



2021 **ANNUAL REPORT and ACCOUNTS**



West Midlands Pension Fund

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Cllr Milkinder Jaspal
Chair of Pensions
Committee



The Fund was shortlisted for awards in governance, investment and administration at the Local Authority Pension Fund awards in Autumn 2021 and was winner of the UK Pensions Age Pensions Marketing Campaign of the Year award in July 2021.

KEEPING FOCUSED THROUGH ADVERSITY

Through a challenging year for all organisations, the West Midlands Pension Fund has remained focused on delivering pension benefits and support to our members, and managing the Pension Fund with a close eye on the things which matter most to our key stakeholders.

I am pleased to present this Annual Report for 2020/21, in a year where the Fund has been able to demonstrate the positive outcomes of strength in governance and stewardship, enhance services, and receive recognition for investment strategy and supporting members with their retirement planning.

Despite challenging market conditions and restrictions on face-to-face support, the Fund ended the year with annual return of 20.6% (6.4% p.a. over 3-years, more than recovering falls seen in March 2020), increased member and employer numbers and over 108,000 members signed up to manage their pension benefits through the online portal.

The Fund was shortlisted for awards in governance, investment and administration at the Local Authority

Pension Fund awards in Autumn 2021 and was winner of the UK Pensions Age Pensions Marketing Campaign of the Year award in July 2021. These awards recognised the initiatives taken by the Fund to support members and manage cost and risks, to the benefit of our employers and members, across the West Midlands region.

Fund costs and services continue to be benchmarked annually, comparing the Fund to both other Local Government Pension Schemes and wider comparable pension funds across the UK and internationally, where relevant. Pension Administration continues to demonstrate strength and improved services at low cost. Investment activity continues to add value compared to peers – our CEM Benchmarking report for the 6 years to 31 March 2020 showed the Fund has had total return (net of costs) ahead of the average LGPS, with positive value add from implementation and reducing costs. Reported costs for 2020/21 (as shown in these accounts) reflect increasing asset values, changing investment strategy and increasing investment manager cost disclosure.



The West Midlands Pension Fund has been one of the first UK pension schemes to complete and submit its 2020 Stewardship Report to the Financial Reporting Council, demonstrating across 12 outcome indicators, our commitment to active stewardships and engagement for positive change.

COVID-19 has impacted many of our members, employers and our workforce. The Fund has taken a cautious approach prioritising employee wellbeing and providing additional support to individuals and through digital channels to maintain contact and a good level of engagement throughout. We have seen first-hand, the devastating impact this disease has had on the lives of many in our community and we have unfortunately lost a member of our Pensions Committee, Cllr Sandra Hevican, representative from Sandwell MBC, during the year.

With the spotlight thrown on inequalities and a need for all organisations to reflect and review action to promote greater diversity and inclusion, I am pleased to note the Fund's role in launching the Asset Owner Diversity Charter, seeking to engage and drive positive change in the investment management industry.

The West Midlands Pension Fund has been one of the first UK pension schemes to complete and submit its 2020 Stewardship Report to the Financial Reporting Council, demonstrating across 12 outcome indicators, our commitment to active stewardships and engagement for positive change. The Fund continues to develop its approach and response to climate change, publishing in December 2020, a stand-alone risk monitoring report aligned to the recommendations from the Task Force for Climate-Related Financial Disclosures.

I would like to thank members of the Pensions Committee, Local Pensions Board and the Fund Officers for their ongoing support for the work of the West Midlands Pension Fund. With regulatory change set to continue, the Fund is well-placed to respond to the developing LGPS and wider pension industry landscape.



Adrian Turner

**Chair of Local Pensions
Board // Unison Member
Representative**



LIVING UP TO RISING STANDARDS

The Board continued to meet throughout the year and is keeping a watching-brief on the developing regulation and guidance which stands to impact on the administration of pension funds within the Local Government Pension Scheme.

It has been pleasing to see the West Midlands Pension Fund customer service retained over 2020/21. With an increasing number of members and employers facing change and uncertainty, the addition of digital events and increase in online services available through roll out of the Employer Hub has been successful in retaining a good level of customer engagement.

During the year, the Fund became the first LGPS fund in England & Wales to attain accredited member status with the Pensions Administration Standards Association (PASA), demonstrating its strong commitment to high quality pensions administration and adoption of best practice industry standards.

The introduction of amendments to the Fund's Funding Strategy Statement to enable new funding flexibilities for the Fund and participating employers, has been welcomed, as has the support provided to employers and members

potentially impacted by the introduction of an Exit Cap on member benefits.

The Scheme Advisory Board has issued recommendations to the Department for Levelling Up, Housing and Communities (DLUHC), to support Good Governance across the LGPS and the West Midlands Pension Fund has already taken steps to review and ensure its arrangements are in keeping with developing standards. The Board has welcomed development of the Fund's cyber security strategy during the year and commitment to the Pension Regulator's pledge to protect pension savers from pension scams.

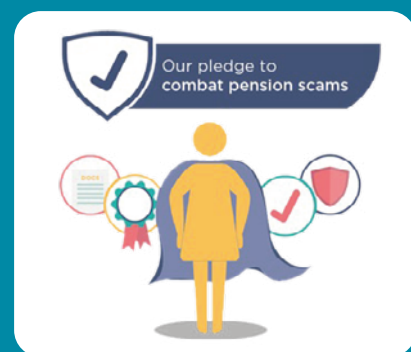
In July 2021, the Board agreed a new workplan which will continue to monitor the Fund's developing policy framework and service standards, working in tandem with the Pensions Committee to ensure the Fund is well placed to deliver on its commitment to support sustainable benefits through the Pension Fund.

The training programme for the Fund's governing bodies continues to support in building knowledge and skills fit for an evolving environment, including new standards expected for Climate Risk management and reporting and

the introduction of the Pension Regulator's single code of practice.

Going into 2021/22 we have a full complement on the Board, with member representatives from Unison, GMB and Unite trade unions and employer representatives from Local Authority, Combined Authority, Academy, Higher and Further education bodies.

I would like to thank outgoing Chair, Joe McCormick for his two-year commitment to Chairing the Board and welcome his ongoing support alongside new and returning members of the Board.





Rachel Brothwood
Director of Pensions

FINDING STRENGTH IN AGILITY



Over the latter part of the year we were pleased to be able to restart our recruitment and training programmes remotely and continue service development and change management initiatives.

Through an extended period of remote working, the Fund has continued to provide business as usual services and evolve working practices to deliver on the ambitions and commitments made in our Corporate Plan. Business continuity planning enabled a quick transition with support services retained and evolving to meet the change in customer needs and working environment.

First and foremost, over 2020/21, we dedicated more time to our critical functions – paying benefits to our members, monitoring service standards, stewarding Fund assets and re-positioning support to our members and employers, many of whom were directly impacted by the

pandemic. We also took measures to increase support for our employees, working off-site and apart for an extended period. Over the latter part of the year we were pleased to be able to restart our recruitment and training programmes remotely and continue service development and change management initiatives.

Over the year we are proud to have increased the accessibility of Fund information through new digital events, maintained customer services and a high level of engagement with our members and employers. Through a combination of written, recorded and live interactive communications and events, levels of customer satisfaction have been retained above target levels.

21,000 new joiners processes



71,400 calls answered by customer services



75 employer events



Over 106,000 pensioners paid



187,644 annual benefits statements processed



3,852 members attending digital events

BUILDING BETTER FOR THE BENEFIT OF ALL

Our corporate priorities over 2020/21 focused around strengthening information, risk management and continuing to build operational efficiency and developing our internal resources. We continued to work closely with our employers, seeking to understand the challenges they were facing and ensure member and financial records were kept up to date. Many of our employers and pension members have played a significant role in supporting local communities throughout the pandemic, providing services and facing uncertainty on financial support.

Recognising the diversity and range of financial challenges faced by our employer-base, we established mechanisms to monitor and review contributions to the Fund, should this be required and have taken the opportunity through changing LGPS Regulations to develop new funding flexibilities from June 2021, following consultation with employers on changes to the Funding Strategy Statement.

Developments in global financial markets and within investment class and individual assets have been closely monitored over the year, noting the uncertainty and potential change in valuations of assets held by the Fund. We have engaged with those most impacted by the pandemic and taken a pragmatic view on rent collection in our tenanted buildings.

The market recovery over 2020/21 has come quicker than expected and it has been pleasing to confirm that both our long term funding and investment strategies finalised in April 2020 remain on track.

Planned changes to the strategic asset allocation, to reduce overall risk, retain return and increase income generation have started to take shape over the year, with increased allocation and commitments to fixed income assets. Revised allocation targets bring a continued focus on opportunities in infrastructure and private debt assets, with responsible investment beliefs central to our approach to implementation.

Reliance on technology and increasing awareness of its vulnerability has grown during the year and as much as this has enabled continuation of Fund services and development activity, keeping pace with cyber security has been a priority for us. Our cyber security strategy was approved in March 2021 and we continue to develop resilience to the threat of cybercrime.

Our digital transformation programme has continued to deliver benefits, as planned during the year, with roll out of our Employer Hub and shared work trays enabling more secure and efficient exchange of information and data with our employers, to support our shared delivery of the Pensions Administration Strategy.



98% of employees surveyed in April 2021 felt well informed about activity across the Fund.

GROWING OUR PEOPLE

Adapting our recruitment and training programme is one of our greatest achievements over 2020/21. With increasing service demands and ambitious workforce, we have been able to support colleagues move into new roles and recruit and induct a number of new hires from a range of backgrounds into roles across the Fund.

We were pleased to be able to offer Apprentice roles, working towards a pension qualification launched by the PMI and to see our Graduate and Trainee programme enter its third successful year. We have seen an increase in employees undertaking professional qualifications and are pleased that our new employer appraisal programme has been successful in enabling employees to access a wide range of skills training.

Our Staff Forum has continued to meet and provide a vital network for our employees, alongside internal communications signposting technical, social, wellbeing and community support activities. We were pleased to be able to recognise the work of our colleagues and stand out contributions at our Star Awards ceremony in July 2021. We have established a Diversity and Inclusivity Forum to continue to review and inform actions we take to ensure equality and opportunity for all.

Employee engagement remains high, with 98% of employees surveyed in April 2021 noting they felt well informed about activity across the Fund.



staff **forum**

COLLABORATING TO ACHIEVE MORE

The Fund has worked closely with its administration software provider and Fund employers to develop additional functionality and services for employers within the LGPS. The employer peer group continues to provide valuable input to the development of operational efficiencies and member communications and we have welcomed the ongoing engagement with sector-specific bodies across the region, to promote and increase awareness of the support available from the Pension Fund.

We continue to work with the LGPS Central pool to develop investment product suitable for implementation of the Fund's investment strategy. As at 31 March 2021, 43% of Fund assets had been transitioned into pooled sub-funds and over the year,

investment mandates have been developed in collaboration to help meet the Fund's target allocations to Emerging Market Debt, Multi-asset Credit and Private Debt. Review of the LGPS Central Climate Factor Global Equity Fund was also undertaken to improve climate credentials, in consultation with the index-provider, FTSE Russell and other users, reflecting findings from the Fund's 2020 Climate Risk Review and supporting carbon metrics.

Collaborative Engagement initiatives stepped up during the year, with the Local Authority Pension Fund Forum (LAPFF) increasing engagement on company responses to Climate Change and continuing to press on a range of Human Rights issues, on behalf of almost 90 pension funds and pools across the LGPS.

CONTRIBUTING TO THE DEBATE

As a Fund we have remained alert to the changing industry and public sector pensions environment, actively contributing to consultations and workgroups across a range of policy initiatives. These include

- Supporting through PASA, feedback on the Pensions Dashboard Delivery project
- Responding directly to the DWP on consultations on pension fund response, risk assessment and reporting in relation to Climate Change Risk
- Developing through PLSA, industry research on "Investing for good"
- Participating in roundtables with the Pensions Regulator and responding to consultation on the new single code of practice

- Working with the LGPS Scheme Advisory Board to consider Good Governance within the LGPS and guidance on the introduction of new funding flexibilities
- Responding to MHCLG consultation on the proposed McCloud remedy for the LGPS
- Developing through the CIPFA pensions panel, new guidance for knowledge and skills for those working within the LGPS

We have been proactive in assessing the impact of change on the Fund and establishing a response to ensure the Fund is resilient to increasing standards of governance and reporting.

ACTION ON CLIMATE CHANGE

In keeping with our belief that Climate Change represents a material financial risk but also opportunity for the Fund, we have reviewed progress against the objectives set in the 2019 Climate Change Framework and Strategy, updated risk monitoring metrics and published key outcomes in our stand-alone risk report. We were pleased to be selected during 2020/21 by the Price of Wales Accounting for Sustainability (A4S) Project Asset Owners Network as a case study for reporting in line with recommendations of Task Force for Climate-related Financial Disclosures (TCFD).

Alongside active stewardship and engagement, the Fund has also advanced investment mandates and asset allocation, moving capital to proactively manage risk. At individual asset level, the Fund has worked in partnership with other investors to support the climate transition and changing behaviours. Within the region, we were pleased to be able to work in partnership with the West Midlands Combined Authority and City of Wolverhampton Council to support the Marches Help to Own Scheme – providing energy-efficient housing for local people.

