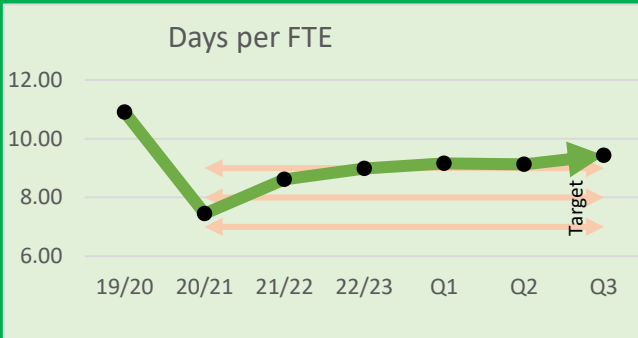


Measuring Our Success

Across One HR the following Key Business Measures (KBM's) that are reported to Cabinet and Key Business Indicators (KBI's) reported to Corporate Board on a quarterly Basis. The following shows our performance trend.

Key Business Measures

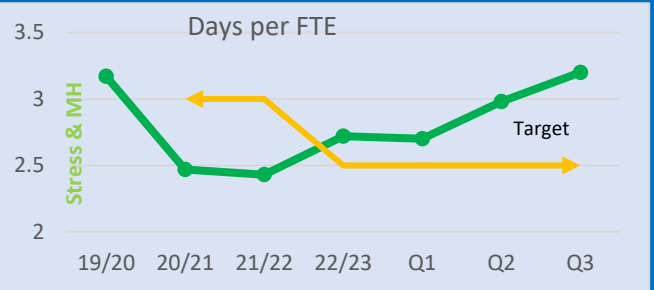
Sickness Absence Trend



Absence has increased this year and is now outside of target and therefore is a key priority.

Key Business Indicators

Stress and Mental Health Reason Trend



Stress & MH absence has increased this year and is now above target.

Employee Engagement

Engagement Score
79%

22/23 = 76% Target = 78%

Response Rate
56%

22/23 = 43%/40%,
2025 Target = 70%

Employee Engagement increased again over the last year and it is pleasing to see an considerable increase in our response rate as we continue to work towards our 2025 target.

Engagement Indicators

Wellbeing

82% (77% 22/23)

Proud to work for WCC

83% (80% 22/23)

Safe to be authentic self

78% (79% 22/23)

The combined wellbeing score has increased. There has been an increase in Proud to work for WCC, and a very slight decrease in safe to be authentic self. With all being over 75%.

Pay Gaps

Gender

0.4%

Ethnicity

-0.2%

Disability

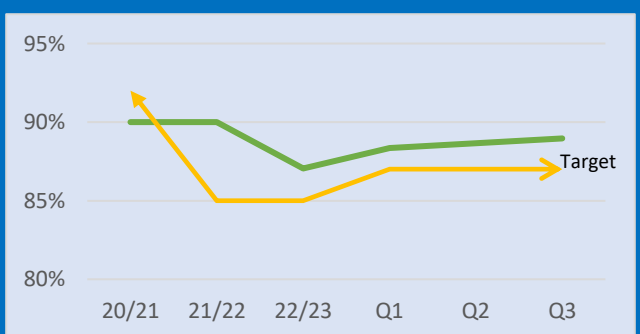
5.4%

Target 0% (+/-5%)

All gender and ethnicity mean pay gaps are within target and are all closer to 0% compared with 2021/22, our disability gap has increased and is now outside of target.

- Gender down from 2.4% and below the ONS national average of 14.3%
- Ethnicity has changed from plus 0.2% but remains the same distance to 0.
- Disability has increased from 2.4%.





Retention






Retention has increased, and is currently 88.65%, which is now on the revised target of 88%

Priority Actions 2024/2025 -

Having considered our achievements over the last year, along with our performance measures, and through engagement with our Senior Leadership Forum and other key stakeholders, as well as assessing the external factors of the employment market, we have considered the following priorities will have the biggest impact on our people in 24/25:

| | | |
|---|---------------------------------------|---|
| Culture, Values and Behaviours  | Wellbeing | <ul style="list-style-type: none"> • Proactive action to reduce our absence rates, long term sickness and stress and mental health sickness. • Maximise our wellbeing offer through our links with our Occupational Health and Employee Assistant Programme Providers and maintain and review initiatives already in place. • Achieve Silver Thrive at Work Accreditation |
| | EDI | <ul style="list-style-type: none"> • Embed our approach to EDI • Work more closely with our network groups, listening more and ensuring our policies meet the needs of all our people. • Maximise opportunities to improve the employee experience for people with disabilities. • Support the levelling up agenda by refining our social mobility data, and target actions to create positive change to ensure our workforce reflects our communities. |
| | Health and Safety (H&S) | <ul style="list-style-type: none"> • Improve our approach to the management of H&S which will continue to support and strengthen the Council's H&S Culture. |
| | Policies | <ul style="list-style-type: none"> • Continue to review and update our policies to ensure that they meet legislative requirements, are principle based, support our people and managers and reflect the tone and voice of the organisation and enable the organisation. |
| | Engagement | <ul style="list-style-type: none"> • Continue to engage with our People using our annual Your Say Survey, our employee forums and community teams, where we listen and hear the voice of our people. Ensuring their voice informs our actions. |
| Leadership  | People Metrics | <ul style="list-style-type: none"> • Launch and embed a number of HR Dashboards, to enable managers to better understand their team performance to take informed decisions to manage their workforce in the most effective way. |
| | Leadership Offer | <ul style="list-style-type: none"> • Embed our leadership approach and develop a managers guide that focuses on simplification. |
| Performance  | Performance Framework | <ul style="list-style-type: none"> • Scope our approach to performance, which will replace the current performance and appraisal frameworks. |
| | H&S Performance Management | <ul style="list-style-type: none"> • Ensure that we understand our health and safety (H&S) performance by introducing technology to support our approach to the management H&S |
| Organisational Development and Design  | Strategic Workforce Planning | <ul style="list-style-type: none"> • Implement and embed an approach to Strategy Workforce Planning to provide insight and challenge as well as providing HROD with common themes to inform priority actions around talent management, Talent acquisition and succession planning. • Ensure the HROD Service support the organisation to change and transform to meets its ongoing needs of the Council Plan and the MTFs. |
| | Establishment | <ul style="list-style-type: none"> • Review our establishment process to better understand our workforce size and capacity and the associated costs. |
| | Data | <ul style="list-style-type: none"> • Enhance the organisation's ability to understand and communicate data as insightful information by supporting the organisation to deliver our data |

| | | |
|--|---|--|
| | | roadmap by ensuring we build a data driven culture and develop data literacy capability. |
| Reward and Recognition  | Reward | <ul style="list-style-type: none"> Continue to review our Reward and Recognition strategy and plan for future |
| | Our Employee Offer | <ul style="list-style-type: none"> Showcase the employee offer and benefits for our people to support our aim to be an employer of choice and to improve recruitment and retention. Embed the lease car and cash AVC schemes, and continue to review other opportunities, in line with the feedback from our people |
| | Recognition | <ul style="list-style-type: none"> Scope developments to our current recognition arrangements at a more frequent and local level. |
| Talent Development and Career Opportunities  | Recruitment and Retention | <ul style="list-style-type: none"> Undertake a strategic review of the current resourcing model to develop a modern, inclusive and proactive service that supports us to be competitive and fit for purpose and future focussed. Onboard and embed our new temporary agency contract and start to develop a strategic partnership approach |
| | Talent Management/ Growing our Own | <ul style="list-style-type: none"> Scope our approach to talent development Develop a toolkit approach for growing our work to widen apprenticeship and graduate opportunities and to develop more career pathways. |
| | Skills profiling | <ul style="list-style-type: none"> Develop our approach to collating the skills across the organisation to enhance workforce modelling, support organisational change initiatives and improve resources planning. |
| Strategic People and HROD Service Improvements  | Horizon scanning | <ul style="list-style-type: none"> Ensure the organisation is ready to adopt any changes in employment law. Focus includes carers leave, flexible working rights, and a potential review of EU derived employment law along with potential industrial action. |
| | HR Commercial Strategy | <ul style="list-style-type: none"> Develop our commercial strategy to ensure that our traded activity is commercially viable and resilient and enhances our provision of core services. |
| | Data Metrics | <ul style="list-style-type: none"> Continue to consider our service performance metrics, ensuring this right data is collected and that we are measuring customer satisfaction across all our delivery functions. |
| | Agree our service offer, | <ul style="list-style-type: none"> Embed our new structure and review our service offer in line with predicted headcount, with the organisation, ensuring that we are adding the most value. |
| | Service Simplification | <ul style="list-style-type: none"> Identify priority areas using customer insight and data to improve customer experience and address existing areas of high failure demand, implement the SLAM project outcomes |
| | HROD Wellbeing | <ul style="list-style-type: none"> ensure the wellbeing of our teams, especially during busy periods, maximise the retention of our talent |
| | Systems and processes | <ul style="list-style-type: none"> Consider the impact of Digitalisation and AI for HR Work with the organisation to understand, scope and agree our future HROD System requirements. |

2023/2024 has been another successful year for delivery against the Our People Strategy. Listening and responding to the voice of our people and leaders, as well as developing our service to best enable the organisation to thrive, our key achievements include:

Benefits Offer
 regular newsletters, gym memberships, Cost shared AVC's and lease cars

Community Teams
 how we best engage with our community teams, putting actions in place to develop communication and enabling best practice to be shared between teams.

