

Vision and Long-term Plan

Wiltshire Pension Fund (WPF) administers the pensions for the >80,000 members of our scheme, for our c.180 employers. It is our responsibility to ensure that the members' records are kept accurate and up to date, and that the correct benefits are paid on time. We need to responsibly manage the Fund's investments in order to ensure that we generate sufficient investment returns to help maintain the employers' contributions rates at stable and affordable levels. For our members, their pension represents a significant asset, which will help secure their financial future into retirement.

The purpose of the WPF Business Plan 2023/24 is to set out the Fund's vision, goals, culture, improvement plan and actions for the coming year, and longer-term strategic direction.

Our Vision

The Fund's focus needs to be firmly set on achieving outcomes for our customers, i.e. the scheme employers and members. Everything that we do needs to keep this in mind, and decisions need to be made with an eye to the end goal of delivering an outstanding service, as set out in the Fund's vision:

Our vision is to deliver an outstanding service to our scheme employers and members

Everyone's role in the team either directly contributes to the vision, or creates the foundations and environment which make it possible. We will measure success against the vision by monitoring our progress against various service-related KPIs, targets, and actions.

Strategic Vision Goals

The vision is supported by 16 strategic vision goals (SVGs), which are focussed on outcomes. The goals broadly map to outcomes for employers, members, investments, and governance, but across the team staff are encouraged to think about how their work maps to different goals.

The SVGs run through everything that we do, and the team are asked to map all activities to the SVGs, in order to promote a focus on delivering the vision. SVGs will also be used when setting goals and objectives for the teams and staff at an operational level.



Our Culture

In order to help us achieve our strategic goals, and deliver our vision, we need to adopt certain outlooks and ways of working. We aim to demonstrate the following values, and embed them firmly in our culture:

<p>Working together as One Fund</p> <p>1</p> <p>We work together as One Fund, demonstrating the values of transparency, accountability, ownership, critical thinking, respect, and agility</p>	<p>High performing team</p>  <p>We aspire to be role models and leaders, through our commitment to develop knowledge and training</p>	<p>Data driven decisions</p>  <p>We use data to inform and evidence our decision making, and to measure our progress and successes</p>	<p>Efficiency through technology</p>  <p>We collaborate, and challenge our systems and processes, to create innovative solutions and drive continuous improvement</p>	<p>Long term thinking</p>  <p>We always act with the long term in mind, whether we are setting our investment strategy, planning improvements, or working towards our net zero by 2050 goal</p>	<p>Clear communications</p>  <p>We communicate with all our stakeholders in a clear, concise, relevant and effective way</p>	<p>Smarter working</p>  <p>We maintain focus on our core objectives, and work in a proactive and disciplined way, to promote simplicity and efficiency in everything we do</p>
--	--	---	--	--	---	---

As well as having goals and objectives set which map to the SVGs, annual staff appraisals will look at ways that the values have been modelled. As part of team meetings, staff will take part in several activities throughout the year to encourage them to think of their work in terms of the SVGs and values, and to fully incorporate them in the way the team works.

2022/23 Actions and Progress

Over 2022/23, many activities took place to better understand the reasons for the Fund's performance with regards to service delivery, and to put in place foundations for improvement:

- Launching **weekly KPI reporting**, for both the managers and the wider team.
- Implementing a new **work allocation system** for member services, which is forward looking and focussed on hitting KPIs.
- Commissioning Hymans to complete a large part of the Fund's **backlog of case work**.
- Commissioning Aon to resolve the **pensioner payroll differences**.
- Launching **productivity reporting** for processing staff in the member services team.
- Designing and beginning implementation of a **new team structure**, which includes more resource for employer engagement and leadership on service delivery, and builds in resilience through career-graded roles for processing staff.
- Collaborating with Wiltshire Council to develop a plan for implementing **integrated payroll** and immediate payment systems.
- Developing and embedding a new framework for monitoring the Fund's **risks and associated controls**.

Service delivery remains the Fund's greatest issue. Other areas are progressing well, specifically investments, governance, accounting, communications, projects and systems.

