

Annual Update of the Wiltshire Pension Fund Committee

Introduction

I am glad to have this opportunity of congratulating our Head of Pensions, Jennifer Devine, and all her team for their work through the difficult circumstances of the last year or two.

The Fund, both that part with the investment pool managed by the Brunel Pensions Partnership and the part remaining under local management, has continued to grow satisfactorily.

I particularly commend our team for its work in putting the Wiltshire Local Government Pension Scheme in the forefront of industry moves towards Responsible Investment. The fund's strategic realignment will ensure it will continue to deliver excellent returns as the world's economies change to meet the threat of climate change.

Staff shortages continue to produce shortfalls in administrative performance and discussions with HR about overcoming this issue are ongoing.

Finally, may I thank my colleagues on the Wiltshire Pension Fund Committee for their valuable insights and contributions to the Fund's management and governance.

Cllr Richard Britton Chairman - Wiltshire Pension Fund Committee

Voting Committee Members

Wiltshire Council Members:

Cllr Richard Britton (Chairman)
Cllr George Jeans
Cllr Gordon King
Cllr Christopher Newbury
Cllr Stuart Wheeler

Swindon Borough Council Members:

Cllr Kevin Small (Vice-Chairman)
Cllr Vijay Manro

Employer Body Representative:

Claire Anthony
Jodie Smart (awaiting Council approval)

Non-voting Committee Members

Observers:

Stuart Dark
Mike Pankiewicz

Lead Officers

Lizzie Watkin – Director, Finance and Procurement (s.151 Officer)
Andy Brown – Corporate Director, Resources (Deputy Chief Executive)
Richard Bullen – Fund Governance Manager
Jennifer Devine – Head of Wiltshire Pension Fund
Christopher Moore – Investment and Accounting Team Lead
James Franklin – Pensions Administration Lead
Matthew Allen – Employer Funding and Risk Lead
Mark Briggs – Pension Fund Operations Manager

2023/24 Meetings

[15 June 2023](#)

[13 July 2023](#)

[14 September 2023](#)

[23 November 2023](#)

[14 December 2023](#)

[29 February 2024](#)

[28 March 2024](#)

Functions of the Wiltshire Pension Fund Committee

Set out in Part 3B Paragraph 6 of the [Constitution](#):

6.1 This joint committee will comprise five Members from Wiltshire Council and other Members as follows:

6.1.1 Two voting Members from Swindon Borough Council;

6.1.2 Two co-opted voting Employer Representatives;

6.1.3 Two co-opted non-voting employee representatives, one representing Wiltshire Council employees, and one representing Swindon Borough Council employees.

6.2 It will exercise the functions of the Council as administering authority under the Local Government Superannuation Acts and Regulations and deal with all matters relating thereto. The committee will publish meetings attendance records.

6.3 The voting Employer Representatives will serve a four-year fixed term from appointment. On expiry of the four-year term, applications for the position will be sought (from the incumbent and the applicable employer bodies) and an appointment process will be undertaken by the Administering Authority should more than one application be received for the role.

Set out in Protocol 2A of the [Constitution](#):

12.1 The Committee exercises the functions of the Council as Administering Authority. To fulfil its functions the Wiltshire Pension Fund Committee will operate within a framework of key Governance and Compliance documents which it will ensure are maintained.

12.2 The key documents are:

12.2.1 Governance Compliance Statement;

12.2.2 Funding Strategy Statement;

12.2.3 Investment Strategy Statement;

12.2.4 Administering Authority Discretions Policy;

12.2.5 Stewardship Code Statement;

12.2.6 Communications Strategy;

12.2.7 Business Plan;

12.2.8 Administration Strategy;

12.2.9 Cessations Policy; and

12.2.10 Annual Report and Accounts.

12.3 The Committee shall be responsible for approving:

12.3.1 The Fund's budget;

12.3.2 The Triennial Valuation's key assumptions and results in relation to the

Pension Fund; and

12.3.3 For reviewing and approving the Annual Report and Accounts for final approval by the Audit Committee.

Examples of business discussed and determined during 2023/24

- Quarterly Investment Updates – Received in June, November, and February.
- Headlines and Monitoring Reports – To provide the Committee with various standard issues, to enable the Committee to fulfil its monitoring role; including but not limited to Risk Registers, Key Performance Indicators Updates and Audit Updates.
- Investment Manager Presentations – Received from Ninety One and PineBridge.
- Fund Annual Report and Accounts for 2022/2023.
- Key Financial Controls Updates – To highlight the significant issues in relation to the Fund's key financial controls.
- Policy Reviews – including work on updating the Fund's Employer Cessation Policy and a new Employer Policy.
- Responsible Investment Updates – To provide the Committee with updates on the Responsible Investment Plan for 2023/2024 as well as progress made towards implementing the Responsible Investment Policy.
- Climate Updates and Progress – To provide updates on progress towards the Fund's target of net zero carbon emissions by 2050, and also includes information on several other climate-related topics.
- Training was provided Employer Covenants reviews, the process of managing new and ceasing scheme employers, Pension Payroll and National Fraud Initiative.
- MiFID II Compliance – Some Members of the Committee completed their self-certification of MiFID II to assist the Fund in maintaining its Professional Investor status and in turn eligibility to invest in a wider range of investments.
- SWAP Audit Report 2024 and Audit Plan 2024/2025 – Presentation of results of SWAP's Key Performance Indicator audits conducted in November and a draft audit plan for the Fund for the scheme year 2024/25.
- Oracle Payroll Updates – Regular updates on the transfer of the fund payment process to Oracle.
- Brunel Governance Updates.
- The Fund's Business Plan 2024/27