WMPF aims to invest in opportunities where positive environmental and social outcomes are expected to correlate with positive financial performance. In recent years the Fund has:

- Transitioned £2bn of equity holdings to sustainable & low carbon investment strategies
- Reduced its total equity carbon intensity by 1/3rd relative to the market
- Increased investment in clean technology by 8% in the last year
- Reduced its weight of exposure to fossil fuel reserves by over 20% in the last year



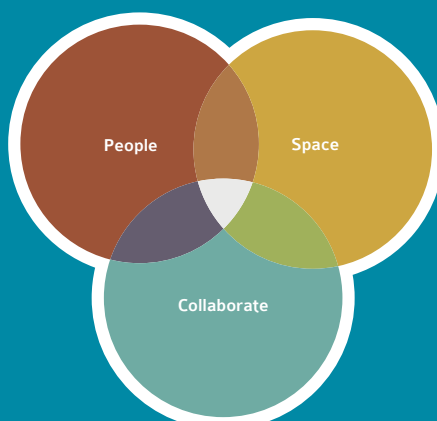
FUTURE WORKPLACE

During 2020/21 and building on our operational development and findings from an extended period of remote working, we undertook a future workplace review. This focused on how the Fund supports employees, pension members and employers in delivering services, wherever and whenever these are sought.

Three strands of this review were to consider our people, our space and how we collaborate.

As our member and employer base continues to evolve, working practices and tools develop and we seek to continue to build on the benefits of collaboration, our workplace will change. We are committed to making pensions and support for pensions funding and saving more accessible and to continue to provide our employees with an environment in which they can thrive.

We have identified a new office to help us achieve these aims and look forward to moving to the new i9 development in Wolverhampton later



in the year, where we will look to further develop our agile working environment and build on effective collaboration and engagement over 2020/21.

I thank the Fund's governing bodies for their ongoing support and all Fund employees for their commitment and passion to serving our members and employers across the West Midlands. We have adapted well during a challenging year and will continue to focus on building better in a more agile future.



Wolverhampton's i9 Development
(artist's impression)



FINANCIAL PERFORMANCE



Darshan Singh
Head of Finance

Financial Report

The primary functions of the Finance team are to make payments to pensioners and suppliers, to collect income due to the Fund and to account for all of the Fund's activities including its investments.

Getting the most for our money is important to the Fund and it is with this in mind we are pleased to report a cost of administration, oversight and governance per member of £28.05 for 2020/21 compared to the budget of £34.91.

This represents the successful deployment of financial controls and expense management across the Fund and additionally this year reflects underspends on the staffing and service development budgets due to challenges presented by the COVID-19 global pandemic. Recruitment activity stalled in the UK's initial lockdown period from the end of March 2020 and a number of projects and initiatives planned for the year had to be partially or completely deferred until 2021/22.

A key area of focus for us each year is the cost of investment management arrangements. In recent years, the Fund has been at the forefront of cost transparency initiatives implementing enhanced schedules for capturing previously unreported costs.

This year is no exception and our templates have enabled even higher levels of transparency from the Fund's investment managers with regard to costs deducted at source and particularly transactions costs which include the costs of transitions and transactions undertaken by the Fund (on transfer between investment mandates) and by external investment managers (on transactions within investment mandates) during the year.

Consequently, for the year to 31 March 2021, investment management costs are reported as some £17m over the amount estimated for budgeting purposes at the start of the year based on prior year cost data collection.

Looking to the future, it will be important for the Fund to continue to demonstrate efficiency and cost-effectiveness to both members and employers. The Finance function supports this aim by ensuring that planning and forecasting is timely and complete, that management information is accurate and relevant and that all expenditure decisions are carefully scrutinised.

	2020/21 budget £'000	2020/21 actual £'000	2020/21 variance £'000
Employees	9,066	6,935	(2,131)
Premises	300	295	(5)
Transport	38	15	(23)
Other supplies and services	437	382	(55)
Service development	1,027	340	(687)
Professional fees	1,552	1,396	(156)
Communications and computing	613	549	(64)
Support services	723	686	(37)
Income	(595)	(438)	157
Sub total	13,161	10,160	(3,001)
External investment management costs	77,970	95,397	17,427
LGPS Central charges	4,949	4,693	(256)
Total	96,080	110,250	14,170

FINANCIAL PERFORMANCE

Outturn 2020/21: Operating Budgets

The following table sets out the Fund's outturn for 2020/21 compared to budget. The net position was an overspend of £14.2 million with the main reasons for this being:

- Increases in reported investment management fees of £17.4m driven in part by gains over 2020/21 in the value of assets managed by the Fund's investment managers but primarily due to increased disclosure and reporting of investment management costs deducted at source by the external managers.
- Slightly lower LGPS Central charges reflecting general Covid-19 impacts slowing down expenditure on employees and some savings from implementation of new reporting systems.
- Savings of £3m across staffing, service development, supplies and services and communications and computing costs. The slowdown of recruitment activity arising from Covid-19 reduced associated computing and IT support costs from the numbers budgeted for at the start of 2020. Due also to the pandemic, further underspends were realised on transport, training and conference activities.

LGPS Central Limited Set-Up Costs

	Direct £000	Indirect £000	Total £000	Cumulative £000
Set-up costs:				
Recruitment	0	0	0	27
Procurement	0	0	0	2
Other support costs	0	0	0	284
Staff costs	0	0	0	142
Other costs	0	0	0	59
Share purchase costs	0	0	0	2,000
Total set-up costs	0	0	0	2,514

The pool was fully set up by 31 March 2018, therefore no set-up costs were incurred in the 2020/21 financial year. Set-up costs totalling £502k were refunded to the Fund in February 2019.

Outturn 2020/21: Cost-Per-Member: West Midlands Pension Fund

Cost-per-member is one measure of cost-effectiveness commonly used across pension funds albeit noting this does not capture the quality of service delivered. The table below sets out the cost-per-member in 2020/21 compared to budget and expenditure last year using the CIPFA standard categories. The measure kept under review as part of the Fund's Corporate Plan monitoring is the combined cost of administration, oversight and governance which was £28.05 per member in 2020/21.

	2019/20 actual	2020/21 budget	2020/21 actual
Total administration costs (£000)	6,067	7,710	6,268
Administration cost per member (£)	18.17	22.62	18.70
Total oversight and governance costs (£000)	2,867	4,190	3,133
Oversight and governance cost per member (£)	8.59	12.29	9.35
Total administration, oversight and governance cost per member (£)	26.75	34.91	28.05
Total investment management costs (£000)	82,535	84,180	100,850
Investment management cost as a percentage of net assets	0.54%	0.50%	0.54%

FINANCIAL PERFORMANCE

Outturn 2020/21: Net Assets of the West Midlands Pension Fund

The year-end net assets position for the Fund was some £2.3bn better than forecast. The main reasons for this were:

- Net return on investments being significantly better than the returns assumed in the forecast. Global investment markets suffered sharp and unexpected falls in the last few weeks of the prior financial year due to the impact of the Covid-19 pandemic and the valuation of the Fund's investments was some £1.4bn lower than had originally been forecast for end of March 2020. During 2020/21, investment markets have experienced a 'bounce back' making significant recoveries which pushed valuations back up to pre-Covid levels and then beyond. This is reflected in the reported £3.2bn of net investment return.
- The balance of contributions income over benefits expenditure, £0.5bn, is positive this year as a number of employers opted to pay all three years future service and past service deficit contributions in advance in April 2020 following the results of the March 2019 triennial Actuarial Valuation. These cash receipts have been accounted for fully in this year's Statement of Accounts.
- Improved cost transparency templates coupled with higher manager response rates and greater cost capture (particularly in relation to investment transaction costs) resulting in the capture of £17.2 million more than originally budgeted for investment management expenses. Within the overall management expenses this was offset by delayed or deferred expenditure of £3.0 million.

	2020/21 budget £m	2020/21 actual £m	2020/21 variance £m
Contributions and benefits			
Contributions receivable	1,046.0	1,184.8	136.7
Other income	17.0	13.9	(3.1)
Benefits payable	(577.0)	(646.8)	(69.8)
Other payments	-	(0.4)	(0.4)
Net transfers (in)/out	-	(8.7)	(8.7)
Net cost of pensions	486.0	542.8	54.7
Returns on investments			
Investment income	221.0	84.8	(136.2)
Changes in value of investments	746.0	3,109.7	2,363.7
Net return on investments	967.0	3,194.5	2,227.5
Management expenses	(96.0)	(110.2)	(14.2)
Net increase in the Fund during the year	1,357.0	3,627.1	2,268.0
Net assets of the Fund at the beginning of the year	15,288.1	15,288.1	
Net assets of the Fund at the end of the year	16,645.1	18,915.2	2,268.0

FINANCIAL PERFORMANCE

Medium-Term Forecasts: Operating Budgets

The following tables set out the Fund's medium-term forecasts for its operating budgets and express these in terms of cost-per member. Over the medium term, the costs of administration, oversight and governance per member are forecast to remain broadly stable. The cost of investment management per member is forecast to grow; however, this solely reflects anticipated growth in the value of the Fund's assets.

	2021/22 budget £'000	2022/23 forecast £'000	2023/24 forecast £'000	2024/25 forecast £'000	2025/26 forecast £'000
Employees	9,700	9,703	9,800	9,898	9,997
Premises	700	650	657	663	670
Transport	40	40	40	41	41
Other supplies and services	488	493	498	503	508
Service development	1,054	1,054	1,054	1,054	1,054
Professional fees	1,499	1,514	1,529	1,544	1,559
Communications and computing	627	633	639	645	651
Support services	733	741	748	755	763
Income	(590)	(596)	(602)	(608)	(614)
Sub total	14,251	14,232	14,363	14,495	14,629
External investment management costs	82,539	97,039	101,769	106,720	111,899
LGPS Central charges	5,225	5,282	5,341	5,399	5,459
Total	102,015	116,553	121,473	126,614	131,987

Medium-Term Forecasts: Cost-Per-Member: West Midlands Pension Fund

	2021/22 budget	2022/23 forecast	2023/24 forecast	2024/25 forecast	2025/26 forecast
Total administration, oversight and (£000) governance costs	12,278	12,450	12,581	12,713	12,847
Cost of administration, oversight and governance per member (£)	35.83	35.62	35.46	35.48	35.67
Total investment management costs (£000)	89,737	104,103	108,892	113,901	119,140
As percentage of forecast net assets	0.46%	0.51%	0.51%	0.51%	0.51%

FINANCIAL PERFORMANCE

Medium-Term Forecasts - Net Assets of the West Midlands Pension Fund

This table sets out forecasts for the Fund's assets over the period to 2025/26.

	2020/21 actual £m	2021/22 forecast £m	2022/23 forecast £m	2023/24 forecast £m	2024/25 forecast £m	2025/26 forecast £m
Contributions and benefits						
Contributions receivable*	1,184.8	538.0	556.0	576.0	599.0	620.0
Other income	13.9	17.0	17.0	17.0	17.0	17.0
Benefits payable	(646.8)	(585.0)	(633.0)	(646.0)	(659.0)	(672.0)
Other payments	(0.4)	-	-	-	-	-
Net transfers (in)/out	(8.7)	-	-	-	-	-
Net cost of pensions	542.8	(30.0)	(60.0)	(53.0)	(43.0)	(35.0)
Return on investments	3,194.5	1,011.0	1,058.0	1,107.0	1,158.0	1,211.0
Management expenses	(110.2)	(102.0)	(117.0)	(121.0)	(127.0)	(132.0)
Net increase in the Fund during the year	3,627.1	879.0	881.0	933.0	988.0	1,044.0
Net assets of the Fund at the beginning of the year	15,288.1	18,915.2	19,794.2	20,675.2	21,608.2	22,596.2
Net assets of the Fund at the end of the year	18,915.2	19,794.2	20,675.2	21,608.2	22,596.2	23,640.2

* the contributions receivable for 2020/21 reflect agreements with some individual employers who have already paid employer contributions for 2021/22 and 2022/23 in advance.

FINANCIAL PERFORMANCE

Pension Overpayments

The Fund seeks to minimise and recover, where appropriate, any overpayments made to members. The majority of these cases arise from late notification of a member's death. The following table sets out overpayments for the last three years.