Employer relations is another area where we need to strengthen our approach, as this links so closely to service delivery. However, a recent appointment has been made and it is hoped that this will lead to the required improvements without further significant changes being required.

A significant amount of work and analysis has been done by the Fund's management team in order to develop a KPI improvement plan. However, as work has gone on, more issues have been discovered, and it has not been possible to develop a comprehensive and resourced plan for the next three years. Therefore, this Business Plan sets out the proposed actions for the coming 12-month period.

Approach to the Plan for 23/24

For the areas of investments, governance and digital/comms, a longer-term approach and some key actions for the coming year are set out within the plan.

Due to the volume, breadth and compounding of the current issues facing service delivery, the plan for the coming year is to focus on some key priority areas, which will deliver the biggest impact.

Service Delivery – the path to success

What does good look like?

The following SVGs are particularly relevant to service delivery:



The obvious markers of a well-delivered service are to have no backlogs of work (i.e. all open work to be within KPI targets), and to be hitting as close as possible to 100% against KPI targets on a consistent, sustainable basis.



However, there is more to it than these outward indicators. A well-run service will be based on a strong control framework, which ensures that there is clarity about what, why and when we will check data, alongside clear guidance on materiality. This will be firmly embedded in the teams, and checks will be evidenced and used as a basis to drive improvements. Staff will have understanding and ownership of their work.

Additionally, there will be a thorough understanding by the management of resourcing requirements. Productivity will be actively managed, and resourcing plans will evidence consideration of projects, annual pinch points, and potential efficiencies.

Management will promote a culture where staff have a clear understanding of the purpose of the team and buy into the Fund's vision.

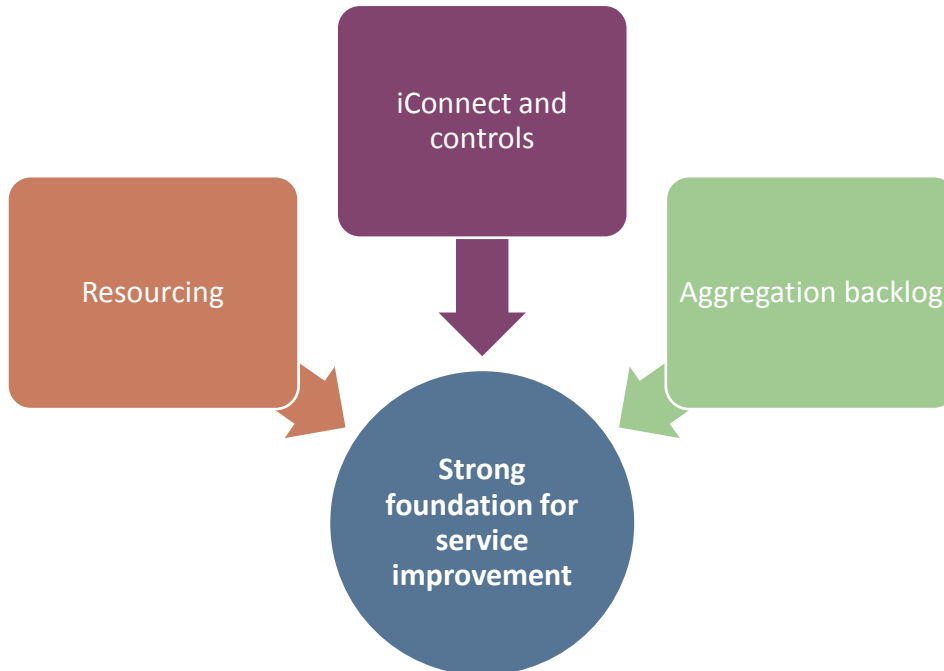
For WPF, the foundations for successful service delivery will start with the receipt of data from employers:

Employer services receive data from employers via iConnect. Data is checked (have employers paid the correct rate, does the data match the money received, have we got all the info we need) and uploaded.

