

## WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD  
10 August 2023

---

### **EQUALITY, DIVERSITY AND INCLUSION**

#### **Purpose of the Report**

1. The purpose of this report is to highlight to the Board the important topic of equality, diversity and inclusion (EDI).

#### **Background**

2. In March 2023, the Pension Regulatory published guidance on EDI, explaining why this is an important topic and offering practical ways that pension schemes can improve EDI on the governing body. This paper offers some thoughts on how the topic can be taken forward by WPF. The guidance is available here:  
<https://www.thepensionsregulator.gov.uk/en/document-library/scheme-management-detailed-guidance/governing-body-detailed-guidance/equality-diversity-and-inclusion>

#### **Considerations for the Board**

3. The guidance is by its nature general, and applies to all pension schemes, therefore it needs to be interpreted in terms of how it should specifically apply to the LGPS. The reference to “governing bodies” could be interpreted to mean both the Pension Fund Committee and the Local Pension Board, and for the sake of this paper that is the interpretation that has been made.
4. EDI is an important consideration in how organisations are run. There is a significant amount of research which shows that more diverse boards are better run and deliver improved financial outcomes.
5. The guidance from the Pensions Regulatory makes reference to how this can be considered in recruiting new members to the governing body. This will be an important consideration for the Local Pension Board.
6. The guidance also discusses the role of the Chair in promoting EDI, and recommends EDI training as a first step for governing bodies.

#### **Proposed next steps**

7. It is recommended that the the Board members review the Pensions Regulator’s guidance, linked above, and discuss the topic at this meeting.
8. The Fund’s Responsible Investment Policy is due to review in September 2023, and it is suggested that the Board recommends to the Pension Fund Committee that they approve the inclusion of the following wording in the Responsible Investment Policy relating to EDI:

The Fund regards EDI as an important ESG factor, a stewardship priority, and an area where investment managers should focus their voting and engagement efforts, as several pieces of research have shown that diverse boards lead to better financial outcomes (for example, [this publication](#) by the FRC).

Consideration of EDI is embedded at an operational level, and has been [highlighted as an important area](#) in the running of pension funds by the Pensions Regulator. Training will be provided to the full Pension Fund team as well as the Committee and Local Pension Board, in order to improve the way we are run as a fund, and to deliver better outcomes for our employers and members.

9. It is recommended that a joint training workshop on EDI should be arranged for the Board and Committee. All staff within the pension fund team have already been asked to attend training on this topic.

### **Environmental Impact of the Proposal**

10. There are no known implications at this time.

### **Safeguarding Considerations/Public Health Implications/Equalities Impact**

11. There are no known implications at this time.

### **Financial Considerations & Risk Assessment**

12. Any training costs on this topic will come from the Board's training budget (shared with the overall Fund budget for a joint workshop).

### **Proposals**

13. The Board is asked to:
  - a) Approve that the Board recommends to the Committee that the wording on EDI in paragraph 8 is included in the next revision of the Fund's Responsible Investment Policy
  - b) Approve that a joint training session on EDI is arranged for the Board and Committee
  - c) Approve that the Board recommends to the Committee that Committee members should attend training on the topic of EDI.

JENNIFER DEVINE  
Head of Wiltshire Pension Fund

Report Author: Jennifer Devine, Head of Wiltshire Pension Fund

---

Unpublished documents relied upon in the production of this report: NONE