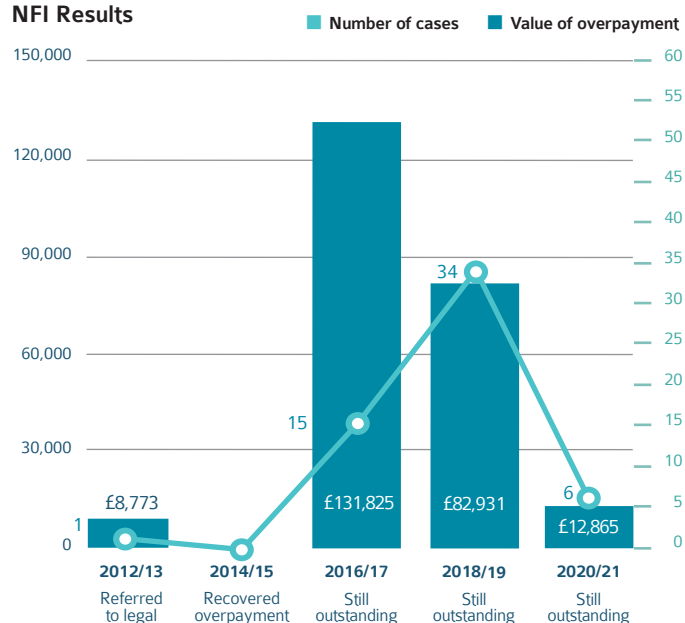
Year	Pension overpayment £	% of gross pension
2018/19	321,039.40	0.07
2019/20	491,682.28	0.12
2020/21	£428,778.70	0.08

The Fund has seen increases in the last two years as a result of enhanced and earlier identification of these cases through improved mortality screening.

Minimising Fraud

The Fund participates in the National Fraud Initiative (NFI), which is a biennial process. The last initiative was undertaken in 2020/21 and the necessary recoveries arising from identified overpayments are being pursued. The results from previous years are shown in the following chart.

NFI Results



In addition to participating in the NFI, the Fund undertakes a regular programme of mortality screening to help identify possible unnotified deaths in a timely manner. Since 2019/20, the Fund has engaged the services of a third party provider (through the National LGPS Frameworks for Member Data Services) to provide an enhanced investigative mortality screening service to support in ensuring more reliable up to date records and assisting in the reduction of future overpayments.

Timeliness of Contributions

The receipt of contributions is monitored and reported to the Senior Management Team on a monthly basis in the form of a key performance indicator (KPI). The table below details the KPI during 2020/21; this shows the percentage of contributions received by the 19th of the following month in which contributions have been deducted from the employer's payroll (calculated on a cumulative basis).

Month	KPI % West Midlands Pension Fund
April 2020	99.79
May 2020	99.74
June 2020	99.69
July 2020	99.64
August 2020	99.62
September 2020	99.61
October 2020	99.57
November 2020	99.54
December 2020	99.37
January 2021	99.33
February 2021	99.31
March 2021	99.06

Darshan Singh
Head of Finance

Date: September 2021

RISK MANAGEMENT AND ASSURANCE



Internal Controls, Risk and Assurance

The West Midlands Pension Fund seeks to deliver better outcomes for members, employers, stakeholders and our people by producing solid, sustainable services and priorities which are resilient to challenges and flexible to the changing environment in which we operate.

It is now more important than ever to have the best possible understanding of the world around us and that we review, prioritise, scrutinise and adapt effectively.

The Fund's risk management approach supports us in doing this with ongoing review and challenge through an effective assurance programme.

We continue to ensure that:

- implications for risk are highlighted at the right levels within the Fund;
- we share best practices to establish a common understanding of risks across all levels within the organisation; and
- actions and controls are closely monitored to ensure mitigation of risks.

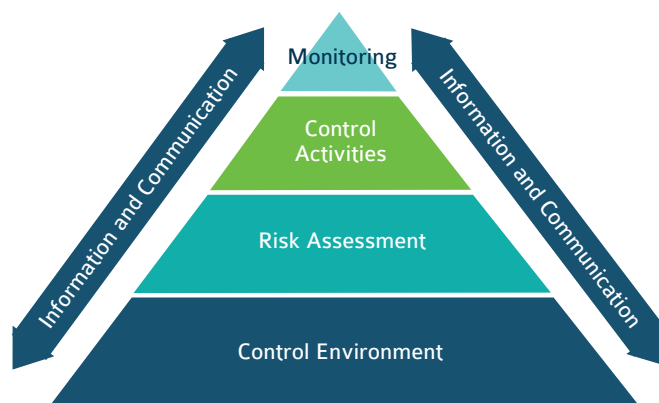
What Risk Management Means to the West Midlands Pension Fund

Risk management does not seek to prevent the Fund from developing new ideas and different ways of working, instead it aims to help us achieve this in a more considered way and supports us in making services more effective.

Through our internal controls framework we aim to:

- promote awareness of operational, governance and investment risk and embed a risk management approach to projects and service delivery;
- ensure that risk management is an integral part of the Fund's operational activity;
- seek to identify, measure, control and report on any risks that may undermine the delivery of the Fund's objectives;
- provide assurance of the Fund's management of risks to our governing and regulating bodies;
- outline the Fund's oversight of its suppliers including its investment pooling;
- to enable proactive identification of risks to enable their effective management and mitigation; and
- to reduce the potential for unnecessary loss on the Fund's market value.

Components of Internal Control



This in turn will:

- ensure our ability to comply with our statutory duty to pay pension benefits when they fall due;
- protect our assets and resources;
- enable us to achieve the aims and objectives detailed in our Corporate Plan;
- give confidence to our stakeholders that their benefits and our services are well governed; and
- enable our assessment of opportunities to make informed decisions and respond positively to change.

RISK MANAGEMENT AND ASSURANCE

The Risk Management Process

We use a series of logical steps to manage risks.

The diagram below represents the cyclical nature of managing risk:



Through taking a proactive forward-looking view we are able to anticipate, plan, action and treat risks which pose a potential impact on our service delivery.



Through bottom-up and top-down review there is collective ownership and challenge to our service delivery approach.

With foundations built on regulation, guidance and best practice, strengthened process, practice and record keeping, evidenced through continuous improvement in KPIs, clear accountability, openness and transparency, and assurance borne out from embedding performance culture within our Three Lines of Defence model.

Three Lines of Defence Model

YOU The First Line of Defence

Fund employees completing day-to-day activities and processes to achieve objectives, working with the Second Line of Defence to continually improve controls.

WE The Second Line of Defence

Governance and oversight functions providing assurance over existing controls and working with the First Line of Defence to continually improve and strengthen controls.

ACHIEVE The Third Line of Defence

Our achievements, independent assurance such as awards, accreditations and external assessments demonstrating the effectiveness of the Fund's controls.

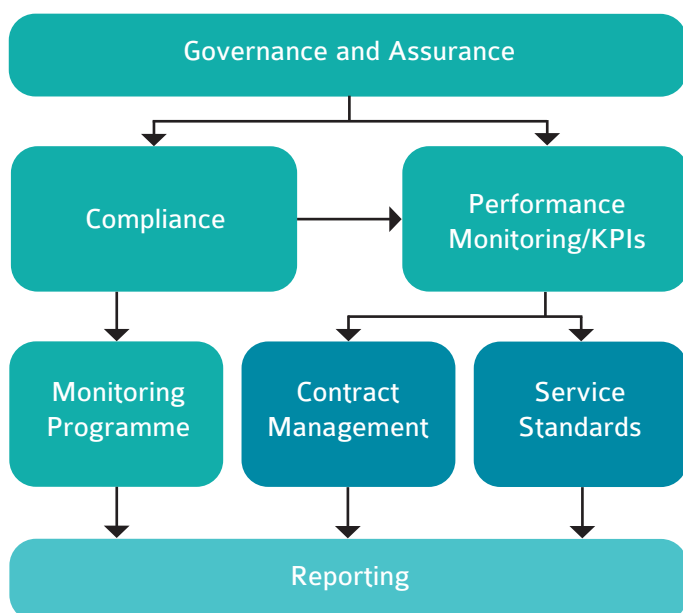
WMPF has instilled the 'House of Governance' as working practice across all service areas, with action driven and aligned to the goals and ambitions of the Fund Corporate Plan, developed in collaboration with key stakeholders each year.

Compliance Oversight/Role Within the Fund

The Fund has a continuing obligation to ensure that it remains fit and proper to continue its statutory duties. Compliance oversight identifies the effectiveness of the Fund's compliance arrangements, including those of its third parties, to make and recommend appropriate remedial action to support ongoing fitness and propriety. A monitoring programme is in place to cover the main areas within the Fund, including contract management arrangements for third party suppliers. The Compliance

RISK MANAGEMENT AND ASSURANCE

Team carries out a monitoring programme, providing formal reporting to the Director of Pensions and the governing bodies on a quarterly basis. The monitoring programme is intended to be flexible, so that it may easily be amended in the light of experience, operational/ systems change, impacting external events or new regulatory requirements. The Fund also monitors LGPS Central Ltd and external fund managers to satisfy itself that they are performing suitable compliance monitoring and that they remain fit and proper persons with the FCA to manage the Fund's investments.



Outcomes that this programme have achieved throughout the year include:

- resilience in service delivery throughout the Covid pandemic with implementation of our tried and tested Business Continuity Plan ensuring key services such as our call centre remain open and fully functional;
- development of the Fund's investment risk and assurance framework, enhancing and documenting oversight of a new array of management and monitoring arrangements adapted for investment pooling;
- Embedding the risk and assurance framework through assurance testing, electronic breach reporting, role specialists and ongoing self-assessment against evolving industry best practice, guidance and regulation.

Achievement of external accreditation (Investors In People Gold, Customer Service Excellence) and recognition (with CEM benchmarking of administration and investment implementation demonstrating added value from approach and member/employer services) ; and proactively seeking independent governance review including Committee/Board effectiveness assessment to aid the ongoing development of Fund governing bodies.

RISK MANAGEMENT AND ASSURANCE

Drivers for Change and Our Management of Potential Risk

Driver	Impact	Controls
Regulatory change and increased oversight of reporting	Need to be responsive and adapt processes to ensure ongoing capacity to deliver services and to maintain regulatory compliance to customer needs for support	The Fund engages in potential change through its role on various national groups supporting the discussion on proposed change and responding to consultations on new regulation. The focus for the Fund is on ensuring it is able to report and support the change through flexing of its own approach and resource and through ongoing review and development of its internal controls.
Increasing complexity in scheme rules and responding to customer needs for support and information	Constant need to develop, educate and upskill our people in response to the changes with key reliance on some service providers to be able to respond and adapt flexibly.	Our People strategy ensures we have a constant review of knowledge and skills offering opportunity for individuals to grow their knowledge and experience with the Fund which in turn supports our member and stakeholder engagement.
Funding and cost management	Growing employer base and complexities in covenant management increasing demand on the Fund's investment performance.	Building on new LGPS regulations in September 2020, the Fund is further enhancing its approach to integrated risk management, including individual employer funding developments. Whether driven by exit, change in covenant or membership, the Fund is taking a proactive approach to engaging with employers on changes between formal triennial valuations, to aid in financial planning.
Investment management	Following a year of volatility, the long term effects of the pandemic remain unknown with the Fund's assets needing to adapt to its Funding needs in line with cost management.	The Fund's investment strategy continues to evolve in response to the ever-changing investment and economic outlook. Action to assess, monitor and manage the financial risks associated with Climate change will continue to progress, together with further integration of responsible investment beliefs into the day-to-day management of Fund investments.
Resourcing and skills	Loss of key knowledge and skills and inability to resource complex and extensive regulatory change.	Ensuring people are confident in their roles leads to improved efficiency and productivity in working practice and promotes an inclusive environment where collectively and individually our team members contribute to the success of the Fund, as well as finding new ways to achieve personal development and job satisfaction. The Fund's own training policy and appraisal programme supports building experience, skills and professional qualifications. Our future space will enhance our offering as a people development champion and place of opportunity across the West Midlands region.

Image captions in 9pt light, aligned off the curve

OPERATIONS AND PENSIONS SERVICES

Simon Taylor
Assistant Director
(Pensions)



Amy Regler
Head of Operations



Background

The West Midlands Pension Fund's ("the Fund") administration function covers a wide range of aspects from processing of member benefits, maintenance of our administration system to include regulatory updates, through to onboarding and continual support of employers and engagement with our customers. The dedicated teams are constantly evolving to service the needs of the second largest LGPS membership base and one of the largest LGPS employer bases in England and Wales.

Employees of all local and joint authorities and many other public bodies in the West Midlands region have automatic access to the LGPS via the Fund (unless eligible for an alternative public sector scheme) and a wide range of other bodies providing a public service or undertaking a contract are also eligible to join the Fund via a resolution or admission agreement.

The administration function is accountable to the Pensions Committee, the Pensions Board, participating employers and scheme members in terms of overall effectiveness and value for money.

The LGPS is a contracted-out defined benefit scheme with benefits defined under statutory regulations (LGPS Regulations) which are not affected by the Fund's investment performance or market conditions.

2020/21 has been a busy year for the pension administration teams with the Scheme and Fund experiencing some significant changes and challenges over the year, not least ensuring the continuation of our back-office processing and support of our customers on the front-line, throughout the Covid-19 pandemic.

Value-For-Money Statement

To ensure the effectiveness of the administration services, the Fund is monitored through internal and external audits. To support performance review, the Fund

participates in benchmarking exercises with other local government pension funds which provides a comparison of key performance indicators overtime against national averages.

Furthermore, the Fund undertakes extended benchmarking to cover a broader range of service functions and comparison with other public and private pension funds. This continues to highlight that the Fund's current running costs are below the peer average with a wider range of services provided to members and employers. The Fund continues to invest in resources and technology systems to continue to develop an efficient delivery platform and provide value for money for our stakeholders.