Related process are performed (sending starter packs, issuing refunds, identifying aggregations etc) - this ensures that records are accurate and up-to-date.

Member services now have clean, reliable data on which to perform their processes (retirements, deaths, transfers in etc), and are able to ensure that the correct pension is paid in a timely manner.

What are the priority areas of focus (and why)?



Resourcing

Following on from the team restructure (live from 1 January 2023), some roles are yet to be filled (or people have been appointed, but are still working their notice elsewhere). **This year we will need to focus on filling all roles within the structure, and delivering appropriate training and development to ensure that the structure is fully operational.**

The new structure introduced career-graded roles for all processing staff. This is designed to improve retention, provide opportunities for progression, and to ensure a more even spread of skills across the team. **This year we will need to ensure that staff training plans are developed and implemented.**

At the current time, we do not appear to be on top of our incoming work, which could indicate that more resource is required. However, there are also clear efficiencies that we need to make, which will be delivered mainly through a better control framework and more disciplined ways of working, alongside consideration of one-off projects. This will enable us to better understand our resource requirements, so that we can develop a fully-costed proposal for service delivery. **This year we need to make data-driven decisions to identify high-impact efficiencies and make an evidence-based assessment of our resource requirements.**

We have already developed several tools in order to promote smarter working within the member services team. These include weekly insights reporting (on the productivity of individual team members), weekly KPIs, a forward-looking work allocation system, spot checks on the quality of work, and customer statistics (phone and email statistics). **This year we need to develop a structured framework to use all the available tools together to maximise efficiency in the processing teams.**

iConnect and related controls

As illustrated above, iConnect provides the foundations for a successful administration service, by ensuring that we have all the data we need, and that employers have accurately paid for all the benefits that their employees are earning. **This year we need to review, improve and rationalise our checks of iConnect data.** Once we have developed and embedded these checks, we can turn our focus back to completing onboarding of our final scheme employers.

The next step in ensuring we deliver a good service is completing the required processing following receipt of employer data. **This year we need to develop, embed, and continuously improve a monthly cycle of work for the employer services team.** This will ensure that processing tasks later on in the pension life cycle can be done in the most streamlined way, based on accurate data.

In order to make efficiencies and standardise work, we need employers to own their own data, and to promote clear service levels and responsibilities. **This year we need to ensure that employer roles and responsibilities are clearly defined, both within the team and among our scheme employers.**

As part of empowering employers to fulfil their statutory responsibilities in an accurate and timely manner, we need to ensure that they are appropriately supported, and that issues are escalated and resolved as quickly as possible. **This year we need to build upon our employer training and escalation.** We are aware that employers are very busy so this will involve regular bite-size training videos and mini-sessions alongside our traditional annual training offering.

In order to deliver efficiencies and ensure that our internal audit rating continues to improve, we need to carry out the right checks, at the right time. **This year we need to design an efficient and effective control framework for benefits processing.** The teams will need to be educated to understand where checks are carried out (so that they are not duplicated), and to understand an appropriate level of materiality.

Aggregation backlog

We have a contract with Hymans to outsource a large part of our backlog of work, focussed on the areas of leavers and aggregations. However, we are still not on top of our incoming work. If left unchecked, this will result in the creation of a new backlog. The aggregation backlog causes problems in processing, as records are not accurate and up-to-date, as well as causing other issues.

Some of the actions already mentioned above will help solve this issue, such as establishing the monthly cycle for the employer services team, and identifying high-impact efficiencies.

A further action will be freeing up resource within the team to focus on this problem area. **This year we will set up a dedicated team to focus on aggregations, as well as other issues which can deliver improvements for service delivery.** This team will be staffed by existing team members, who will be moved in or out of the team depending on their skills and expertise. We will create a new role (to be filled internally), for a Service Improvement Lead Analyst, who will monitor the work of the team and identify new areas for improvement.