YourSay surveys
 on wellbeing and engagement have produced positive results on what we do well and provided some areas of focus for improvements.

Leadership
 Launched our approach to Leadership and our differentiated leadership programme to enable our leaders to be the best they can be.

Annual Reviews
 Told our story through reviews for Engagement, Wellbeing, Health and Safety and Equality, Diversity and Inclusion, celebrating our successes and providing focus for further work.

Strategic Workforce Planning
 Worked with the CIPD and West Midlands Employees to undertake a pilot which is being evaluated and will be developed into an approach for use across the Council to ensure our workforce is fit for the future.

Bringing HR Strategy and Delivery together, along with Local Services, under one Director

We have continued to support our people and enabled them to continually deliver for the communities that we serve.

Our HROD Delivery colleagues have had another busy and successful year, delivering effectively against increasing demand for HROD services.

Whilst some of our major projects and initiatives will continue into 2024/2025, we have identified some key activities to best support the delivery of the Council Plan and respond to the internal and external employment challenges we are currently facing, particularly around our following key priority themes:

Strategic Workforce Planning

Reward and Recognition

Recruitment and Retention

Leadership

EDI and Wellbeing

We will continue to develop the HR service that we can all be proud of, to sustain exceptional service delivery for our colleagues and service users.

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Staff and Pensions Committee

4 March 2024

Pension Fund Regulatory and Policy Update Report

Recommendation

That the Committee notes and comments on the updates contained within this Report.

1. Executive Summary

- 1.1 This Report confirms the findings of the annual review of Pension Fund policies. Any significant changes recommended to any policy are confirmed in the body of this report.
- 1.2 This Report also provides a regulatory update of the Local Government Pension Scheme (LGPS) over the last quarter.

2. Financial Implications

- 2.1 There are no financial implications arising directly from this Report.

3. Environmental Implications

- 3.1 There are no environmental implications arising from this Report.

4. Supporting Information

Warwickshire Pension Fund Policies

- 4.1 The Warwickshire Pension Fund Cyber Security Policy has been referred to Aon Hewitt for them to carry out a full review of its contents. Following the review, it should ensure the Fund meets the requirements for Cyber Security in the General Code of Practice on this subject. Training for all Committee members, Board and officers will also be arranged.
- 4.2 The Fund's Business Continuity Plan has been updated to reflect changes in personnel within the Fund. Officers will, however, be revisiting this document as Warwickshire County Council has a new version that teams within the County Council need to complete.

- 4.3 The Fund's Governance Process Review will be updated as soon as officers have checked all the requirements of the Pension Regulators General Code of Practice are met. This should be completed over coming months. Additional changes may also be required following the publication of the Scheme Advisory Board's 'Good Governance Review'. The Committee may recall that from the Hymans Robertson training last year that it is possible that changes may be required to the structure of the current Pension Committees in order to comply with the recommendations.
- 4.4 The Fund's Internal Dispute Resolution Procedure guidance has been reviewed but no material changes were required. This is the procedure that is followed by Pension Fund members, generally to raise an official complaint about a decision that has been made relating to their pension benefits.

Regulatory Updates for the Local Government Pension Scheme

Member Contributions

- 4.5 The 2024/25 employee contribution bands set out the employee contribution bands effective from 1 April 2024. These are calculated by increasing the 2023/24 employee contribution bands by the September 2023 CPI figure of 6.7% and then rounding down the result to the nearest £100.

| Band | Actual Pension Pay | Main Section Contribution Rate | 50/50 Section Contribution Rate |
|-------------|---------------------------|---------------------------------------|--|
| 1 | Up to £17,600 | 5.50% | 2.27% |
| 2 | £17,601 to £27,600 | 5.80% | 2.90% |
| 3 | £27,601 to £44,900 | 6.50% | 3.25% |
| 4 | £44,901 to £56,800 | 6.80% | 3.40% |
| 5 | £56,801 to £ 79,700 | 8.50% | 4.25% |
| 6 | £79,701 to £ 112,900 | 9.90% | 4.95% |
| 7 | £112,901 to £133.100 | 10.50% | 5.25% |
| 8 | £133,101 to £199,700 | 11.40% | 5.70% |
| 9 | £199, 701 or more | 12.50% | 6.25% |

General Code of Practice

- 4.6 On 10 January 2024, the Pensions Regulator (TPR) produced the new General Code of Practice. The Scheme Advisory Board (SAB) is studying the Code to identify any new requirements for administering authorities and to consider how the Code's requirements align with items on the SAB workplan, such as the SAB's 2021 Good Governance recommendations.
- 4.7 TPR's research on governance and administration shows that the LGPS already has high standards of governance in place. The Code provides an opportunity for funds to review current practices, but also presents challenges during what is already a busy time for the LGPS. Clarity is required on which parts of the Code apply to the LGPS, what these mean for administering authorities and how they should be applied in practice. The SAB will support

authorities in understanding any new requirements in the Code and, where needed, will produce new or update existing guidance to help authorities with their responsibilities.

| | Name | Contact Information |
|--------------------|--|---|
| Report Author | Martin Griffiths, Chris Norton | martingriffiths@warwickshire.gov.uk, chrisnorton@warwickshire.gov.uk |
| Finance Director | Virginia Rennie, Director of Finance | vrennie@warwickshire.gov.uk |
| Executive Director | Rob Powell, Executive Director for Resources | robpowell@warwickshire.gov.uk |
| Portfolio Holder | Councillor Peter Butlin, Deputy Leader and Portfolio Holder for Finance and Property | peterbutlin@warwickshire.gov.uk |

The report was circulated to the following members prior to publication:

Local Member(s): N.A

Other members: Councillors Butlin, Dahmash, and Gifford

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Staff and Pensions Committee

4 March 2024

Pension Fund Business Plan 2024/25

Recommendation:

That the Staff and Pension Committee considers and approves the Business Plan as set out in Appendix 1.

1. Executive Summary

- 1.1 It is best practice for local authority pension funds to operate a formal and documented Business Plan for their operations. This report seeks approval of the Warwickshire Pension Fund Business Plan for 2024/25 as set out in Appendix 1.
- 1.2 The Business Plan will be used to guide and direct the Fund, provide clarity and alignment on goals and objectives, and establish key initiatives for the forthcoming year. In addition, it is available to all stakeholders to better understand what the Fund is planning to do to provide an efficient service across Warwickshire whilst supporting the overall corporate aims of Warwickshire County Council as the Administering Authority to the Pension Fund.
- 1.3 The Business Plan sits alongside other key documents which govern the Strategy and operations of the Fund., including the Investment Strategy and Funding Strategy.

2. Financial Implications

- 2.1 The Fund has an Investment Strategy and Funding Strategy designed to manage the financial position of the Fund. The Business Plan is designed to ensure that these two strategies are updated and implemented appropriately, and that the overall administration and management of the fund is efficient and effective.

3. Financial Implications

- 3.1 There are no direct financial implications arising from this report.

4. Environmental Implications

4.1 The Fund has a climate risk policy designed to minimise the Fund's contribution towards climate change and minimise the Fund's exposure to risk driven by climate change.

5. Supporting Information

5.1 None

6. Timescales associated with the decision and next steps

6.1 N.A

Appendices

1. Appendix 1 Warwickshire Pension Fund Business Plan 2024/25

| | Name | Contact Information |
|--------------------|---|---|
| Report Author | Martin Griffiths, Chris Norton | martingriffiths@warwickshire.gov.uk, chrisnorton@warwickshire.gov.uk |
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| Executive Director | Rob Powell, Executive Director for Resources | robpowell@warwickshire.gov.uk |
| Portfolio Holder | Councillor Peter Butlin, Deputy Leader and Portfolio Holder for Finance and Property | peterbutlin@warwickshire.gov.uk |

The report was circulated to the following members prior to publication:

Local Member(s): N.A

Other members: Cllr Dahmash, Cllr Gifford

WARWICKSHIRE

pension fund

Business Plan

2024/2025

Contents

| | |
|---|--------------------------|
| 1 | Introduction |
| 2 | Activity |
| 3 | Long-Term Objectives |
| 4 | Key Performance Measures |
| 5 | Key Business Plan Items |
| 6 | Actions |

Appendices

| | |
|---|-------------------------------------|
| A | Administration Performance Measures |
| B | Investment Performance Measures |
| C | Single Action Plan |

1 Introduction

- 1.1 This document sets out the business plan for the Warwickshire Pension Fund for 2024/25, including objectives, strategic priorities, and an action plan to achieve them.
- 1.2 Warwickshire County Council (WCC) is the Administering Authority of the Warwickshire Pension Fund ('the Fund') administering both the Local Government and Firefighter Pension Schemes. This business plan relates to the Local Government Pension Scheme only.
- 1.3 The role of Scheme Manager for the Warwickshire Pension Fund is undertaken by the Executive Director for Resources.
- 1.4 The administration of the fund is carried out through Warwickshire County Council's Staff and Pensions Committee, the Pension Fund Investment Sub Committee, and the Local Pension Board and WCC employs a Pensions Administration Team within Finance to undertake the day-to-day operation of the Fund.
- 1.5 The Staff and Pensions Committee and Pension Fund Investment Sub-Committee are comprised of elected County Council members whilst the Local Pension Board is an equal mix of representatives of employers and scheme members with an independent chair in accordance with the requirements of the Public Services Pension Act 2013.