OPERATIONS AND PENSIONS SERVICES

Key Activities and Performance

Benefit Operations

The 2020/21 year was a volatile year in terms of casework, with overall lower volumes of casework commencing, however with some periods of unusually high volumes. For example, unprecedented high volumes of death casework were received during the year, with an 18% total increase across all process types.

The Fund has a suite of operational KPIs which look at the timeliness we provide information to members and processing their payments. Overall, despite a challenging year the Fund achieved a cumulative strong performance across the KPIs for the year. A summary of the cumulative performance against these targets and the administrator casework is outlined on page 59.



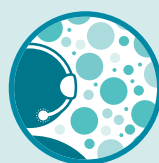
42.5

Full-time equivalent staff in the Benefit Operations team



7,885

Scheme members to Benefit Operations staff ratio



1,784

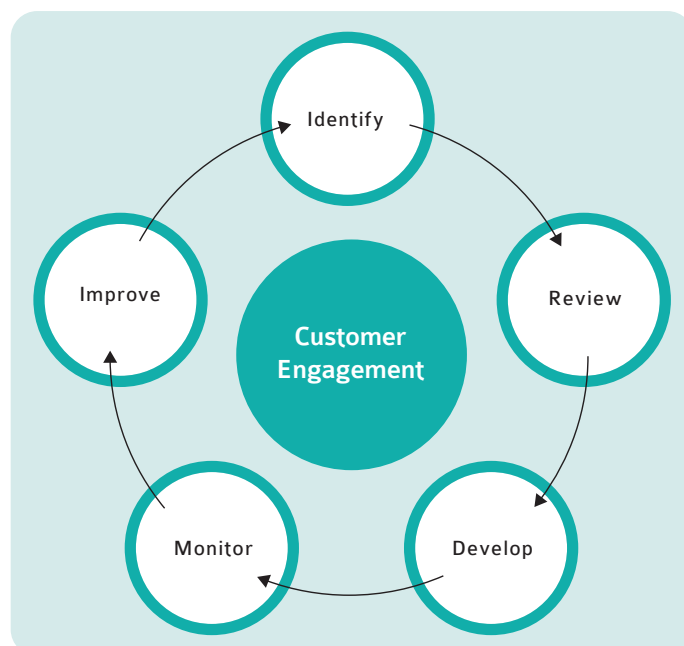
Average cases per Benefit Operations staff

Member Communications

In line with our Customer Engagement Strategy, we seek to place our customers at the heart of everything we do, ensuring the Fund drives continuous improvement and develops working practices, systems and processes which are informed and prioritised according to the needs of those customers. Ultimately, engaging with our customers helps the Fund to understand customer feedback, review and monitor service effectiveness, analyse performance, and develop and deliver a service that is focused on the requirements of our customers.

Our Customer Service Team is the first port of call for the majority of stakeholders, including our member helpline, with over 75,000 calls during 2020/21, 31,000 written queries, and website recording over 1 million hits during the year.

The Fund's dedicated Member Services Team are committed to supporting our members by providing information to members on a wide range of pension matters at the members' workplace, offering a variety of ways to engage with and support our members. These include individual consultations, My Pensions Portal sessions and a suite of webinars aligned to a member's customer journey from introduction to the LGPS to retirement. A key element of the Fund's member engagement for 2020/21 was the introduction of our pre-retirement campaign, incorporating a member retirement toolkit enabling members to get access to all the information they need in three clicks or less. Ensuring proactive evolution of the service, in part driven by the Covid-19 pandemic and maintaining outreach to members, the Member Services Team has developed and rolled-out new webinars and online material.



During the course of 2020/21 the Fund has engaged with over 3,800 members as outlined below:

Coverage 2020/21 : Summary of Key Events 2020/21 and Attendance Levels



OPERATIONS AND PENSIONS SERVICES

The focus for the Fund's member engagement during the Covid-19 pandemic has been one of assurance. We have issued newsletters and messaging in pensioner payslips to reinforce that members' main scheme pension benefits are safe and raised awareness of heightened pension scams activity, which prevails in this environment.

The Fund has maintained front-line services with the same opening times for our dedicated member helpline, helpful recorded messages placed on phone lines, and implementation of online contact forms to enable members an alternative means to access our customer services team. In addition, one-to-one meetings, which were formerly held face-to-face, have now been facilitated via telephone calls with follow-up support available.

Employer Engagement and Communications

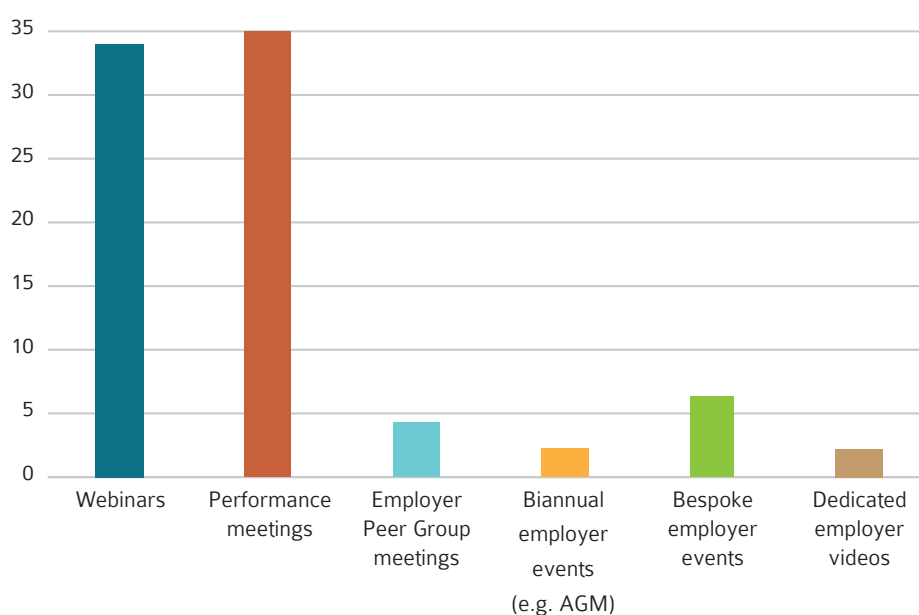
The Fund holds a biannual employer event each year, traditionally in early summer and early winter, to which all employers are invited and afforded the opportunity to discuss topical issues and engage with the Fund on a variety of matters. This event continues to be popular, and with the move to online delivery, has provided improved accessibility for our employer base. These events provide the Fund with a valuable opportunity to demonstrate new developments as well as enhancing service delivery based on the feedback received from participants.

The Fund continues to review performance and meetings and associated engagement were carried out across our employer base and seek to address and areas of underperformance relative to standards set in the Pension Administration Strategy. This process helps to identify issues early and monitor resolution, as well as providing greater support where required.

We continue to deliver and are developing our employer coaching sessions to support new employers, those with staff changes or a need for refresher training. These sessions have been delivered via webinars and videos, with the aim of increasing understanding of employer

responsibilities and how the Fund and employers work together to deliver benefits to members. Our employer peer group has provided valuable feedback during the year and assisted in the development and roll-out of further initiatives and service improvements. The Fund also provides a quarterly employer briefing note, along with bespoke issues, to update our employers with important information and topical issues, as well as special briefing notes on bespoke topics. In total, the Fund engaged with individual employers 875 times during 2020/21 through a variety of mediums as summarised in the chart below (not including individual engagement meetings or teleconference calls).

**Summary of Direct Employer Engagement Activity 2020/21
(Number of Events)**

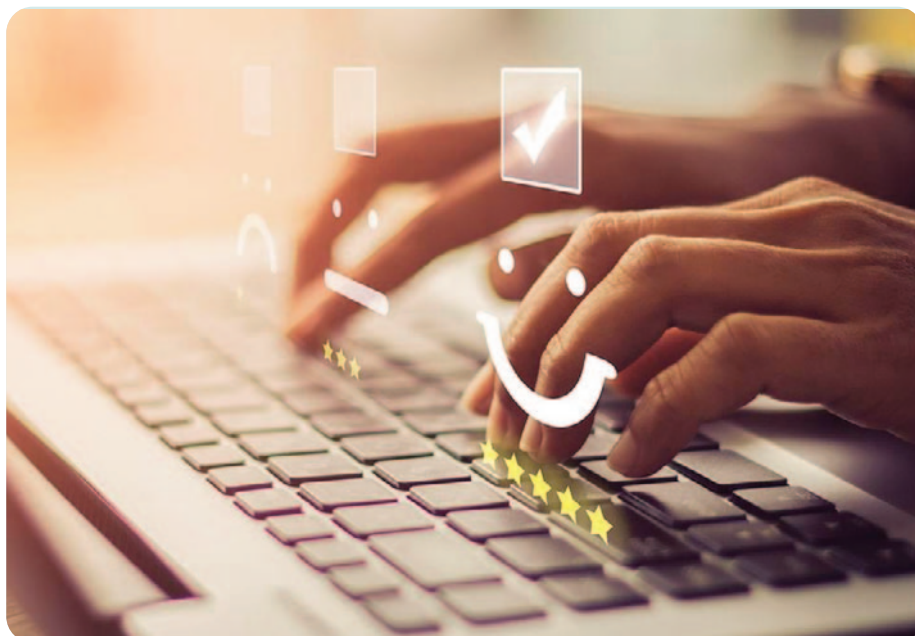


OPERATIONS AND PENSIONS SERVICES

Customer Satisfaction

The Fund encourages feedback via a range of different channels, such as surveys issued following member events and telephone calls and general satisfaction surveys placed on our website. The table below provides a high-level summary of compliments and complaints received from our members during 2020/21, many of which were able to be translated into service improvements going forward.

Compliments received	117
Complaints received	206
Complaints upheld	110



Key Projects and New Initiatives

Funding Strategy Statement (FSS) Review

As required under the LGPS Regulations, the Fund must keep its Funding Strategy Statement (FSS) under review to ensure it remains appropriate in the event of changes to the Investment Strategy Statement or overarching legislation.

On 14 May 2018 LGPS (Amendment) Regulations introduced the concept of "Exit Credits" and, as this change could impact funding arrangements, the Fund reviewed and consulted upon changes to the FSS and associated termination policy, with the revised version effective April 2020.

More recently, on 23 September 2020, amendments were again made to the LGPS Regulations to enable LGPS funds to implement funding flexibilities. As such, during the course of 2020/21, the Fund has considered further changes to our FSS in the context of our integrated risk management framework.

The associated consultation across our employer-base, and the final revised version of the FSS, are to be in place for the forthcoming scheme year.

Employer Health Check

In May/June of 2020, the Fund again carried out our annual employer 'health check' to align to our Pensions Administration Strategy and with the aim of continually improving the information and data we hold. This project had a number of associated benefits from enhancing data quality to providing employers with an opportunity to sense check data.



OPERATIONS AND PENSIONS SERVICES

Digital Transformation of our Services

Work has continued with the digital programme to support the Fund transform its administration services using information and technology to drive processing efficiencies and cost savings whilst improving the service we provide to our members and responding to increasing volumes of benefit processing work.

System Enhancements for Employers

The platform for exchanging data with our employers is the employer portal, which is key to ensuring efficient and secure exchange. From November 2020 the Fund began to transition employers to a new online hub which would further support employers undertake their responsibilities and enhance their user experience through the ability to self serve. The new hub improves the reporting functionality, user experience through design, availability of performance monitoring information and enables earlier issue resolution. Feedback from employers illustrates the efficiency gains being seen through this new development.

Alongside the development of the new Employer Hub the Fund has developed functionality to enable queries with data to be raised with employers via their online accounts with the process being sent to the employers' web-tray for action. This development supports the flow of information and assists in monitoring queries and resolution, providing insight to the development of employer communications and coaching material, supporting faster resolution.

System Enhancements for Members

During 2020/21, the Fund continued to support members plan for their retirement and enable quick access to their pension information. Following the launch of functionality which enabled deferred members to obtain retirement estimates online, in April 2020, the Fund developed this process further to allow members to take the estimate forward to a formal quote and select their options for retirement. The Fund has already seen a significant number of members utilise this facility since its launch in January 2021 and will continue to promote more widely to members in 2021/22.

Overseas Existence Checking

The Fund has in the region of 1,600 overseas pensioner members, noting that overseas members cannot be traced using the same trace tools as those living in the UK, as the data sets typically used will not show information for an overseas person, even if that person is still a UK national. The Fund undertakes an

annual Life Certification Process for Overseas pensioners, where we write out to pensioner members who are based overseas to confirm existence and their contact information.

In 2020/21 the Fund engaged further with our third party tracing provider, to utilise their digital services for our overseas members. This enabled

members to undertake the process via traditional postal methods or via the mypensionID app.

Following the process, the Fund received an 87% verification success rate, with 22% of members utilising the digital app across 12 different countries. The age members who utilised the app ranged from 50 to 96 years old. The average age of respondents being 69, indicating broad member interest in engaging with the Fund electronically.