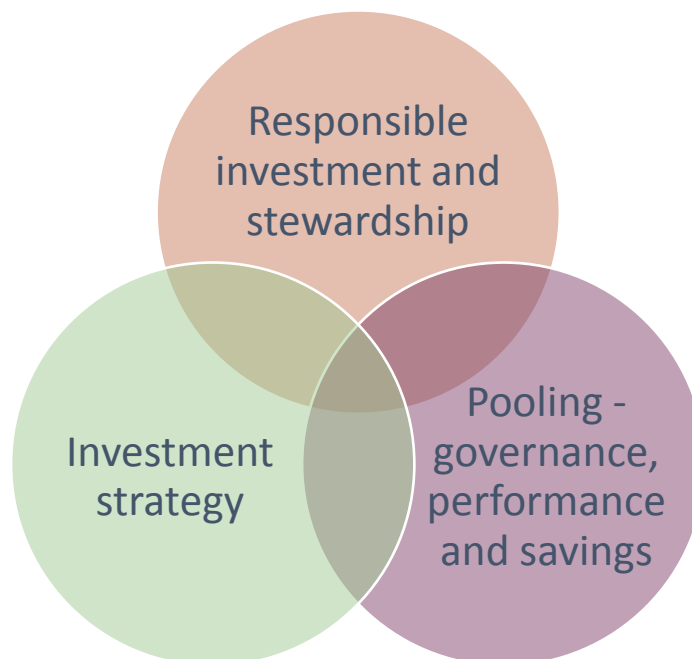
Investments

The current status of the investments

WPF's investment portfolios are currently valued at around £3bn. The funding level is around 125%. The Fund is a member of the Brunel pool, where currently around 70% of assets are held. Over the last few years, the Fund has developed its approach to responsible investment, and is now well regarded in this area, with a dedicated responsible investment policy and an established and evidence-led approach to climate risk. The Fund is a signatory of the 2020 Stewardship Code.

Actions set out below against the three key areas are designed to build upon the strong foundations which have already been established, and to respond to developments in the wider industry.

Investment priority areas and actions



Responsible investment and stewardship

The Fund has several investment beliefs linked to various aspects of responsible investment, one of which states "Environmental, Social and Governance factors, including Climate Change are important factors for the sustainability of investment returns over the long term". The Fund has a separate plan for responsible investment actions for the year ahead. The plan is designed to focus on priority areas which will deliver the most impact, and/or topical issues. **This year we need to complete all the actions within the Responsible Investment Plan 23/24.**

In addition, the Fund has achieved signatory status of the 2020 Stewardship Code, and needs to report annually to maintain this status. **This year we need to submit our 2023 report in line with the 2020 Stewardship Code, and maintain signatory status.**

Investment Strategy

The Fund reviewed and approved a new strategic asset allocation in late 2022. **This year we will need to take actions to implement the strategic asset allocation.** This will include implementing the 7% allocation to renewable infrastructure and climate solutions, which is also covered in the Responsible Investment Plan 23/24.

At the start of 2023, as part of the restructure, the Fund appointed an Investment Analyst. This additional resource will be invaluable in building the team's approach. **This year we need to improve our approach towards various investment admin matters, to add value through a more proactive way of working.**

An item on the audit plan for this year is on investment governance. **This year we need to perform a self-assessment review into our investment governance arrangements.** This will provide clarity over the work we do in order to remain compliant with all external and internal requirements, which will be useful for the team, Committee, and auditors.

Pooling - governance, performance and savings

Investment pooling is well established, and we now have around 70% of our assets invested via the Brunel pool. We continue to work with Brunel on investment, responsible investment, and governance matters. Several of the portfolios with Brunel now have established track records, so it is now time to look into whether these are delivering what we need. **This year we need to review the Brunel portfolios, to determine whether they are constructed in an optimal way, and are delivering appropriate risk-adjusted returns.** We are likely to carry this piece of work out in collaboration with Mercer, and a cost has been included in the budget to support this.