2. Activity

- 2.1 At December 2023, the total membership of the fund stood at 57,768. Pension fund membership continues to increase over the long-term. This increase is expected to continue due to automatic enrolment and increased public awareness of pensions.
- 2.2 The number of employers within the scheme has increased to 227 at December 2023, and this also continues a long-term trend of an increasing number of active employers, driven for example by academisation and the contracting out of services by organisations within the pension fund.
- 2.3 The complexity of the scheme continues to increase over time, for example the implementation of the McCloud remedy, Pension Dashboards, and the simpler final salary pension activity being gradually replaced by more complex calculations for pensions which have to incorporate different rules and retirement ages for different periods of membership. Checking compliance with the TPR General Code of Practice.
- 2.4 The fund value has continued to increase and was at £2.97bn by the end of December 2023
- 2.5 The complexity of investment activity has steadily increased with the introduction of a variety of "alternatives" funds.

- 2.6 In the longer term, pooling will reduce the amount of fund managers that the Fund commissions directly, however the increased complexity in terms of the number of different mandates invested in is likely to remain.

3. Long term objectives

- 3.1 The Fund's fundamental objectives are that:
- i.) Pension benefits are paid to members accurately and on time; and
 - ii.) The funds are available to pay benefits when they fall due.
- 3.2 To do this the Fund will:
- i.) Ensure the governance arrangements of the Pension Fund allow officers, employers, pension fund committee and Pension Board members to discharge their responsibilities efficiently and effectively;
 - ii.) Deliver a high-quality pension administration service, working effectively with scheme employers and maintaining a constant focus on data quality and customer service; and
 - iii.) Ensure the financial sustainability of the Fund through effective forecasting of long-term liabilities, determination and collection of appropriate contributions and generation of an appropriate risk adjusted return from the fund's investments.

4. Key Actions and Performance Measures

- 4.1 Key actions and performance indicators for the Fund are organised into the categories of administration, investment, and governance / management.

Administration

- 4.2 Administration service performance measures are set out in Appendix A.
- 4.3 Alongside the key metrics for the administration service a number of key activities will be progressed, these include:
- i.) The implementation of the McCloud remedy;
 - ii.) Expanding the number of members using the online member self-service portal; and
 - iii.) Preparation for the introduction of the Pensions Dashboard.

Investments

- 4.4 Ultimately, the Fund needs to focus on ensuring that the rates of return required by the triennial valuation are achieved and that enough income is generated to cover any shortfall between contributions, benefits and expenses.
- 4.5 To support this aim, the Investment Strategy sets out a Strategic Asset Allocation (Appendix B), and within each investment fund a target risk / return profile is delivered over the appropriate timeframe, i.e. performance is usually measured over the medium to long-term.
- 4.6 In addition to business as usual the following key activities will be undertaken:
 - i.) Further development of ESG monitoring and climate change actions.
 - ii.) Supporting the further development of the Border to Coast Pension Partnership.
 - iii.) Review the implications of the LGPS Next Steps Consultation.
 - iv.) Recruitment of a Permanent Investment Manager.

Governance / Management

- 4.7 In maintaining the good governance of the fund, the following additional performance measures and key actions will be delivered:
 - i.) Cash flow management will continue to have a high profile to ensure that it is not necessary to sell assets inappropriately under distress.
 - ii.) The pension fund accounts are prepared and published on time, without qualification by external audit. Delays in approving the accounts have been experienced in recent years due to external audit and team capacity.
 - iii.) Review and implement as appropriate the requirements of the Scheme Advisory Board Good Governance project and the Pensions Regulators General Code of Practice.

5. Key Business Plan Themes

Workforce Planning

- 5.1 Workforce planning will be undertaken to promote staff retention and maintaining resilience within small and specialized services.
- 5.2 Full Council will consider succession planning in respect of board membership in order to maximize the chances of identifying and recruiting new members when required and will consider ways to promote diversity.

- 5.3 Both the administration team and the governance and investments team have increased resources in recent years, and this has improved the performance, governance and resilience of the Fund's operations. Capacity will be kept under review. Resources required for specific projects will be identified and approved through business cases and project management approaches.

Ensuring Appropriate Governance

- 5.4 The Fund will review the outcomes of the Scheme Advisory Good Governance Project and Pension Regulators General Code of Practice and take steps to implement any new arrangements that are required.

Climate Change / ESG Policy

- 5.5 The Fund will continue to mitigate the Fund's exposure to climate risk and to ensure climate issues are appropriately considered in its decision making. It will also look to improve its use of metrics relating to ESG and Climate Change.

Developing Improved Systems

- 5.6 i-Connect has been successfully implemented and embedded, and Member Self Service will continue to expand its coverage to a wider proportion of the scheme's membership.
- 5.7 We will be monitoring the success of the new telephone system used by the Pension Administration Team, in providing statistics on calls received.
- 5.8 Implementation of Pensions Dashboard functionality will be an important activity for the Fund but will be driven by externally set timelines. In the short term it is important for the Fund to focus on advanced preparation for the anticipated changes wherever possible.

Collaboration

- 5.9 The Fund will collaborate with Partner Funds and the Border to Coast Pension Partnership to further develop the performance and activities of the Pool and expand the benefits of Pooling.

Strong Investment Management

- 5.10 As Border to Coast matures and develops more products the Fund may increase its allocations to the pool. At the same time the Fund will ensure it retains strong links with fund managers outside of the pool to exercise appropriate stewardship of all its assets.

Pooling

- 5.11 The Border to Coast Pension Partnership will continue to develop new products and Warwickshire Pension Fund will work with BCPP and partner funds to help to shape the products being developed.
- 5.12 Warwickshire Pension Fund will retain a preference for investing in pooled products that meets its objectives but retains the option to invest with other managers where this is appropriate.
- 5.13 The Fund will continue to work alongside the pool and partner funds on responsible investment and sustainability, including making more use of metrics to evidence and promote sustainable activity.

Investing in Employer Liaison

- 5.14 The fund will continue to work closely with employers, providing information, support, signposting, and training to help employers to meet their responsibilities.

Review of Cashflow Requirements

- 5.15 Officers will continue to monitor cash balances closely so the Fund can meet operating and investment cashflow requirements.

6. Actions

- 6.1 Appendix C sets out a summary of the actions planned for the coming year. The activity plan focuses on significant change activity and activity to do with delivering key functions.
- 6.2 Actions are grouped into the following categories:
 - i.) Ensuring a high-quality administration service
 - ii.) Actuarial activities
 - iii.) Maximising Investment Benefits
 - iv.) Ensuring Good Governance
 - v.) Sustainability

Appendix A

Administration Performance Measures

| Key Performance Indicator | Fund Target (95%) |
|--|------------------------------|
| 1. Letter detailing transfer in quote | 10 days |
| 2. Letter detailing transfer out quote | 10 days |
| 3. Process and pay a refund | 10 days |
| 4. Letter notifying estimate of retirement benefits (Active) | 15 days |
| 5. Letter notifying actual retirement benefits (Active) | 15 days |
| 6. Process and pay lump sum (Active) | 10 days |
| 7. Process and pay death grant | 10 Days |
| 8. Initial letter notifying death of a member | 5 days |
| 9. Letter notifying amount of dependents benefits | 10 days |
| 10. Divorce quote letter | 45 days |
| 11. Divorce settlement letter | 15 days |
| 12. Send notification of joining scheme to member | 40 days |
| 13. Deferred benefits into payment | 15 days |
| 14. Calculate and notify deferred benefits. | 30 days |
| 15. Average days from retirement to payment of lump sum. | Measure of member experience |

Strategic Asset Allocation

| Asset class | Current Target Asset Allocation (%) | Asset Allocation Range (%) |
|----------------------------|-------------------------------------|----------------------------|
| UK equities | 6.0 | +/-2.5 |
| Overseas equities | 31.0 | +/-2.5 |
| Fundamental global equity* | 5.0 | +/-2.5 |
| Private equity | 6.0 | n/a |
| Total Growth | 48.0 | |
| Property | 10.0 | n/a |
| Infrastructure | 10.0 | n/a |
| Private debt | 7.0 | n/a |
| Multi asset credit | 10.0 | n/a |
| Total Income | 37.0 | |
| UK corporate bonds | 10.0 | +/-1.5 |
| UK index linked bonds | 5.0 | +/-0.5 |
| Total Protection | 15.0 | |
| | | |
| Total | 100.0 | |

* Refers to passive global equities invested in line with the RAFI All World 3000 index, which weights underlying constituents by fundamental factors as opposed to traditional market capitalisation weightings.