GMP Rectification

Having progressed the reconciliation element of Guaranteed Minimum Pension (GMP) records with HMRC, the Fund has advanced the rectification phase of project to culminate in writing to affected members during 2021/22.



OPERATIONS AND PENSIONS SERVICES

Key Achievements



Pension Administration Standards Association (PASA) Accreditation.

The Pensions Administration Standards Association (PASA), is an independent body dedicated to driving up standards in pensions administration, and in 2020/21 the Fund were awarded the PASA Accreditation – the ‘gold standard’ for high quality pensions administration. The Fund undertook an independent assessment of our administration service, demonstrating the effective process and controls within the service we provide to our key stakeholders.

Customer Service Excellence (CSE) Accreditation

In November 2020 the Fund was very pleased to receive confirmation of our reaccreditation to CSE, achieving their highest rating “compliance plus” in a number of areas. This reaccreditation is testament to our continued focus upon delivering best practice and innovation for our customers.



Working in Partnership

Customer Base

The Fund is focused upon delivering value to our customers and key stakeholders, ensuring information and support is available at the right time for members and to support our employers in performing their roles and responsibilities. The foundation of this approach is through partnership working and for 2020/21 has included:

- Developing a better understanding of the financial pressures and ongoing challenges facing our employers, particularly during the Covid-19 pandemic, achieved via our financial resilience surveys and follow-up engagement.
- Working closely with various member groups and Trade Unions to obtain valuable feedback on our services and develop new initiatives tailored to their expectations and demands.

Wider Collaboration

During 2020/21 the Fund has worked closely with a number of national groups to drive improvements to administrative procedures, share best practice and develop initiatives for the wider LGPS. Examples include the following:

- Working with the LGPS Scheme Advisory Board (SAB) on the implementation of LGPS Regulations and associated guidance providing employers with increased funding flexibility.

- Developing communications for the wider LGPS in conjunction with the Local Government Association (LGA) to include the production of member videos and development of the LGA website.
- Contributing to Department for Levelling Up, Housing and Communities (DLUHC) consultations on proposals for the implementation of the McCloud/Sargeant remedy and on the Public Sector Exit Cap.
- Actively working with other LGPS funds, to improve consistency and share best practice, including the Metropolitan Group of LGPS funds and the ‘Central’ Group of funds
- Working with the Pension Administration Standards Association (PASA) on the pension dashboard working group, developing guidance for administrators and schemes on the requirements and responding to the ‘Call for Inputs’ from the pension dashboard programme.
- The Fund continue to be a longstanding founder member of the LGPS National Frameworks, which enable more efficient and effective procurement within the LGPS. We have continued to support the roll out of a number of new frameworks, including the Actuarial, Governance and Benefits Consultancy Framework

GOVERNANCE COMPLIANCE STATEMENT 2021

Rachel Howe
Head of Governance
and Corporate Services



Introduction

The Fund is required to publish a Governance and Compliance Statement under Regulation 55 of the Local Government Pension Scheme Regulations 2013 (as amended) and review that statement on an ongoing basis. This statement sets out the Fund’s Governance Structure, scheme of delegation, and the terms of reference for its governing bodies, the Pensions Committee and the Local Pensions Board.

Relationship with the Administering Authority – the City of Wolverhampton Council

The City of Wolverhampton Council (CWC) is the administering authority for the West Midlands Pension Fund (the Fund) under the Local Government Pension Scheme Regulations 2013 and is the Scheme Manager as defined by Section 4 of the Public Service Pension Act 2013.

Statutory provisions in the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 manage the Pension Fund’s assets and liabilities separately to those it holds to perform its functions as a local government authority and to carry out all other activities associated with the management and administration of the scheme, in accordance with legislation and statutory guidance for the benefit of its members, employers and other stakeholders.

Governance Structure

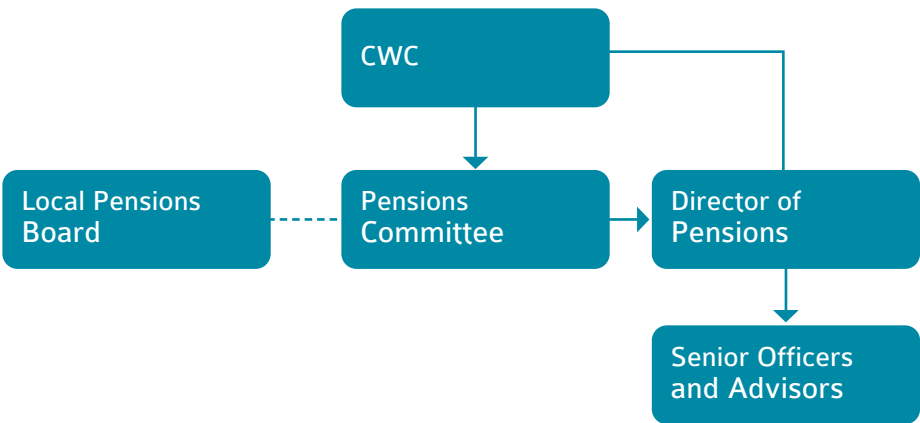
Under its constitution and in accordance with Section 101 of the Local Government Act 1972 CWC have delegated responsibility for the management of the Fund to the Pensions Committee and the Director of Pensions. As required by the Public Service Pensions Act 2013,

Pensions Board assist in the good governance of the scheme by ensuring compliance with legislation and statutory guidance. The Fund’s Governance arrangements are outlined in the diagram below.

Pensions Committee

The Pensions Committee is responsible for exercising all of the functions that are required as an administering authority for a Local Government Pension Scheme under the Public Service Pensions Act 2013. Adhering to the principles required by Statutory Guidance, The Pensions Regulator’s (TPR) Code of Practice and performing the duties set out in the Terms of Reference for the Pensions Committee as detailed in CWC’s Constitution available on its website.

Members of the Pensions Committee are responsible for the Fund’s activities, ensuring that the Fund is managed in the best interest of all its members, employers, and beneficiaries. This can sometimes mean that members may have to make decisions in a non-political context.



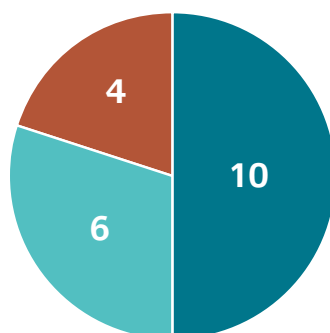
GOVERNANCE COMPLIANCE STATEMENT 2021

The key duties of the Pensions Committee as set out in the terms of reference are as follows:

- To exercise all those functions of City of Wolverhampton Council which are required to be performed by it in its role as administering authority for the Local Government Pension Scheme under the Public Service Pensions Act 2013 (and any associated legislation) adhering to the principles required by statutory guidance.
- To adhere to the principles set out in the statutory guidance and Codes of Practice issued by the Scheme Advisory Board and The Pensions Regulator and undertake its duties in compliance with the obligations imposed on it as Scheme Manager.
- To approve the Fund's operational budget and receive reports on matters of staffing and employment where significant budget implications occur.
- To represent the views of members in the management and administration of the Fund.
- To ensure that equality issues are addressed in the development of policies and the provision of services and are appropriately monitored.
- To determine the investment strategy and supporting responsible investment policy and framework of the Fund in consideration of the long-term liabilities and duties to pay pension benefits.
- To monitor investment activity and the performance of the Fund's investments. To take independent and specialist advice on matters to be determined, including advice from Senior Officers of the Fund, adhering to the advice given when taking decisions.

- To ensure effective operational and financial risk management and to receive reports on actions identified in the Fund's internal control framework.
- Reviewing and adopting the statutory policies of the Fund, in accordance with the Fund's policy framework.
- On an annual basis to receive and approve the Annual Report and Accounts

The membership of the Pensions Committee is detailed in the diagram below.



Committee Structure

- City of Wolverhampton Council Councillors
- District Council Representative Councillors
- TU Representative Observers

The ten CWC councillors and six district councillors are all voting members of the Committee, whilst the four TU representatives are invited to represent the Fund's members as observers who can participate in debate but do not have voting rights. Further details about the Pensions Committee membership can be found in the Fund's Representation Policy which is available on the Fund's website. The Pensions Committee meet on a quarterly basis and are managed and operate as a Section 101 delegated Committee.

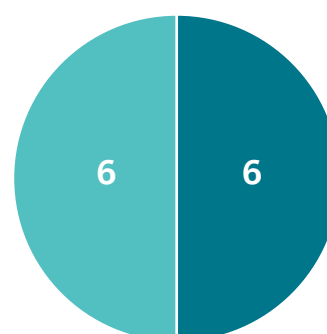
The Local Pensions Board

As required by the Public Service Pensions Act 2013, CWC as administering authority established the Local Pensions Board to assist in the good governance of the scheme by ensuring the Fund's compliance with legislation and statutory guidance. The terms of reference for the Local Pensions Board are available on the Fund's website.

The role the Local Pensions Board is to assist in the good governance of the Local Government Pension Scheme through the monitoring of compliance with statutory regulation and guidance and to act as a representative both for and on behalf of the employer and member base ensuring effective governance and administration in the management and payment of pension benefits.

Pension Board members are non-political, they represent the Fund's members and employers (not political group, trade union or individual employer) and must consider the Fund's overriding objective, which is to pay members benefits when they fall due.

As detailed in the diagram below, the Pensions Board consists of six employer and six member representatives, two of which (one from each category) are CWC elected councillors.



Local Pensions Board Structure

- Employer Representatives
- Member Representatives

GOVERNANCE COMPLIANCE STATEMENT 2021

Each member of the Board has a right to vote on matters brought before it. The positions of Chair and Vice Chair are appointed to annually by vote of the membership, with a rotation of employer and member representatives each year. Further information with regards to representation on the Local Pensions Board can be found in the Representation Policy which is available on the Fund's website. Appointments to the Local Pensions Board are made in accordance with the Fund's Local Pensions Board Appointments process which is also available on the website. In line with Pensions Committee, the Board also meet on a quarterly basis.

The Board establishes an annual programme of work focused on the Fund's governance and administration processes, monitoring the Fund's compliance with statutory and regulatory guidance and working with officers to ensure the highest standards are met. The workplan covers the broad range of functions undertaken by the Fund including data management, financial management, funding policy and investment governance and stewardship. A report on the work of the Pensions Board is provided to the Pensions Committee on an annual basis.

Investment Pooling

Role of Individual Administering Authority

In compliance with the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016, the West Midlands Pension Fund has outlined its approach to investment pooling in its Investment Strategy Statement. Working collectively with partner funds, the West Midlands Pension Fund created and owns LGPS Central

Limited, an FCA regulated company responsible for product development and offerings to the eight administering authorities as its clients.

In conjunction with its partner funds, West Midlands Pension Fund takes two roles in this structure:

- **Role as Shareholder**

To oversee, challenge and ensure the company's goals, ambitions and overall performance achieve the objectives set out in its annual business plan (including the budget), ensuring such business plan is fit for purpose in the context of its customers, their needs and ambitions, including the creation and delivery of products which meet those needs.

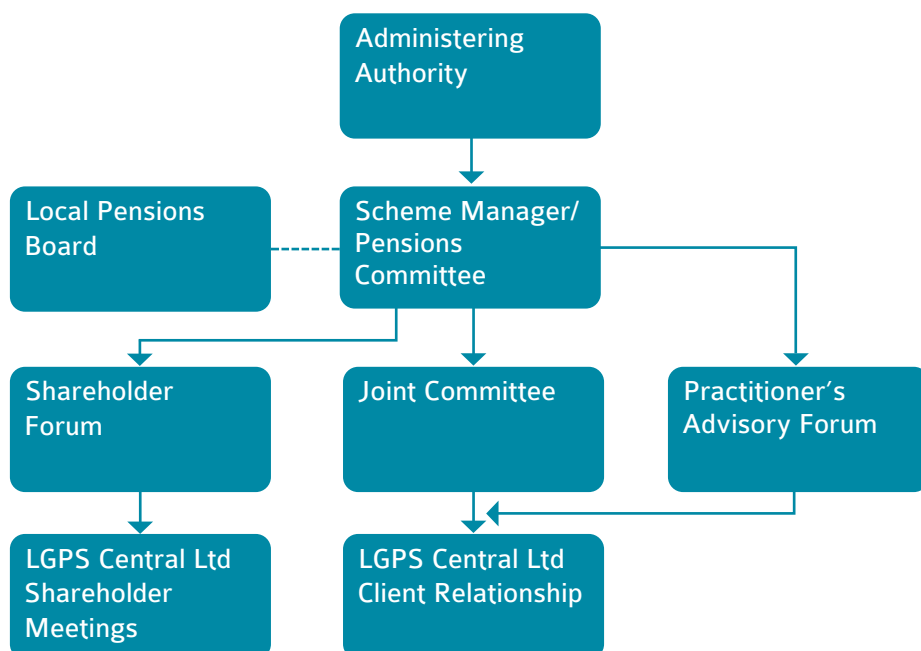
- **Role as Client/Customer**

To receive services (under agreement) and to manage the performance of that agreement in line with contract management processes.