Developments relevant to the remit of the committee during 2023/24

Key developments include:

- Commencing procurement of Actuarial, Benefit & Governance consultants, including Funding Risk and Covenant consultancy
- Commencing procurement of an Independent Investment Adviser to the Committee
- Commencing procurement of an Investment Management Consultant
- Appointment and reappointment of a range of services including Legal Adviser's for LGPS Create to manage Scheme Employer documentation, including admission agreements, a new mortality screening agent, new Investment Managers, an independent adjudicator & the National LGPS frameworks.
- Establishment of own office space
- Oversight of an operational restructure and a workforce plan for officers to enable execution of the Fund's tasks.

- Outsourcing of strategic projects – the aggregation backlog project & the payroll rectification project
- Implementation of the Altair payroll system and monitoring of the migration of the Fund's payroll to Oracle
- Recommencement of onboarding of Scheme Employers to i-Connect.
- The implementation of a covenant review strategy
- Achieving the migration of 70% of Fund's assets to the investment pool, BPP.
- Improving communications and digital technology such as the "My Wiltshire Pension portal".

Looking ahead to 2024/25

Examples of business planned for the next scheme year:

- Oversight and monitoring of progress of the three-year KPI Improvement Plan concerning administration performance.
- Review and approval of key documents, in particular the Fund's Pension Administration Strategy, its Communications policy, its treasury management strategy, the Stewardship Code and its TPR breach policy.
- Conclusion of key procurement appointments
- Preparation the March 2025 triennial valuation, including training and assumptions setting.
- Preparation for a review of the Fund's strategic asset allocations.
- Update the Fund's climate modelling scenarios.
- Oversight of the implementation of the Pension Regulator's general code of practice
- Oversight of the execution of key administration projects including McCloud, the Pensions Dashboard, and the pensioner payroll migration to Altair (The Fund's administration database)
- Increased engagement with Scheme Employers fostering the themes of education, delivery of accurate and timely information and performance communication.
- Ongoing monitoring of budgets, risks, audit recommendations, procurements, and internal controls. As well as monitoring of statutory returns and compliance and disclosure requirements such as the annual benefit statements.
- A new member training strategy

A full 144 page Annual Report and Accounts for the Wiltshire Pension Fund can be found [here](#).

Contact Ben Fielding, Senior Democratic Services Officer, committee@wiltshire.gov.uk for more information regarding the committee.

One Page Annual Report Summary

WILTSHIRE PENSION FUND OUR YEAR IN REVIEW

Welcome to the highlights of Wiltshire Pension Fund in the year to **31 March 2023**. Please follow the link at the end to the full annual report to read more about how we run the Fund.

AWARD SHORTLISTING

Wiltshire Pension Fund have been shortlisted in three categories of the **LAPF Investment Awards 2023**: "Best approach to responsible investment", "Governance" and "Investment innovation".

RESPONSIBLE INVESTMENT



We gained UK stewardship code Status in September 2022, and have published our Stewardship highlights report, check it out here: [Summary – Wiltshire Pension Fund](#)



We have published a detailed and comprehensive **Affordable Housing Impact Report 2023**, it provides key facts and highlights the potential for stable, secured inflation-linked investment returns whilst benefiting residents, local communities within the UK, and the wider economy.

Investment performance for the year to 31 March 2023



*the actuarial expected investment return

Despite the significant market volatility in the year, the Fund's well diversified investment strategy has proved resilient and led to an improved funding position on an ongoing basis. Investment returns when considered in the longer term are in line with the required level of return.

Total fund membership 2023: 84,438



WPF ON CAMERA

Check out our film which features site visits to two of our amazing investments: [Purposeful Pensions – it's landed! Wiltshire Pension Fund](#)

£3.1bn
TOTAL VALUE OF
FUND ASSETS

179
NUMBER OF
EMPLOYERS
IN THE FUND

£4,671
AVERAGE ANNUAL
PENSION PAID

£133m
EMPLOYERS
AND EMPLOYEES
CONTRIBUTIONS
RECEIVED IN
THE YEAR

122.9%*
FUNDING LEVEL

Ratio of the assets to the present value of the pension liabilities

* As at 31 March 2023, based on roll-forward of 2022 valuation

£99m
PENSIONS PAID
IN YEAR TO 21,240
PENSIONERS

Visit our news pages for topical and relevant information about the pension fund:
[News - Wiltshire Pension Fund](#)

Please follow the link to our website for further information <https://www.wiltshirepensionfund.org.uk/Annual-report-and-accounts>
For any questions, please email pensionenquiries@wiltshire.gov.uk

Wiltshire
Pension Fund