Single Action Plan

C1. Ensuring a high-quality administration service

| Ref | Action | Timescale |
|-----|---|-------------------|
| 1 | Annual Pensioners Newsletter issued | April-June 2024 |
| 2 | Annual benefit statements issued | By 31 August 2024 |
| 3 | Member Self Service, expanding the number of users | April March 2025 |
| 4 | Annual Allowance statements issued | By 5 October 2024 |
| 5 | Employer Engagement/training event | November 2024 |
| 6 | Administration performance - KPIs reported to the Staff and Pensions Committee and Local Pensions Board | Quarterly |
| 7 | Review of Pension Fund website | Quarterly |
| 8 | Review of complaints and compliments received, and report to Staff and Pensions committee during the year | Quarterly |
| 9 | McCloud Project | March 2025 |
| 10 | Data quality review | Annually |
| 11 | Develop pension dashboards | Ongoing |

C2. Actuarial Activities

| Ref | Action | Timescale |
|-----|--|-----------|
| 12 | Monitor employer contribution performance through the year | Monthly |

C3. Optimising Investment Risk and Return

| Ref | Action | Timescale |
|-----|--|-----------------|
| 13 | Support the development of new Border to Coast fund products, for example the property fund | As funds launch |
| 14 | Continue to move the investment mix towards the long-term Strategic Asset Allocation | Ongoing |
| 15 | Appropriate engagement with the governance of Border to Coast via the Joint Committee, Operational Officers Group, and Section 151 Meetings, and through the exercising of shareholder voting rights | Ongoing |
| 16 | Respond to the new pooling guidance arising from the LGPS next Steps on Investments Consultation | December 2024 |

C4. Ensuring Good Governance

| Ref | Action | Timescale |
|-----|---|---|
| 17 | Deliver the Pension Fund Annual General Meeting, aiming for positive feedback from all stakeholders | November 2024 |
| 18 | Production of draft statement of accounts | May 2024 |
| 19 | Publication of Annual Pension Fund Report | November 2024 |
| 20 | Regular and effective review and management of Fund risks | Quarterly |
| 21 | Maintenance of a Policy Register / schedule for policy reviews, and the timely delivery of policy reviews | Quarterly |
| 22 | Maintenance of business continuity planning | Ongoing |
| 23 | Respond to the Scheme Advisory Board Good Governance Review | Dependent on issue of requirements |
| 24 | Respond to the tPR General Code of Practice that became live in March 2024 | December 2024 |
| 25 | Testing of cyber security arrangements | Ongoing (Intervals as agreed by the Fund) |
| 26 | Succession planning for committee and board membership | March 2025 |
| 27 | Maintenance of a training strategy and training log | Quarterly |

C5. Sustainability

| Ref | Action | Timescale |
|-----|---|------------|
| 28 | Further develop the Fund's Climate Risk Strategy and the Fund's approach ESG, including the development of goals and milestones and monitoring of metrics | Ongoing |
| 29 | Implement TCFD disclosure requirements | March 2024 |
| 30 | Engage with pooling partner funds and Border to Coast on climate change and RI developments | Quarterly |

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Staff and Pensions Committee

4 March 2024

Pensions Delegation Update

Recommendations:

That the Staff and Pensions Committee approves:

1. The delegation of the role of Scheme Manager of the Warwickshire Fire and Rescue Firefighter's Pension Fund to the Executive Director of Resources as set out in paragraph 1 to this Report.
2. The amendments to the Conflict of Interest Policy for the Warwickshire Pension Fund set out in Appendix 1.

1. Executive Summary

- 1.1 Warwickshire County Council as Fire and Rescue Authority is the Scheme Manager of the Firefighter's Pension Fund. In 2015 there was a decision to delegate the role of Scheme Manager of the Fire Pension Fund to the Chief Fire Officer.
- 1.2 Constitutionally there are a number of delegations to the Chief Fire Officer which relate to operational matters and fire response and prevention etc. (The Constitution can be viewed [here](#) with the delegations referred to at Part 2(10) on page 117). In addition, the Chief Fire Officer is responsible for Stage 2 IDRs.
- 1.3 In practical terms the role of Scheme Manager for the fund involves oversight of the administration of the fund and its ongoing health which are managed from within Finance. Day to day activity is largely outsourced to West Yorkshire Pension Fund under a contract managed by Finance.
- 1.4 Having discussed the matter, the Chief Fire Officer and the Executive Director for Resources have agreed that it would be preferable for these finance-based functions to have the oversight of the Council's Chief Finance Officer and thus be delegated to the Executive Director for Resources.

- 1.5 As s151 officer of the Council, the Executive Director for Resources already holds the Council's financial delegations and the statutory functions of the s151 Officer, alongside the wider general delegations as an Executive Director to take and implement decisions (including to reflect member decisions). The Executive Director also acts to oversee the Warwickshire Pension Fund (under the LGPS).
- 1.6 Given the broad financial delegations already held by the Executive Director for Resources no amendment to the constitution is required but a decision of this Committee is needed to document the delegation.
- 1.7 In December 2023, a paper was brought to this Committee updating the Conflict of Interest Policy for the Warwickshire Pension Fund. Having considered the revised policy it is felt that there should be an amendment to clarify the position regarding the financial oversight function for the Pension Fund. The Executive Director for Resources is the s151 Officer for the Council. As the Council is the Administering Authority for the Pension Fund, he also holds that function for the Pension Fund. As a matter of operational practice and to ensure no perception of any conflict might arise, the day-to-day functions required in respect of the Pension Fund are delegated to the Director of Finance. As those functions are delegated to the post rather than an individual they are currently exercised by the Interim Director of Finance, pending a permanent appointment to the role.
- 1.8 The Committee is asked to approve the clarifications to the Policy attached as Appendix 1.

2. Financial Implications

- 2.1 There are no financial implications arising directly from this report.

3. Environmental Implications

- 3.1 There are no environmental implications arising directly from this report.

4. Timescales associated with the decision and next steps

- 4.1 If approved the changes to the Conflicts Policy and the delegation proposed will be implemented following the meeting

Appendices

- Appendix 1 – Revised Conflict of Interest Policy

Background Papers

- None

| | Name | Contact Information |
|--------------------|---|--|
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The report was circulated to the following members prior to publication:

Local Member(s): not applicable, county wide report

Other members: none

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Conflicts of Interest Policy

WARWICKSHIRE

pension fund

December 2023

Introduction

This is the Conflicts of Interest Policy of the Warwickshire Pension Fund (**Fund**), which is managed by Warwickshire County Council as the Administering Authority or 'Scheme Manager'.

The Policy details how actual and potential conflicts of interest are identified and managed by those involved in the management and governance of the Fund, whether directly, or in an advisory capacity.

For the purposes of this policy, references to the Scheme Manager should be read as references to the Executive Director for Resources, who may nominate a person to act on his or her behalf.

Objectives

This Conflicts of Interest Policy is established to guide members of the Staff and Pensions Committee, Pension Fund Investment Sub-Committee, Local Pension Board, officers and advisers to the Fund. Alongside the Council's constitution and various Codes of Conduct, this policy aims to ensure that those individuals do not act improperly or create a perception that they may have acted improperly. It is an aid to good governance, encouraging transparency and minimising the risk of any matter prejudicing decision making or management of the Fund otherwise.

The governance objectives in relation to the Fund are:

- to meet the highest standards of Governance and demonstrate key principles of transparency and accountability in the management of the Fund through clear responsibilities and reporting.
- to have an appropriate Investment Strategy, which balances risk and reward and is consistent with the Funding Strategy Statement.
- to ensure that sufficient funds are available to meet the pension liabilities, as they fall due for payment.
- to ensure robust governance arrangements are in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies.
- to ensure the Fund is managed and its services delivered by those who have appropriate knowledge and expertise.
- to act with integrity and be accountable to stakeholders for all decisions, ensuring they are robust, soundly based and do not unreasonably favour one group of stakeholders over another to comply with the appropriate legislation and statutory guidance, and act in the spirit of other relevant guidelines and best practice guidance.
- to clearly articulate the Fund's objectives and how those objectives will be achieved through business planning, and continually measure and monitor success against those objectives; and
- to deliver an efficient and effective pensions and financial administration service, which provides excellent value for money.

The identification and management of potential and actual conflicts of interest is integral to achieving these governance objectives.

Scope of this Policy

This Policy and the issue of conflicts of interest in general must be considered in light of each individual's role, whether this is a management, advisory or assisting role.

This Conflicts of Interest Policy applies to:

- all members of the Staff and Pensions Committee, the Pension Fund Investment Sub Committee and the Local Pension Board, including scheme member and employer representatives, whether voting members or not.
- all employees of Warwickshire County Council involved in the management, administration and governance of the Fund.
- all advisers and suppliers to the Fund, whether advising the Local Pension Board, the Staff and Pensions Committee, the Pension Fund Investment Sub Committee or Fund officers, in relation to their role in advising or supplying the Fund.

The Scheme Manager will monitor potential conflicts for officers involved in the daily management of the Pension Fund and highlight this Policy to them as he or she considers appropriate.

In this Policy, reference to "advisers" includes all advisers, suppliers and other parties providing advice and services to Warwickshire Pension Fund in relation to Pension Fund matters. This includes but is not limited to actuaries, investment consultants, independent advisers, benefits consultants, third party administrators, fund managers, lawyers, custodians and AVC providers.

Where an advisory appointment is with a firm rather than an individual, reference to "advisers" is to the lead adviser(s) responsible for the delivery of advice and services to Warwickshire Pension Fund rather than the firm as a whole.

In accepting any role covered by this Policy, individuals agree that they must:

- acknowledge any potential conflict of interest they may have;
- be open with Warwickshire Pension Fund on any conflicts of interest they may have;
- adopt practical solutions to managing those conflicts; and
- plan ahead and agree with Warwickshire Pension Fund how they will manage any conflicts of interest which arise in future.

The procedures outlined later in this Policy provide a framework for individuals to meet these requirements.

The Seven Principles of Public Life, otherwise known as the 'Nolan Principles' and specified in the Localism Act 2011, apply to anyone who works as a public officeholder. This includes people who are elected or appointed to public office, nationally and locally. All individuals to whom this Policy applies are expected to comply with these principles which are integral to the successful implementation of this Policy. The principles are:

- selflessness;
- integrity;
- objectivity;
- accountability;
- openness;
- honesty; and
- leadership.