Director of Pensions

In accordance with Section 101 of the Local Government Act responsibility for the day to day administration, and investment management for the Fund within the policy's and strategies agreed by the Pensions Committee is delegated to the Director of Pensions.

The Director of Pensions has lead responsibility for the West Midlands Pension Fund in accordance with the statutory provisions imposed on administering authorities who hold a Local Government Pension Scheme function, as governed by the Public Service Pensions Act 2013 (and associated legislation). The delegations to the Director of Pensions are reviewed on annual basis by the Pensions Committee to ensure ongoing compliance with regulation and statutory guidance. The full delegations to the Director of Pensions are available in CWC's constitution.



GOVERNANCE COMPLIANCE STATEMENT 2021

The Director of Pensions may authorise Senior officers from within the Fund to exercise on their behalf the functions delegated to them. Any decisions taken under this authority shall remain the responsibility of the Director of Pensions who shall remain accountable and responsible for such decisions.

Accountability and Publication of Information

Details of Pensions Committee and Local Pension Board meetings, including minutes, agendas and reports presented are publicly available on the administering authority's website. Members of the Local Pensions Board have full access to the information presented to the Pensions Committee and vice-versa.

Meetings of the Pensions Committee are open to members of the public.

The Pensions Board workplan is published on the Fund's website and a report on the work of the Pensions Board is presented annually to the Pensions Committee, this report is published on CWC's website.

The Fund prepares and publishes a Corporate Plan and an Annual Pension Fund Report and Accounts detailing Fund activities and performance during the year. The Annual Report includes details of the training records for members of the Fund's Governing Body's (The Pensions Committee and Local Pensions Board), with copies available on the Fund website.

Governing Body Knowledge and Skills

The Fund is required by law (section 248a of the Public Service Pensions Act 2013), and statutory guidance (Pensions Regulator's Code of Practice and Scheme Advisory Board Statutory Guidance), to ensure that members of its Governing Body's (the Pensions Committee and the Local Pensions Board), have an appropriate level of knowledge and understanding, to undertake the roles and functions of the positions they have been appointed to.

The Fund have established a governing bodies training policy which is available on its website. The policy sets out the Fund's approach to supporting governing body members to meet statutory expectations with regards to knowledge and understanding through a tailored and structured training programme and evidencing compliance with these expectations.

Governing Body Conflicts of Interest

A conflict of interest is defined as a financial or other interest which is likely to prejudice a person's ability to undertake the functions of the role they have been appointed to. A conflict could arise where an individual has been appointed to a governing body (the Pensions Committee or Local Pensions Board) who at the same time has a separate personal interest or responsibility (financial or otherwise) in a matter being discussed. The Fund have

established a Conflicts of Interest policy that sets out its approach to identifying, monitoring, and managing conflicts which is available on its website. Members of the Pensions Committee and Local Pensions Board are required to complete annual declarations of interest and the Fund maintain a register of interest declared. Declaration of Interests is also a standing agenda item at all meetings of both the Pensions Committee and the Local Pensions Board. In addition, elected members are expected to follow the policies agreed by their local authority, including the relevant Councillor Code of Conduct.

Compliance Statement

The Fund fully complies with the best practice guidelines on governance, issued by the Department for Levelling Up, Housing and Communities (DLUHC), for details see the table below.

GOVERNANCE COMPLIANCE STATEMENT 2021

Principle	Fully Compliant
A – Structure	
The management of the administration of benefits and strategic management of fund assets clearly rests with the main committee established by the appointing Council.	✓
That representatives of participating LGPS employers, admitted bodies and scheme members (including pensioner and deferred members) are members of either the main or secondary committee established to underpin the work of the main committee.	✓
That where a secondary committee or panel has been established, the structure ensures effective communication across both levels.	✓
That where a secondary committee or panel has been established, at least one seat on the main committee is allocated for a member from the secondary committee or panel.	✓

GOVERNANCE COMPLIANCE STATEMENT 2021

Principle	Fully Compliant
B – Representation	
<p>That all key stakeholders are afforded the opportunity to be represented within the main or secondary committee (the Local Pensions Board) structure. These include;</p> <ul style="list-style-type: none"> • Employing authorities (including non-scheme employers (e.g. admitted bodies)) • Scheme members (including deferred and pensioner scheme members) • Independent professional observers • Expert advisers 	✓
That where lay members sit on a main or secondary committee, they are treated equally in terms of access to papers and meetings, training and are given full opportunity to contribute to the decision-making process, with or without voting rights.	✓
Selection and role of lay members	
Principle	Fully Compliant
That committee or panel members are made fully aware of the status, role and function they are required to perform on either a main or secondary committee	✓
That at the start of any meeting, committee members are invited to declare any financial or pecuniary interest related to specific matters on the agenda	✓
Voting	
The policy of individual administering authorities on voting rights is clear and transparent, including the justification for not extending voting rights to each body or group represented on main LGPS committees	✓

GOVERNANCE COMPLIANCE STATEMENT 2021

Training/Facility Time/Expenses	Fully Compliant
That in relation to the way in which statutory and related decisions are taken by the administering authority, there is a clear policy on training, facility time and reimbursement of expenses in respect of members involved in the decision-making process	✓
That where such a policy exists, it applies equally to all members of committees, sub-committees, advisory panels or any other form or secondary forum	✓
Meetings	
That the administering authority's main committee or committees meet at least quarterly.	✓
That an administering authority's secondary committee or panel meet at least twice a year and is synchronised with the dates when the main committee sits.	✓
That administering authorities who do not include lay members in their formal governance arrangements, provide a forum outside of those arrangements by which the interests of key stakeholders be represented	✓
Access	
That subject to any rules in the council's constitution, all members of main and secondary committees or panels have equal access to committee papers, documents and advice that falls to be considered at meetings of the main committee.	✓
Scope	
That administering authorities have taken steps to bring the wider scheme issues within the scope of their governance arrangements.	✓
Publicity	
That administering authorities have published details of their governance arrangements in such a way that stakeholders with an interest in the way in which the scheme is governed, can express an interest in wanting to be part of those arrangements.	✓

INVESTMENT POOLING

LGPS Central Investment Pool was established in 2017 in response to the Government requirements for LGPS Funds to pool investments with the aim of achieving 4 key objectives

- Achieving benefits of scale
- Strong governance and decision making
- Reduced costs and excellent value for money
- Improved capacity and capability to invest in infrastructure

To support the delivery of these objectives, WMPF in collaboration with 7 Partner Funds created a separate FCA regulated entity, LGPS Central Limited to be the vehicle through which assets could be pooled and products and services developed to support Funds in implementing their individual investment strategies.

Three years on from launch in 2018, as at 31 March 2021 the pool Company had launched 12 investment vehicles with £13.6 billion

of Partner Funds assets invested as at 31 March 2021. The Company has developed a framework for Responsible Investment Integrated Status and this is applied across all products. During 2020/21 the Company supported all Partner Funds in review of their Climate Risk exposure, enabling each Fund to prepare a Climate Risk report in line with the recommendations from the Task Force on Climate-related Financial Disclosures.



Partner Funds

Governance

LGPS Central Limited (the Company) is wholly owned by the Partner Funds who are its customers and also shareholders.

The Company's investment performance and ongoing development of products and services is overseen by the Partner Funds on a day-to-day basis by the Senior Fund Officers via the Practitioner's Advisory Forum and formally on a bi-annual basis by the Joint Committee, constituted by representatives of the Partner Fund Pensions Committees.

Company development and delivery is overseen by shareholder representatives from the 8 Administering Authorities of the Partner Funds in dialogue with appointed Company Directors both on an ongoing basis and formally at the Company's Annual and General Meetings.

The Partner Funds and the Company work collaboratively and in line with shared objectives to build the investment capabilities required to ensure that the Partner Funds are able to efficiently and effectively deliver their strategic investment

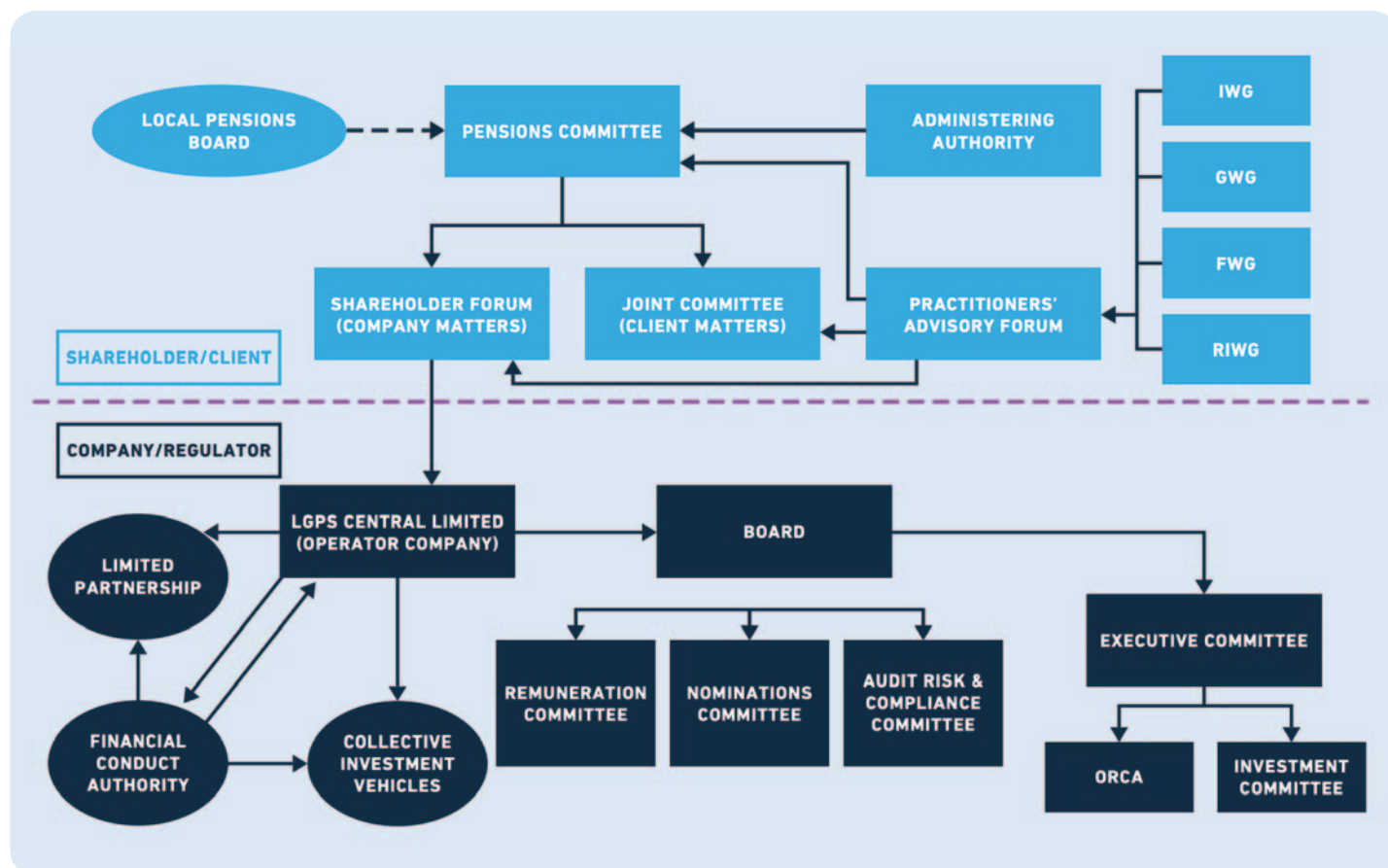
objectives. The Company Directors, Board and Board sub committees are responsible for the day-to-day running of the Company including compliance with regulatory requirements of the Financial Conduct Authority (FCA).

During 2020/21 and in collaboration with Partner Funds, the Board established six areas for focus for the Company's ongoing development – these include extending Responsible Investment and Engagement practice with a focus on Climate Change and ongoing development of the "One Central" team.

INVESTMENT POOLING

Governance Framework

The governance structure of the Central Pool



Source: <https://www.lgpscentral.co.uk/wp-content/uploads/2021/08/LGPS-Central-Limited-Annual-Report-2020-21-.pdf>

Asset Transition and Product and Development

Following the pool Company launch in 2018, WMPF has transitioned 43% of invested assets to LGPS Central Limited collective investment vehicles, a total asset value of £7.8 billion as at 31 March 2021.

During 2020/21 WMPF actively participated in the development of LGPS Central sub funds investing in Emerging Market Debt, Multi-Asset Credit and Private Debt, with transfer of £300 million to the Emerging Market Debt Fund in December 2020.

Working with LGPS Central and Partner Funds through the Product Delivery Protocol, we seek opportunities to invest in structures which support delivery of our investment strategy and long term funding target, ensuring alignment with the Fund's investment beliefs including responsible investment and climate change ambition.

Cost Savings

LGPS Central investment pool has a cost sharing agreement setting out the basis for recharge of cost from LGPS Central Limited to participating

client Funds. Cost together with the cost saving model are reviewed and monitored to track the development of economies of scale and operational efficiencies delivered through collective ownership and investment pooling.

The Central pool projects net cost savings in the region of £270 million by 2033/34.