Last year, the Committee commissioned an independent audit into the fee savings which are being delivered by pooling. **This year we need to complete our review into the fee savings delivered by pooling, and take forward any action points.**

As we continue to build our own responsible investment identity, we need to ensure that we are able to access information about our investments as and when required. **This year we need to work with Brunel to evolve the investment reporting in order to meet our requirements.**

We anticipate the publication of a consultation on pooling guidance during 23/24. **This year we need to respond to the consultation on pooling guidance, to represent our views in the best interest of the Fund.**



Governance



The Fund has a robust approach to governance and over the year 22/23 has raised the Fund's internal audit rating from "no assurance" to "limited assurance". During 22/23 a CROC working group (compliance, risk and operational controls) has been established, as well as a new framework for monitoring and managing risk and evidenced the related controls.

Looking ahead to the next year, we are waiting for some key publications which are anticipated during 23/24, and have in the meantime been preparing for what actions and changes we may need to make. **This year, we will need to implement the recommendations of the Good Governance Review, and the tPR's new single code of practice, which will include the ESoG (Effective System of Governance).**

Resourcing as a focus area is dealt with in detail earlier in the Business Plan, but this will also be a consideration from a governance perspective, as resourcing is a concern for LGPS funds, due to a challenging job market, the cost-of-living crisis, and sub-inflation pay rises for public sector workers. **This year we will need to develop a resourcing plan.** This will include information on our team structure, recruitment, succession planning, ways we can reward and develop our staff, and other considerations.

We need to further improve the Fund's internal audit rating, and as part of this we need to develop ways to be more proactive and to embed and evidence the Fund's risk and control framework. **This year we need to re-introduce 2nd line review audits, which will be focussed on high priority areas where the most value can be added.**

Over the next three years, we will continue to work to address legacy issues, focus on staff accountability and transparency through procedure/process design, encourage independent professional challenge, and embed multi-skilling of staff at all levels to minimise key-person dependencies and enable a more flexible workforce.

Communications, Customer Engagement and Digital Strategy

Development of our Digital Offering – the core concepts and long-term vision



Our Digital offering will be focussed on supporting our members through their pension journey, with accessible resources to help them understand their pension entitlements and a wide range of self-service solutions enabling them to take action and plan for a financially secure retirement.

We will make data-driven decisions to target those areas of digital improvement that will have greater leverage and impact on our members as well as the greatest administrative gains and efficiencies.

Working alongside Heywoods, our administration software provider, we will continue to engage with the development of their new member portal and self-service offering, participate in their focus groups and research sessions and on-board the upgrade when it is in a suitable position to deliver to our members. **This year we will complete the implementation of Heywoods' new member portal. Once the backlogs are cleared, we will complete the full rollout of online retirements and implement refunds online.** The self-service functionality of the website and portal will enable members to engage with their pension more easily and at a time when it is convenient for them. Successful development of these areas will help improve efficiencies across the organisation resulting in the service being administered effectively and cost efficiently.

All correspondence will embrace the use of technology, referring members to the website and self-service portals wherever possible to ensure concise and targeted information is presented. **This year will see a full-scale review of our letter offering**, utilising the Service Improvement Lead Analyst. **We will update our correspondence to link to our member website and create more online forms.** We will also promote the use of self-service tools for our employers. **This year we will move employer information not identified via the i-Connect interface to an online form.**

We will introduce more regular engagement with members, building as they approach retirement age, to ensure they are aware of their options and the process to retire online. **This year we will introduce a monthly personalised birthday message to members over 60 advising of the retirement options and the online functionality available.** This will also ensure that we are not losing contact details of members in a similar way to us receiving returned post when large mailings were historically issued.

We will continue to advance our customer service standards, through improved use of our website. This year **we will review of the main website to ascertain areas that need improvement and/or additional targeted information that directs members along a specific 'journey' depending on their situation.** We will also complete a formal review and accreditation. **This year we will complete the Customer Service Excellence Assessment, and action any recommendations provided.**

We will continue sharing our excellence and learning with other Funds. This will include representing the South West at the national Joint Pensions Group (JPG), representing the Fund at the regional and national CLASS groups run by Heywoods and continuing to host a national working group on the development of the self-service offerings where ideas and solutions are shared.