Specific Requirements

Staff and Pensions Committee and Pension Fund Investment Sub-Committee Members

In addition to the requirements of this Policy, Committee members are required to adhere to the Warwickshire County Council Members' Code of Conduct which includes requirements in relation to the disclosure of personal and pecuniary interests. Democratic Services maintain the register of elected members' interests supported by the Monitoring Officer.

Local Pension Board Members

In addition to the requirements of this Policy, Local Pensions Board members are required to adhere to Part 8 of the Terms of Reference of the Local Pensions Board which includes declaring any interests that may lead to a conflict situation together with the Local Pension Board's conflicts of interest policy. In the event of any conflict between this Policy and the Terms of Reference, the Terms of Reference will prevail.

Employees

In addition to the requirements of this Policy, officers of Warwickshire County Council are required to adhere to their own contracts of employment, the Member and Officer Relationships Protocol and the Warwickshire County Council's Employer and Employee Responsibilities policy which includes requirements in relation to disclosable pecuniary interests. All staff are required to complete an annual register of interests return.

Advisers and Suppliers

Warwickshire Pension Fund appoints its own advisers and suppliers. How conflicts of interest will be identified and managed should be addressed within its contractual agreements with those advisers and suppliers.

Many advisers will be required to meet professional standards relating to the management of conflicts of interest, for example, the Fund Actuary will be bound by the requirements of the Institute and Faculty of Actuaries and Solicitors by the SRA Code of Conduct. Any protocol or other document entered into between an adviser and the Administering Authority in relation to conflicts of interest, whether as a requirement of a professional body or otherwise, should be read in conjunction with this policy.

An adviser may only continue to advise Warwickshire Pension Fund and another party where there is no conflict of interest in doing so. For example, a conflict of interest may arise where:

- Warwickshire Pension Fund's advisers are asked to give advice to the Council or other scheme Employer, or to scheme members or member representatives such as the Trades Unions, in relation to pension matters; or
- an adviser is also appointed to another Local Government Pension Fund, which is involved in a transaction involving Warwickshire Pension Fund and on which advice is required.

Where the Local Pension Board decides to appoint an adviser, this can be the same person as is appointed to advise the Fund, the Staff and Pensions Committee or the Pension Fund Investment Sub-Committee, as long as there is no conflict of interest between the two roles.

In undertaking any role covered by this Policy, individuals agree that they must:

1. acknowledge any potential conflict of interest that they may have;

2. be open with the Pension Fund about any conflicts that they may have;
3. adopt practical solutions to managing those conflicts and take appropriate advice from a relevant officer where relevant; and
4. plan ahead and agree with the Fund how any conflicts of interest will be managed.

What is a Conflict or Potential Conflict and how will they be managed?

A conflict of interest may arise when an individual has a responsibility or duty in relation to the management of or advice for Warwickshire Pension Fund, and at the same time has a separate personal interest (financial or otherwise) or another responsibility to a third party which prejudices their ability to discharge their duty in the interests of the Fund.

An interest could arise due to a family member or close colleague having a specific responsibility or interest in a matter, or if advice is sought from two parties affected by a proposed course of action.

A person will not be considered to have a financial interest merely by virtue of membership of the Fund.

Warwickshire Pension Fund encourages a culture of openness and transparency and encourages individuals to be vigilant; have a clear understanding of their role and the circumstances in which they may find themselves in a position of conflict of interest, and of how potential conflicts should be managed. Warwickshire Pension Fund will evaluate the nature of any dual interests or responsibilities that are highlighted and assess the impact on Pension Fund operations and good governance, should an actual conflict of interest materialise.

Provided that Warwickshire Pension Fund (having taken any professional advice deemed to be required) is satisfied that a potential conflict of interest can be properly managed, it shall endeavour to avoid the need for an individual to have to resign or recuse themselves from a specific decision. However, where the potential conflict is considered to be so fundamental that it cannot be effectively managed the individual will be required to resign from the Committee, Board or appointment, or to recuse themselves from the relevant matter.

In relation to the Local Pension Board in particular, the administering authority must be satisfied that upon appointment, no members of the Board have a conflict of interest upon their appointment and from time to time thereafter. Members (and prospective members) of the board are therefore required to provide the administering authority with such information as is reasonably required to make this assessment, and to do so regularly.

It is the responsibility of each individual covered by this Policy to identify any instances or potential instances where their personal, financial, business or other interest might come into conflict with (or be perceived to come into conflict with) their Pension Fund duties.

There are a number of ways in which potential conflicts of interest may be managed, for example:

- the individual concerned abstaining from discussion, decision-making or providing advice relating to the relevant issue;
- the individual concerned being excluded from the meeting and any related correspondence or material in connection with the relevant issue; and/or
- where constitutional requirements permit, a working group or sub-committee may be established, excluding the individual concerned, to consider the matter outside of the formal meeting.

Conduct at Meetings

There may be circumstances where a representative of an Employer or a Scheme Member wishes to provide a specific point of view on behalf of an Employer (or group of Employers) or Member (or group of Members). Warwickshire Pension Fund requires that any individual wishing to speak from an Employer's or Member's viewpoint must state this clearly, e.g. at a Local Pensions Board or Committee meeting, and that this will be recorded in the minutes.

Gifts

Warwickshire County Council employees and elected members are required to comply with Warwickshire County Council's existing policies and codes of conduct concerning gifts, which can be found here: <https://api.warwickshire.gov.uk/documents/WCCC-575-3582>

Members of the Local Pensions Board are expected to adhere to the same principles.

Advisers are expected to comply with their employing organisation's anti-bribery, gifts and hospitality policies.

Operational procedure for Officers, Pensions Committee members and Local Pensions Board members

| What is required | How this will be done |
|---|---|
| Step 1 - Initial identification of interests which do or could give rise to a conflict. | On appointment to their role or on the commencement of this Policy if later, all individuals will be provided with a copy of this Policy (and any other relevant policy, terms of reference or code of conduct) and be required to complete a Declaration of Interest The Scheme Manager will assess the extent to which any declarations are relevant to the individual's role in relation to the Fund. Each individual is responsible for maintaining their declaration of interest on a continuous basis and ensuring that they are kept up to date. |
| Step 2 - Ongoing notification and management of potential or actual conflicts of interest | At the commencement of any Committee, Local Pension Board or other formal meeting where Fund matters are to be discussed, the Chair will ask all those present to declare any interests. All interests declared will be detailed in the record of the meeting. Any individual who considers that they have a potential or actual conflict of interest which relates to an item of business at a meeting, must advise the Chair and the Scheme Manager prior to the meeting, where possible, or state this clearly at the meeting at the earliest possible opportunity. The Chair, in consultation with the Scheme Manager, will seek advice as |

| | |
|---|--|
| | <p>necessary and will advise the individual whether they need to leave the meeting during the discussion on the relevant matter or to withdraw from voting on the matter. Where an actual conflict of interest on an agenda item is identified, the presumption is that an individual will exclude themselves from participating in the discussion and from voting on the relevant matter.</p> <p>If such a conflict is identified outside of a meeting the individual must complete an updated Declaration of interest. The Scheme Manager will consider any necessary action to manage the potential or actual conflict.</p> |
| <p>Step 3 - Periodic review of potential and actual conflicts</p> | <p>All individuals will be required complete a declaration of interest at least once every 12 months.</p> |

All actual or potential conflicts of interest declared in meetings will be recorded in the minutes of the meeting and noted in the Fund’s Register of Interests. Where identified outside of meetings they will be recorded in the Funds Register of Interests.

If an interest is sensitive, it should be discussed with the Scheme Manager who will take advice as to whether the disclosure of the existence of the interest rather than the detail will be sufficient.

Operational procedures for Advisers

The operational procedures outlined above are not expected to apply to advisers. Instead, all advisers must:

- be provided with a copy of this Policy on appointment and whenever it is updated;
- adhere to the principles of this Policy as it applies to them;
- provide, on request, information to the Scheme Manager in relation to how they will manage actual or potential conflicts of interest relating to the provision of advice or services concerning the Warwickshire Pension Fund;
- comply with the terms of their appointment as regards conflicts of interest and probity; and
- notify the Scheme Manager immediately should a potential or actual conflict of interest arise.

Additional possible areas of conflict

Administering Authority and the County Council

The Council manages the Fund in its role as Administering Authority. There may be the potential for conflicts between the Council as an employer in the Fund and the Council as the Administering Authority for the fund. . Those responsible for Fund Administration within the Council receive regular training on issues of conflict and probity and abide by the Pensions Regulator General Code of Practice. Warwickshire Legal Services also ensures independent legal advice is available to both the Fund/the Council as Administering Authority and to the Council in its role as a scheme employer of the Fund, should it prove necessary.

Border to Coast and Warwickshire Pension Fund

The Council has a relationship with the Border to Coast Pension Partnership as a partner authority owning a share of the company. The Pension Fund is also an investor through the Border to Coast Pension Partnership. The Council's interest in both roles is that Border to Coast Pension Partnership is successful in meeting its objectives which include providing appropriate investment opportunities to partner Funds that meet the requirements for pooling of LGPS funds and that enable them to reduce costs and still meet their investment objectives.

It is good practice to make provision for any conflict that may arise. This policy provides that provision. Should a conflict arise, the Fund and the Council will take independent legal advice from Warwickshire Legal Services and the Director of Finance will be asked to implement appropriate information barriers to manage the situation.