MEMBER TRAINING RECORD

The Public Service Pensions Act 2013 provides for the regulation of the LGPS by The Pensions Regulator and, accordingly, the increased emphasis on the role of Funds' Governing Bodies (Pensions Committee and Local Pensions Board), and their knowledge and understanding. The Fund's Governing Bodies training policy is reviewed and adopted annually taking into account any regulatory changes on training requirements. In accordance with the policy, training activity undertaken is monitored, recorded and reported within the Fund's Annual Report. By implementing and participating in training, Governing Body members are supported to take well-informed decisions and, are able to comply with regulatory requirements and support the Fund's delivery of its Corporate Plan.

The Fund applies the CIPFA Knowledge and Skills Framework to its training and development program, outlining the requirements and support offered to ensure obligations are met and that knowledge and understanding of our Governing Body members grows with the service of the role. The Fund's training program is designed to support knowledge and awareness required by regulating bodies, together with developing knowledge and awareness of the Fund as an organisation in how it serves and supports its members and employers.

The training program seeks to map

across areas of focus to ensure they meet regulatory requirements and monitors where that learning has been put to use in the adoption of statutory policies and the decisions taken at formal meetings.

Arrangements for regular training are in place with training delivered through various means including inhouse structured training events, which encourage and enable collaboration across the 2 Governing Bodies. Training activity undertaken is recorded and training returns are collated from members.

Training throughout the year has included:

- Corporate planning
- LGPS regulatory updates and governance impact
- Investment strategy
- Investment pooling
- Investment costs
- Responsible investment
- Annual report and accounts preparation
- Cyber security
- Customer engagement and communications

In line with the Fund's training policy, all new Governing Body members are invited to attend an induction course to provide an oversight of the Fund, its policies, the role of our governing bodies together with an overview of the reports and decisions they may

be presented with over the course of the year. Throughout the year a total of 715.25 training hours were recorded across the two bodies. 503 hours by Pensions Committee and 212.25 by the Local Pensions Board. The Fund's training programme includes the invitation of external parties and stakeholders to provide bespoke expertise to support developing knowledge. Details of the training sessions and presentations provided to the Pensions Committee and the Local Pensions Board during 2020/21 are as follows:

- LGPS Regulatory Update – Barnett Waddingham
- Investment Strategy and Allocation – Redington Ltd
- Investment Strategy: Credit Markets and Products – LGPS Central
- Cyber Security - AON
- Responsible Investment Summit – LGPS Central
- LGPS McCloud & Sargeant Remedy – Barnett Waddingham
- Additional Voluntary Contributions (AVCs) Update - Prudential

In summary, the Fund invests significant resources into the development of its Pensions Committee and Local Pensions Board members, firmly believing that the benefits over the long term are essential to the effective governance and management of the Fund.

715 TRAINING HOURS

503 Pensions Committee
212 Local Pensions Board

MEMBER TRAINING RECORD

Pensions Committee

*Training hours for members on Pensions Committee at 31 March 2021

Member	Number of meetings attended	Voting rights	Training hours
Cllr Milkinder Jaspal	3	Yes	35.5
Cllr Clare Simm	3	Yes	30
Cllr Keith Inston	4	Yes	19
Cllr Phil Page	4	Yes	178.5
Cllr Jasbinder Dehar	2	Yes	17.75
Cllr John Reynolds	4	Yes	25.5
Cllr Steven Simkins	4	Yes	16.5
Cllr Harman Banger	0	Yes	10
Cllr Paul Singh	3	Yes	19
Cllr Joe Tildesley	3	Yes	20
Cllr Alan Taylor	4	Yes	22
Cllr Rose Martin	3	Yes	17
Cllr Bally Singh	3	Yes	12.5
Cllr Muhammad Afzal	4	Yes	18
Ian Smith	4	No	18
Martin Clift	3	No	11.5
Malcolm Cantello	2	No	32.5

Local Pensions Board

*Training hours for members on Local Pensions Board at 31 March 2021

Member	Number of meetings attended	Voting rights	Training hours
Joe McCormick	4	Yes	36.5
Adrian Turner	4	Yes	35.5
Sharon Campion	4	Yes	22.75
Stan Ruddock	3	Yes	30
Paul Johnson	4	Yes	24
Ian Martin	4	Yes	15
Cllr Jasbir Jaspal	2	Yes	21.5
Jacqueline Carman	3	Yes	9
Mark Smith (Jan 21-Apr 21)	2	Yes	18

Rachel Howe

Head of Governance and Corporate Services

Date: May 2021

INTERNAL AUDIT

The internal audit service is provided by the City of Wolverhampton Council, the Fund's administering authority.

The purpose of internal audit is to provide the Directors, Section 151 Officer, Pensions Committee and Pensions Board with an independent and objective opinion on the adequacy and effectiveness of the governance, risk management and control processes operated within the Fund.

Internal audit forms one part of the assurance framework which helps the Fund identify and manage risks to enable the achievement of business objectives.

Internal audits are conducted in accordance with the Public Sector Internal Audit Standards. Based on the work completed during the year, the implementation of recommendations made to management, and assurances available to the Fund by other providers in addition to internal audit, reasonable assurance can be given that the Fund has adequate and effective governance, risk management and internal control processes in place.

Internal audit work undertaken during the 2020 -21 financial year:

- Cyber security
- Governance - risk management
- Investments - risk management
- GDPR
- Guaranteed minimum pension
- Transfers out
- Follow-up of previous year recommendations

In addition, 23 financial appraisals have been completed on behalf of the Fund during the year. These help the Fund assess whether organisations requesting admitted body status will be able to meet their financial obligations. Also, as members of the LGPSC Internal audit working group, reviews are completed on the assurance framework and control processes in place.

Internal audit act as the Fund's key contact for the Cabinet Office's National Fraud Initiative. Additionally, support and advice is provided throughout the year on risk, control and governance issues.

OUR PEOPLE

Our people are our greatest asset, not only in the service they provide to our customers, but also as ambassadors for the Fund in driving change and creating innovation in our service delivery.

In this demanding and ever-changing environment, the success of West Midlands Pension Fund is achieved through the determination, enthusiasm and professionalism of its Committee members, Local Pensions Board and officers. We believe that continuous effective learning and development benefits the individual and the organisation and contributes to the overall delivery of the Fund's objectives.

The Fund's commitment to its people was showcased in our achieving Gold accreditation in Investors In People, February 2021, the assessor noting:



People enjoy working for the Fund and engagement levels are high, values and ethical practices underpin what your organisation stands for...

People are involved in championing change and are given opportunities to engage with strategic and operational projects and programmes...

INVESTORS IN PEOPLE™
We invest in people Gold

West Midlands Pension Fund

As at 31 March 2021, the Fund had 160 full-time equivalent posts (178 actual employees) with an additional ten employed at this date in agency or interim roles. Over 2020/21 the Fund recruited 32 new hires and had 17 leavers (of whom seven left permanent posts for alternative roles outside of the Fund). 30 employees were successful in applying for alternative roles within the Fund. Overall, recruitment activity remains high. There were 41 vacant posts at February 2020, including nine within investments and finance and 16 within pension operations.

The Fund believes that by investing in its people it empowers them to increase skills, facilitate career development and helps them to progress their role in the organisation. This year 30 employees were promoted or obtained permanent positions with the Fund moving from a temporary post.

There is opportunity for employees to discuss training and development through a wide range of approaches during regular one-to-one meetings or as part of the annual appraisal process.

This year the Fund has supported colleagues in achieving PMI qualifications, ACCA, Investment Management Certificate, Professional Diploma - Digital Marketing, Prince 2 project management as well as supporting soft skill developments such as presentation and team building training.

The Fund also has employees undertaking apprenticeship management development programmes to enhance manager tools across the organisation. Employees are completing various levels of the programmes from assistant up to senior leadership level.



OUR PEOPLE

Throughout 2020/21 we continued to develop our successful Graduate and Trainee Programme which has been in place over the last three years.

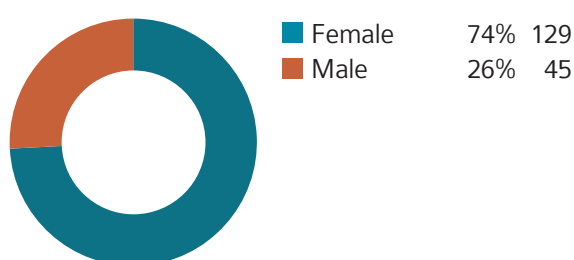
The programme is designed to equip employees to learn new skills, obtain a professional qualification identified through a bespoke Personal Development Plan and set them on a path for the next steps in their career. Feedback from previous cohorts is

very positive about the programme and opportunities provided to develop professional skills and career progression and the invaluable experience gained whilst working at the Fund noting the support from colleagues to develop soft skills and confidence.

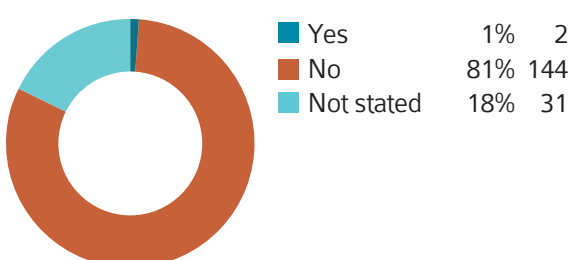
The Fund is a registered centre for the provision of the Pensions

Management Institute (PMI) and can facilitate exams at this office, which enables staff to undertake qualifications in a familiar environment. This year due to Covid-19, the Fund continued to facilitate students learning remotely with online learning workshops to support with the continuation of exams.

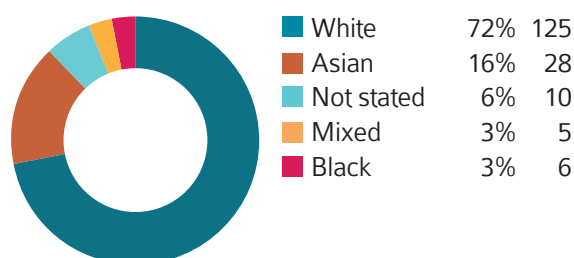
Gender



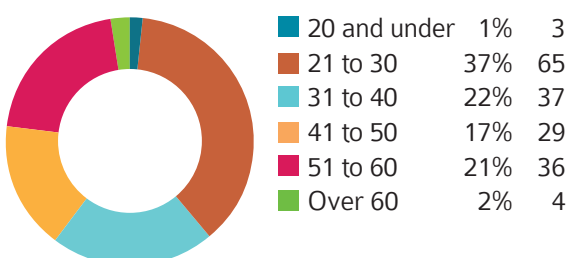
Disability



Ethnicity



Age



COMMUNICATIONS REPORT

Andy Hemming
Communication and
Events Officer



Communicating Through the Coronavirus Pandemic

Over the last 12 months, it has never been more important for the Fund to communicate effectively with its stakeholders. As Government guidelines change the way we work, it creates new demands for complex pensions communications. During the pandemic we have been there to assist our members when they have required pension support, whilst being mindful of their wellbeing and acknowledging that some members may have felt isolated and vulnerable. We have provided this support by enhancing our digital communication channels, providing reassurance and sign posting to local services and support in our members' local areas. I am pleased to say our proactive approach ensured all of our members and stakeholders received the support and information they required during this difficult period.

Alongside our communication deliverables, the Fund has had four primary focus points in its communication strategy for 2020/2021.

These were:

- to communicate effectively with our stakeholders throughout the pandemic;

- to enhance our digital platforms to increase engagement with members, employers and stakeholders;
- to create awareness to our members of the importance of planning for retirement; and
- to encourage members to engage with their pension provisions through registering to use the Fund's self-service platform – Pensions Portal

Policy Statement

The production of a Communications Policy Statement has been a requirement since April 2006 for all pension fund administering authorities.

This document outlines how the Fund will engage and communicate with:

- all scheme members and their representatives;
- prospective scheme members and employers;
- contributing employers;
- Pensions Committee and Pensions Board
- our staff; and
- external stakeholders (such as the media and interest groups)

The Fund revised its Communications Policy in March 2021 which is available to view on the Fund's website as well as the Customer Engagement Strategy.

Communication Deliverables

The Fund communicates with our customers in a variety of ways and communications through a number of channels such as electronic, face-to-face events and print. During 2020/2021, the Fund's priority was to expand its digital communication channels to replace the face-to-face events which had to be postponed due to government guidelines. Through implementing new technology, software and changing the way we work, we have extended our digital footprint to engage with more of our members across the region.

This has been done through:

- creating and delivering more member and employer webinars;
- organising large events through Microsoft "Teams";
- enhancing our member support videos suite;
- using bulk data importing; and
- the creation and use of electronic forms.

COMMUNICATIONS REPORT

The Fund has, and continues to, expand its “Be Pension Smart” communications campaign which was designed to raise member awareness of the importance of understanding and managing their pension provisions and planning for the future. This has been enhanced further as a result of member and employer feedback to include a comprehensive Pre-Retirement toolkit which we now distribute to all of our active members as they approach their 55th birthday.