- The Fund currently operates informal separation between the two roles with client interactions (for example the Joint Committee) led primarily by Pension Fund Officers and the Chair of the Investment Sub Committee, and shareholder interactions led by the Section 151 Officer

Monitoring and Reporting

The Scheme Manager will maintain a Register of Interests relating to the Pension Fund which may be viewed by any interested party at any point in time upon request.

In order to identify whether the objectives of this Policy are being met, Warwickshire Pension Fund will review the Register of Interests periodically and consider whether any additional steps to manage conflicts of interest should be undertaken.

Costs

All costs related to the operation and implementation of this Policy will be met directly by the Fund. However, no payments will be made to any individuals in relation to any time spent or expenses incurred in the disclosure or management of any potential or actual conflicts of interest they may have under this Policy.

Review

This Policy will be formally reviewed and updated at least every three years, or sooner if the conflict management arrangements or other matters included within it merit reconsideration, including if there are any changes to the LGPS Regulations or other relevant Regulations or Guidance which need to be considered.

Staff and Pensions Committee

4 March 2024

Pensions Administration Activity and Performance Update

Recommendation

That the Staff and Pensions Committee notes and comments on the content of the report.

1. Executive Summary

- 1.1 This report updates the Committee on the key developments affecting pensions administration and the performance of the Pensions Administration Service (PAS).

2. Financial Implications

- 2.1 All financial implications are dealt with in the body of this report.

3. Environmental Implications

- 3.1 None arising directly from the content of this report.

4. Member Self Service (MSS)

- 4.1 The take up of MSS, split by our different types of members, is as follows:

| | | | |
|-----------|-------|----------------------------|----------------|
| Active | 6,311 | 34.41% of active members | 0.51% Increase |
| Deferred | 5,373 | 24.94% of deferred members | 0.74% Increase |
| Pensioner | 4,845 | 29.55% of pensioners | 0.25% Decrease |

- 4.2 The Pensions Admin Service (PAS) continue to advertise the MSS system in their email signatures and promote the system during interactions with members.

5. Pensions Administration Key Performance Indicators (KPIs)

- 5.1 Appendix 1 shows the KPI performance for the period 1 April 2023 to 31 December 2023.

- 5.2 7 out of 14 KPIs are meeting their target, with 4 of the other 7 seeing improvements in the total number of cases being completed within the KPI deadline. The 4 improving are KPIs 1, 2, 8 and 11.
- 5.3 KPI 1 and KPI 11 have seen a reduction in the number of cases completed due to the delay in receipt of up-to-date transfer factors from the Government Actuaries Department. There is now also a hold on some transfers between public sector pension schemes due to the implementation of the age discrimination remedy from 1 October 2023, which require further updates to the transfer factors.
- 5.4 For context, the table below shows the volume of cases per KPI and the number of cases that were dealt within the KPI target.

| Key Performance Indicator | Fund Target | Total Year Cases | Full Year KPI | Cases on Target |
|---|-------------|------------------|---------------|-----------------|
| Target performance | | | 95.00% | |
| 1.Letter detailing transfer in quote | 10 days | 374 | 57% | 214 |
| 2.Letter detailing transfer out quote | 10 days | 238 | 88% | 209 |
| 3.Process and pay a refund | 10 days | 244 | 90% | 220 |
| 4.Letter notifying estimate of retirement benefits (Active) | 15 days | 234 | 90% | 210 |
| 5.Letter notifying actual retirement benefits (Active) | 15 days | 290 | 100% | 289 |
| 6.Process and pay lump sum (Active) | 10 days | 290 | 97% | 282 |
| 7.Process and pay death grant | 10 Days | 99 | 98% | 97 |
| 8.Initial letter notifying death of a member | 5 days | 351 | 94% | 330 |
| 9.Letter notifying amount of dependents benefits | 10 days | 114 | 86% | 98 |
| 10.Divorce quote letter | 45 days | 78 | 98% | 76 |
| 11.Divorce settlement letter | 15 days | 3 | 25% | 1 |
| 12.Send notification of joining scheme to member | 40 days | 307 | 98% | 300 |
| 13.Deferred benefits into payment | 15 days | 545 | 98% | 536 |
| 14.Calculate and notify deferred benefits. | 30 days | 1477 | 96% | 1198 |

6. Pensioner Payroll Key Performance Indicators

- 6.1 The pensioner payroll for Warwickshire Pension Fund is administered by Warwickshire County Council's payroll team.

- 6.2 The table below provides information on the pensioner payroll service KPIs. Priority is given to ensuring payments are made by the agreed payment dates. Please note the customer care indicator is only recorded for formal complaints. Nil indicates no complaints have been received.

Performance of the payroll team in managing the Pensioner payroll

| Indicator | Description | Measure | Q1 | Q2 | Q3 |
|---------------------------|--|--|------|------|------|
| Customer Care | We will respond to any queries about service delivery within 5 days. (Formal complaints) | 95% of queries will be responded to within 5 days. | NIL | NIL | NIL |
| Accuracy | Paying people accurately | 99% of all requested staff payments will be paid accurately. | 100% | 99% | 100% |
| Assurance | Paying people on time | 100% of input submitted onto Your HR before deadline will be paid on the relevant scheduled pay day. | 100% | 100% | 100% |
| Statutory returns | We will make all statutory returns by the required deadlines | 100% of third-party payments and statutory returns will be submitted on or before the deadline. | 100% | 100% | 100% |
| Satisfaction with service | We will achieve constantly high levels of customer satisfaction | Traded wide net promoter score will be 8.8 or more. | 10 | NIL | 10 |

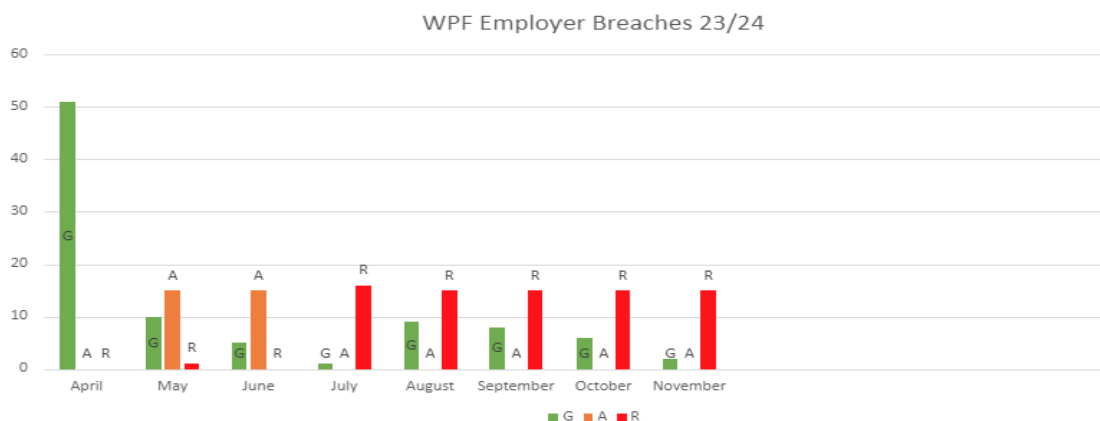
7. Workloads

- 7.1 The PAS continues to monitor work being received by the team to ensure we have the resources to manage the workload.
- 7.2 From the 1 January 2023 to 31 December 2023 there have been 37,598 cases created and 38,481 completed. This compares to 41,244 created and 40,667 completed in the same period last year. The reduction from the previous year is due to the success of the i-connect system, which reduces the need for manual intervention of our data. There are currently 3,471 open cases. This is a normal level of outstanding work for the Team, and we are not seeing any backlog of cases being created.

8. Breaches

- 8.1 In accordance with the Fund's Breaches Policy, any Amber breach results in direct contact with the employer responsible to resolve the issue. If this does not result in the necessary action required, further escalation can be used. Where a breach is escalated to Red, this must be reported to The Pensions Regulator, along with a plan for remedying the situation.

8.2 The table below indicates the number of breaches the Fund has recorded for the period 1 April 2023 to 30 November 2023:



8.3 The Red breaches relate to a multi academy trust which changed its payroll provider in April. This has led to a delay in providing information to the Fund. The Fund have worked with the Trust to get its monthly data extract created and all returns are now complete. The Trust had needed to seek input from its new payroll provider which had delayed completion of the work. Due to the length of time taken so far and data not being received by set deadlines, this was reported to the Pensions Regulator on 8 November. At the time of writing this report we await the response from the Regulator as to whether any further action will be taken.

9. Internal Dispute Resolution Procedure (IDRP)

9.1 The Fund currently have 2 IDRP cases outstanding at the initial stage. Both cases are currently being investigated with responses being drafted.

10. McCloud Project

10.1 Legislation was passed on the 1 October 2023 which implemented the final changes to regulations to deliver age discrimination remedy, this project is known as McCloud.

10.2 Under disclosure the Fund was required to notify all affected members of the change to legislation within 3 months. A letter and fact sheet were sent out to members in December 2023 to inform them of key information via the methods below.

| | Active | Deferred | Pensioner/Dependants |
|---------------------|--------|----------|----------------------|
| Posted Letter | 5037 | 6296 | 1427 |
| Email | 4645 | 5037 | 1710 |
| Member Self Service | 4660 | 4228 | 4225 |

- 10.3 The McCloud project work continues with progress on the creation of the underpin check for retrospective cases. The project deadline for this work is 31 March 2024 and the team are on course to meet the deadline.
- 10.4 The PAS is also now able to process all cases going forward from 1 October 2023 and apply the underpin where required. This has meant that PAS are not creating backlogs on these calculations. Manual intervention is being needed at present due to software developments still outstanding. We believe the software will be available in March 2024 and are liaising with the software developer regarding requirements.
- 10.5 We have been instructed by the Local Government Association (LGA) to postpone transfers in and out of the scheme for members in scope (transfer of benefits between public sector pension schemes). This is due to the need for updated guidance and factors from the Government Actuaries Department (GAD). Other pension transfers are continuing.
- 10.6 Even though there are a large number of members in scope it is not anticipated that significant numbers will see an increase in their benefits for the remedy period.

11. Pensions Dashboards

- 11.1 Pensions Dashboards are a government project which will enable individuals to access their pensions information online, securely and all in one place, thereby supporting better planning for retirement. Dashboards will provide clear and simple information about an individual's multiple pension savings, including their State Pension.
- 11.2 The Local Government Pension scheme has a staging date that it must connect to the dashboard. The staging date is 1 October 2025.
- 11.3 The Local Government Association (LGA) has provided a draft guide for Funds to follow in preparation for Pension Dashboards. Fund Officers are using this document to assist in the creation of the implementation project plan and assessment of the resources required to manage any additional work created from member queries.
- 11.4 The PAS are currently investigating the purchase of an integrated service provider which will be used to connect to the dashboard.
- 11.5 To ensure a successful implementation date we need to make sure that we have good data quality scores for our active and deferred members. Our current common data has a pass rating of 93.7%, with our main issue being that we have 1,945 records with out-of-date addresses. We will run a tracing exercise this year to improve the data in this area.

Appendices

Appendix 1 – Key Performance chart

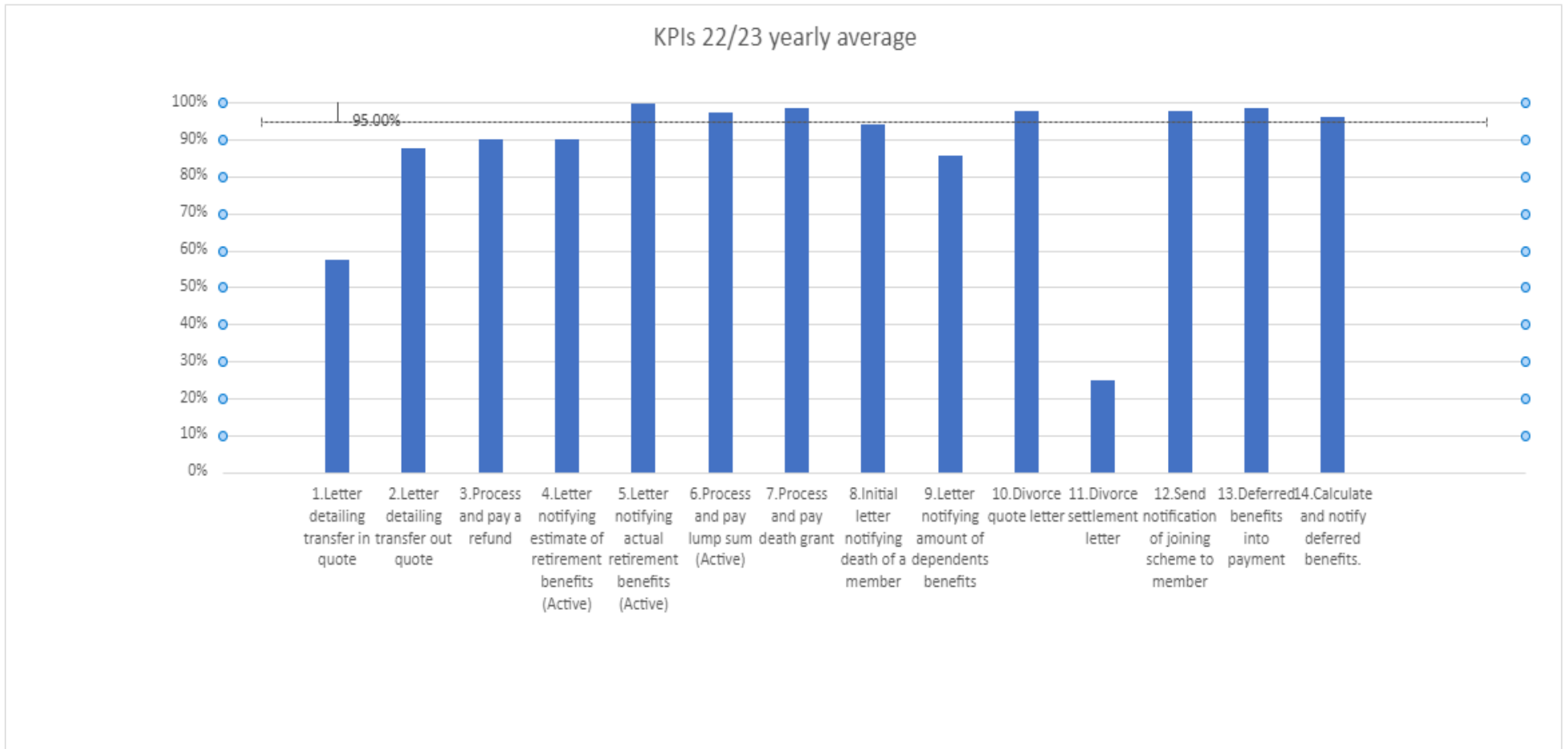
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The report was circulated to the following members prior to publication:

Local Member(s):

Other members: Cllrs Dahmesh, Gifford

Appendix 1



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Staff and Pensions Committee

4 March 2024

Review of the minutes of the Warwickshire Local Fire Pension Board on 6 November 2023

Recommendation

That the Staff and Pensions Committee receive, consider and comment on the minutes of the meeting of the Warwickshire Fire Local Pension Board on 6 November 2023.

1. Executive Summary

- 1.1 The minutes of the meeting of the Warwickshire Fire and Rescue Local Pension Board on 6 November 2023 are attached as an appendix. Notable points are outlined below.

2. Second Modified Retained Exercise

- 2.1 On 1 October 2023, the legislation required for the second modified retained exercise came into force. This allows retained members of the firefighters' pension scheme to buy back pension service prior to the first modified retained exercise, which limited members to purchase service from 01/07/2000.
- 2.2 Members in scope for the exercise have been identified and written to under disclosure. The Warwickshire Pension Fund is completing calculations and liaising with members regarding the purchase of service. Warwickshire holds pay data back to 2000, however for some firefighters there is a need for pay data going back to the 1960s. The Local Government Association has made rates of pay available dating back to 1960 and retained firefighters are being given the option of purchasing 25% of a whole-time firefighter's service, for each year they were employed.

3. Pension Dashboards

- 3.1 West Yorkshire Pension Fund (WYPF), who provide the pension administration on behalf of Warwickshire for the Firefighters' Pension Scheme, have progressed their preparation for the Pension Dashboard Program (PDP). The pension dashboards will enable members to log in and see all their different pension data in one place. WYPF has procured an integrated service provider (ISP) which will allow for connection to the

dashboard. The staging date for the pension dashboard is currently October 2025.

4. Age Discrimination Remedy (“McCloud”)

- 4.1 On 1 October 2023 the legislation for the age discrimination remedy came into force. The regulations mean that all members in scope will be rolled back into their legacy pension scheme for the remedy period, which was from 01 April 2015 to 31 March 2022.
- 4.2 The Home Office is currently working on a remedial service statement (RSS). The RSS will provide members with the current value of both their legacy final salary benefits and their reformed Firefighters Pension Scheme 2015 benefits for the remedy period, as well as projected benefits to normal pension age for active members.
- 4.3 All members who retire from 1 October 2023 are being provided with an RSS at retirement. The RSS will illustrate their options to choose to receive either their legacy final salary benefits or reformed Firefighters Pension Scheme 2015 benefits for the remedy period.

5. Financial Implications

- 5.1 Any additional lump sums or pensions payable as a result of the Second Modified Retained Exercise or the Age Discrimination Remedy are funded by the government via the Fire Pensions Top-Up Grant. Associated internal project costs are funded from the Warwickshire Fire and Rescue Service revenue budget.
- 5.2 Costs incurred by WYPF in respect of the Pension Dashboard project are included in their contract management fee, which is met from the Warwickshire Fire and Rescue Service revenue budget.

6. Environmental Implications

- 6.1 None.

7. Supporting Information

- 7.1 None.

8. Timescales associated with the decision and next steps

- 8.1 None.

Appendices

- Minutes of the meeting of the Local Fire Pension Board held on 6 November 2023

| | Name | Contact Information |
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The report was circulated to the following members prior to publication:

Local Member(s): n/a

Other members: Cllrs Butlin, Dahmash, and Gifford

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Warwickshire Fire and Rescue Local Pension Board of the Firefighters' Pension Scheme

Monday 6 November 2023

Minutes

Attendance

Committee Members

Martin Reohorn (Chair)
Caroline Jones
Sian Marsh
Sally Waldron

Officers

Liz Firmstone, Head of Finance Transformation and Transactions
Victoria Jenks, Pensions Admin Delivery Lead
Andy Carswell, Democratic Services Officer
Jan Cumming, Senior Solicitor and Team Leader
Lisa Eglesfield, Team Lead Benefits
Martin Griffiths, Technical Specialist Pensions Fund Policy and Governance

Others Present

Matthew Mott (West Yorkshire Pension Fund)

1. General

(1) Apologies

Apologies were received from Councillor Brian Hammersley, Paul Morley and David Vazquez.

(2) Board Members' Disclosures of Interest

There were none.

(3) Public Minutes of the Previous Meeting

The minutes of the meeting held on 25 September 2023 were approved as an accurate record.

2. Risk Register

The item was introduced by Vicky Jenks (Pensions Admin Delivery Lead), who provided updates on the items on the risk register.

An integrated service provider had been procured by West Yorkshire Pension Fund (WYPF), which would enable the dashboards to connect to data held by WYPF on behalf of Warwickshire. The dashboards would allow pension scheme members to log in and see all of their different pensions in one place. However some more work was needed to ensure the correct data was supplied to the WYPF by Warwickshire payroll, so that data accessed by members was as accurate as it could be. The connection date was originally due to be in September 2024, but due to more information regarding IT infrastructure being needed this had been pushed back to October 2026. The data access point (DAP) where members would be able to access the dashboards was yet to be confirmed.

Regarding the second modified retained exercise, Vicky Jenks said Warwickshire held pay data back to 2000. However, for some firefighters there was a need for pay data going back to the 1960s. As pay pre-2000 was no longer available the calculations would be based on rates of pay available on the LGA website, and firefighters would be given the option of purchasing 25 per cent of a wholtime firefighter's service for each year they were employed. Vicky Jenks said the end date for this piece of work was 31 March 2025.

Responding to a question from the Chair regarding remedy cases (age discrimination) and the level of risk indicated on the risk register, Vicky Jenks confirmed all the information required by WYPF had been supplied by Warwickshire, so the level of risk had decreased. There wasn't a specific risk included on the register associated with remedy cases, as it was included within another risk.

Members noted the content of the update report.

3. Governance and Policy Update

Martin Griffiths (Technical Specialist) said there had been a training session for new members of the Local Pension Board the previous week.

The update was provided by Vicky Jenks. She reminded members the legislation required for the second modified retained exercise had taken effect from 1 October. It was believed all scheme members within scope had been identified, and information informing them of the benefits and options available to them was in the process of being prepared for circulation before 31 December.

Regulations relating to the age discrimination remedy had also taken effect from 1 October. Vicky Jenks said the regulations meant all members within scope would be rolled back into their legacy scheme for the remedy period, which was from 1 April 2015 to 31 March 2022. Three retirement

options would be presented to those approaching retirement. There had been a delay to the creation of remedial service statements, however. Matthew Mott (WYPF) said the statements were unlikely to be available before the end of the month. He expressed disappointment at this, particularly considering how long the information had been known by the Home Office.

It had now been confirmed that compensation payments arising from the age discrimination remedy would be covered by the annual managed expenditure top up grant, and there would not be a requirement for the Warwickshire Fire and Rescue Service to cover any extra costs.

Responding to a question from Sally Waldron, Vicky Jenks said there had been some messaging shared with Paul Morley that went out in the fire newsletters. However an update could be provided to share by the fire service that would inform members when the member portal would be updated to show the roll back into legacy schemes.

The incorrect rates for the increases applied to CARE benefits were being corrected by WYPF, before the legislation had been corrected. The Chair said some of the issues had been caused by the government using the incorrect inflation rate in their calculations, and the need for administrators to recalculate. Vicky Jenks said this had caused some minor differences.

Members noted the update report.

4. Forward Plan

Vicky Jenks informed members a proposed item for the next meeting regarding discretions had been pulled as more work needed to be done. It was hoped this could be ready by September 2024 at the latest. Vicky Jenks said officers had been studying discretions policies from other Pension Funds to see what might be usefully incorporated into Warwickshire's policy. Members noted it would need to be ratified by the Staff and Pensions Committee for final approval.

Martin Griffiths said the Warwickshire Fund collaborated with three other organisations with training, and suggested the other Funds could take the lead on the next round of training.

5. Administration Update

The update was provided by Matthew Mott (WYPF). There had been some meetings nationally regarding how to communicate the technical and regulatory updates. Delivery of the information had been delayed slightly while the messages in online videos for pension scheme members was tweaked.

Regarding staging for the Dashboards, Matthew Mott advised the final cut-off had been set at October 2026. However the WYPF wanted the work associated with staging to be completed a couple of months beforehand in case there were any unforeseen issues that needed to be resolved. An update on an expected completion date would be provided as the project progressed.

All pension saving statements had been sent out by 6 October.

Pension holders were receiving all the options available to them on retirement. Members were told that due to the amount of work that entails WYPF were encouraging members to only request estimates for the next 12 months.

Progress on the key performance indicators had generally been good. Matthew Mott said that in cases where performance had been below par, this was due to a high volume of work being caused. However there were no significant issues that should cause alarm.

Vicky Jenks said there were no plans for a mass communication to be circulated regarding the roll back into legacy schemes. It was felt that doing so would raise a significant number of queries from pension scheme members. However people who were retiring in the near future would be advised of all the options available Sian Marsh said she was aware some pension holders had discussed the issue amongst themselves, and said the clarity of information to be provided was important. Sally Waldron said the Fire and Rescue Service was looking to strengthen its internal communications.

Responding to a question from the Chair, Matthew Mott said retirement cases would be marked as either active or pending. There was a target to complete each case within 15 days. If more information was required then the case would be put on hold, with the number of days being paused, until the information was sourced. Delays were most often caused in cases relating to deaths of pensioners living abroad. The highest number of queries came from cases relating to deferred benefits.

Members noted the contents of the report.

6. Any Other Business

Vicky Jenks said she would be leaving Warwickshire County Council and this was her final meeting. Members thanked her for all her help supporting the Board and wished her well in her new position. An internal replacement would be made on an interim basis while consideration was given to advertising the vacancy externally.

7. Future Meeting Dates

The dates of future meetings were noted.

The meeting rose at 1.52pm

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Chair

Staff and Pensions Committee

4 March 2024

Employers Joining and Leaving the Warwickshire Pension Fund

Recommendation

That the Committee delegates authority to the Executive Director for Resources to:

1. Approve applications to the Pension Fund from the employers listed in Appendix 1, subject to the applications meeting the criteria set out in the Local Government Pension Scheme Regulations 2013; and
2. Facilitate those employers listed in Appendix 1 to exit the Pension Fund.

1. Executive Summary

Applications

- 1.1 The Pension Fund must accept applications from scheduled bodies where the requirements of the regulations are met.
- 1.2 An academy is automatically a Scheme Employer on the basis that it meets the criteria of paragraph 20 of Part 1 of Schedule 2 of the Local Government Pension Scheme Regulations 2013 i.e., it is a 'scheduled body'.
- 1.3 When applying for membership each academy will be required to confirm:
 - that it had internal authority to be admitted to the Pension Fund;
 - the number of members to join the Pension Fund; and
 - that the academy will comply with the relevant LGPS Regulations.
- 1.4 The Pension Fund must accept an application from an applicant body made under paragraph 1(d) of Part 3 of Schedule 2 of the Local Government Pension Scheme Regulations 2013 where that body has undertaken to comply with the Regulations.
- 1.5 The Applicant Bodies have a contract with another Scheme Employer within the Pension Fund and have applied for admission into the Fund in respect of this contract.
- 1.6 The Applicant Bodies will be carrying out a function or service on behalf of the Scheme Employer under a contract.

- 1.7 The Applicant Bodies have confirmed that the Scheme Employer will be party to the admission agreement.
- 1.8 The Applicant Bodies have undertaken to comply with the relevant LGPS Regulations.

Cessations

- 1.9 When an employer leaves the Pension Fund, the Actuary makes an assessment to see if an exit debit or credit is due. This information is then shared with the Employer and arrangements are made to collect and debit. If a credit is calculated, it is at the Fund's discretion whether this should be paid to the Employer.

2. Financial Implications

- 2.1 New entrants to the scheme will be required to cover their own costs and the actuarial process will ensure that employer contributions are appropriate to ensure this is the case.
- 2.2 The Pension Fund has the discretion to pay out exit credits on cessation of membership of the Fund.

3. Environmental Implications

- 3.1 None

4. Timescales associated with the decision and next steps

- 4.1 The Pension Fund must accept an application from an applicant body made under paragraph 1(d) of part 3 of schedule 2 of the Local Government Pension Scheme Regulations 2013 where that body has undertaken to comply with the regulations.
- 5.2 Provided that the Committee is satisfied that the requirements of the regulations are met, the application should be granted.
- 5.3 If the application is accepted, arrangements will be made for the Applicant Body to enter into an admission agreement with the Pension Fund. Should admission commence prior to any admission agreement being completed, the Applicant Body had agreed to be bound by the terms of the standard form admission agreement appended to the Pensions Fund's Admissions and Termination Policy from the initial admission date.

Appendices

Appendix 1 – Schedule of Employers Proposed to Join and Leave the Fund

Background Papers

Warwickshire Pension Fund Admissions and Terminations Policy 2023

| | Name | Contact Information |
|--------------------|---|--|
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Employers Proposed to Join and Leave the Fund

New Employers, including Academies proposed to join the fund:

New Academies

- Arley Primary School (Inspire Education Trust) on 1st January 2024

New Contractors

- Genie Cleaning Services (Community Academy Trust) on 1st November 2023
- Miquil Catering (Henley Primary School) on 1st December 2023
- Atalian Servest Catering (Inspire Education Trust) on 1st January 2024
- Alliance In Partnership (Myton Academy) on 1st January 2024

Existing employers exiting the Fund:

- Warwick Independent School on 30th November 2023