As pension scams continue to rise across the pensions industry, the Fund is committed to raising awareness of the potential signs of a pension scam especially as we understand some members may be feeling isolated and vulnerable and

that they may be attractive to a scammer. The Fund designed and delivered its “Prepare, but beware!” campaign to members which highlighted the signs of a scam and encouraged members to check who they are dealing with to give themselves the best protection against fraudsters.

The Fund continues to evolve its customer engagement annual plan and member support. The Customer Engagement Plan is tracked monthly and published on the Fund’s website. The plan provides an overview of the methods and timing of the Fund’s communication and engagement with our various stakeholders.

The Fund continues with its regular communication which includes, amongst other activities:

- regularly updating our website content and design;
- producing quarterly newsletters for employers;
- producing annual newsletters, bespoke to our membership categories; and
- providing both members and employers with a variety of digital support, webinars and events.

The Fund prides itself on developing and delivering communications of a high standard, ensuring it is well placed to deal with changes and developments in the new financial year.



COMMUNICATIONS POLICY STATEMENT 2021

Communicating Through the Coronavirus Pandemic

The Fund's communication policy details the support which we provide and the different channels we use to engage with our customers. As a result of the pandemic and restrictions, in line with government guidelines preventing the delivery of face-to-face support to our members and employers in person, the Fund quickly utilised our digital communication channels and enhanced them to become the main methods of contact with our stakeholders.

Regularly communicating with our customers in order to provide them with support and reassurance over the last 12 months has been of paramount importance. As a result of a robust Communications Plan and Customer Engagement Strategy, our members and employers are still able to receive the support and guidance that they require.

Our dedicated telephone lines and email inboxes for both members and employers continue to remain open through the pandemic operating with no restrictions to our normal opening hours.

Introduction

The West Midlands Pension Fund ("The Fund") is one of the UK's largest pension funds, managing and administering the pension interests of over 320,000 members and more than 700 scheme employers. We are administered by the City of Wolverhampton Council on behalf of all West Midlands local authority bodies.

Our core mission is to ensure that our members receive their pension benefits when they fall

due. Through increasing dialogue with our customers in the Local Government Pension Scheme we work in partnership with employers contributing together for our members' future. This plays a key role in enabling employers to meet their statutory responsibility to assist members planning their retirement.

This Communications Policy Statement outlines how we will communicate with our customers, ensuring information is provided in a clear and concise way, and is readily available.

In April 2006, the Local Government Pension Scheme (LGPS) regulations were amended to state that each pension fund's administering authority is required to prepare, publish and review regularly its communications policy statement, the regulations outline what funds are required to publish.

This document outlines our communications policy in line with that requirement, and covers the following categories in our regular communication activity:

- 1 Communicating with scheme members
- 2 Communicating with prospective members
- 3 Member self-service
- 4 Communicating with member's representatives
- 5 Communicating with participating employers
- 6 Communicating with prospective employers
- 7 Customer Engagement Strategy

1 Communicating with Scheme Members



We produce an extensive range of scheme literature for all membership categories.

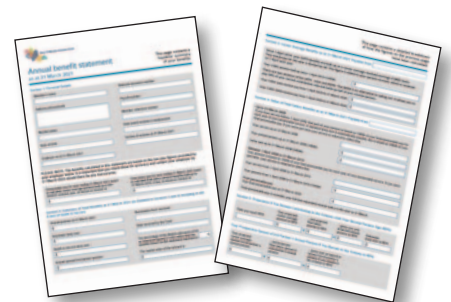
Copies of scheme literature are made available on our website, www.wmpfonline.com/memberinfo with direct links to the national LGPS member site www.lgpsmember.org

Annual Newsletters

The Fund produces annual newsletters for our active, deferred and pensioner members.

These newsletters provide important updates and valuable member information.

Annual Benefit Statements



An annual benefit statement is made available online for all active and deferred members.

These statements provide members with an update on the value of their pension benefits and a projection at normal pension age.

COMMUNICATIONS POLICY STATEMENT 2021

Statements are made available through our pensions portal self-service facility. Benefit statements can be issued in paper form on request.

If there is an instance where a benefit statement cannot be made available, due to incomplete or inaccurate data, we will notify members and their employers of this.

Pensioner Pay Advice Slips

All Fund members in receipt of a pension receive a combined paper pay advice slip and P60 in April of each year. In the months of May through to March, we will only send a paper pay advice slip when there is a variance of £10 in their gross or net payment. For scheme pensioners that are paid quarterly and annually, we will issue a pay advice slip every time a payment is made (June, September, December and March).

Scheme pensioners can also register to use the Pensions Portal, where pay advice information can be viewed electronically and printed at any time following the payment date.

Customer Service Support

We understand that pensions can be complicated, that's why we have a dedicated Customer Services Team who are ready to support members through each stage of their retirement journey.

The team pride themselves on delivering an excellent customer service, providing tailored support through the following channels:



Phone: 0300 111 1665*
(local rate number)



Email: through our
[www.wmpfonline.com/
emailus page](https://www.wmpfonline.com/emailus_page)



Portal Secure Message:

<https://portal2.wmpfonline.com>



In writing: West Midlands Pension Fund, PO Box 3948, Wolverhampton, WV1 3NH.

As well as the above, we also provide information on the [Fund's website](#) and facilitate a reception service where members can make an appointment to speak to a team member face to face.

*Our contact centre is open between 8.30am and 5.00pm Monday to Thursday and 8.30am to 4.30pm on Fridays (we are closed on bank holidays). The contact centre continues to maintain normal opening hours throughout the coronavirus pandemic.

Tea and Teach

The Fund holds Tea and Teach events that are aimed at our pensioner members and provide pensioners with the opportunity to openly discuss their pension queries, such as payment options.

Members get a warm welcome with tea and coffee.

Unfortunately, these sessions for 2020 were postponed due to the onset of Covid-19 and associated Government guidelines.

Surveys

Seeking feedback on the delivery of our services is key to continually improving the services we offer. In addition to the rolling survey which can be accessed through our website, we have launched bespoke customer feedback surveys which relate to our customer's most recent interaction with us (e.g. retirement, joiner, etc.).

The surveys help us understand our customer's journey, whilst highlighting areas of best practice, identifying potential service developments and, in turn, allowing us to continually improve our customer's experience.

Member Services Team



We have a dedicated team that provide support and guidance for all members. The team has extensive knowledge of the scheme and provides information through various methods including webinars, videos, presentations, face-to-face consultations and roadshows.

Support can be generally arranged at a time and place to suit our members and can be held at employer locations or at the Fund's offices in Wolverhampton.

Member Support

Drop-In Sessions

Members can attend drop in sessions held at their workplace for support and guidance in relation to their pension.

Individual Pension Consultations

Members can make an appointment with one of our Officers to discuss their pension options.

COMMUNICATIONS POLICY STATEMENT 2021

Presentations

The team offers a suite of presentations which include:

- Introductions to the Scheme
- LGPS & You
- Pension Tax
- Pre-Retirement
- Redeployment

Retirement Planning Workshops

We understand that there is more to retirement planning than your LGPS benefits, therefore, the team offers a workshop to provide support not only on the LGPS, but on other key areas such as tax and state pension.

Pension Roadshows

We host information events at employer locations across the West Midlands region.



In addition to these roadshows at district council offices, additional events can be held on request, particularly when there may be organisational changes occurring which have pensions implications.

Roadshow events provide members with an opportunity to engage with Fund officers regarding their pension benefits. The team has a self-sufficient, purpose-built exhibition vehicle which is maintained and driven by Fund Officers and can be

taken out to employers across the region. As an alternative to the face-to-face roadshow, and of particular relevance during the coronavirus pandemic, members can view the virtual roadshow event.

Literature is provided for members to take away, this includes general information on the LGPS, how to register for Pensions Portal, information on additional voluntary contributions, additional pension contributions, and much more.

We can assist employers in advertising events by providing e-posters or wording for intranet sites in advance to fully promote the roadshows.

Webinars

We understand that it is not always convenient for members to attend face-to-face events, therefore, we offer webinars to cover all the basics of the scheme and provide members with links and guidance to assist them to take control and plan their retirement. Webinars are run at various times to try and ensure all members have access to pensions support.

This communication channel has significantly increased due to the impact of the pandemic and is now one of the main mediums we use.

2 Communicating with Prospective Members

Scheme Booklet and Website

All prospective scheme members will be provided with a link to the Fund's website where they can access scheme booklets.

Our website also provides information to help members make an informed decision about contributing to the LGPS, the 50:50

scheme and how to opt out of the scheme.

Corporate Induction Courses

We can attend corporate induction events across the region to present to prospective scheme members the benefits of being a member of the LGPS.

3 Member Self-Service

The Pensions Portal

An online portal gives our members secure access to their LGPS record(s).

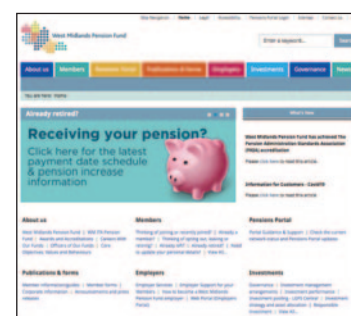


This facility provides members with an online platform to enable them to update their personal details and contact the Fund about their benefits.

Also, members' annual benefit statements can be accessed, and members can run pension projections as well as update their nomination form.

The Fund's Website www.wmpfonline.com

The Fund maintains an extensive online resource at wmpfonline.com containing information about the scheme and details about our current activities. There are also links to organisations such as The Prudential and the LGPS member site, one of the main mediums we use.



COMMUNICATIONS POLICY STATEMENT 2021

4 Communicating with Members' Representatives

Materials available to members are also available on request to their representatives or through wmpfonline.com

Trade Unions

We work with trade unions to ensure the scheme is understood by all interested parties.

Training days for branch officers can be provided upon request, and the Fund ensures that all pension-related issues are communicated effectively with trade unions through their representative on the Pensions Committee.

5 Communicating with Scheme Employers

The Employer Services Team are generally the first point of contact employers have with the Fund and provide support to both participating and prospective employers.



With extensive pensions experience, the team are well versed in the issues that Fund employers face and are able to tailor their support accordingly. The team offers support by email and on the telephone, as well as offering regular coaching sessions, webinars and bespoke meetings.

Employer Services Team

e-Newsletter

An electronic newsletter, entitled Employer's Briefing Note is generally issued on a quarterly basis to all employers, including ad hoc Briefing Notes on specialist subjects. This is used to communicate the activities of the Fund and highlight any regulatory changes which may impact on the employer's function or their members' pension benefits.

Website and Web Portal

The Fund maintains a dedicated area of its website for scheme employers containing news, learning materials and other electronic resources.

Each employer can request to access the Fund's Web Portal (Employer Portal). This allows them secure access to the membership details of their current employees. The portal provides employers with the ability to make changes to member records including working hours and personal details. The portal also provides the facility to calculate early retirement estimates and any associated early retirement costs.

Dedicated Telephone Helpline: 0300 111 6516

A dedicated local rate employer phone line is provided for scheme employers. This allows the Fund to respond to employer generated telephone calls at peak times.

Annual General Meeting and Mid-Year Review for Employers

The Fund invites each employer to our Annual General Meeting each winter. This event is used to communicate strategic issues, performance, legislation changes and triennial valuation matters.

In addition to this, the Fund also holds a similar employer event each summer where employers are kept up to date with important issues through presentations and roundtable discussions.

Employer Peer Group

A quarterly working group consisting of Fund Officers and employer representatives from a cross section of the employer base that seeks to discuss proposed Fund developments in order to gain invaluable employer feedback and also invites attendees to raise subjects for discussion that affect the entire employer base.

Employer Coaching Sessions

The Fund offers face-to-face support in the form of full day coaching sessions to assist with the development of knowledge and understanding of the Fund, the web portal facility, Fund administration requirements and employer roles and responsibilities aligned to its Pensions Administration Strategy.

Again, with the onset of the coronavirus pandemic and associated restrictions, these sessions have been conducted virtually and this medium will continue to be available going forward.

Employer Webinars

To complement the face-to-face coaching offered, the Fund also presents a series of monthly webinars designed to help employers in their day-to-day administration of the scheme. These webinars are ideal for new staff, new employers to the scheme or those staff that feel they would benefit from a bite-size refresher session on specific topics.

COMMUNICATIONS POLICY STATEMENT 2021

6 Prospective Employers

The Fund's Employer Services Team work with new and prospective employers throughout the onboarding process to help with their understanding of the obligations under the LGPS regulations. The team liaise with new employers to produce the necessary admission agreements, provide clarity regarding duties as a new scheme employer and encourages all new employers to attend either a full coaching session or the bite-size webinars, specifically the 'Fund induction for new Employers' Webinar.

There is also a dedicated area on the Fund's website to provide support to new employers to the LGPS.

7 Customer Engagement Strategy

In line with the Fund's objectives, the Customer Engagement Strategy plays a key role in ensuring the Fund drives continuous improvement and develops working practices, systems and processes which are informed and prioritised according to the needs of our customer base.

Ultimately, engaging with our customers helps the Fund to understand customer feedback, review and monitor service effectiveness, analyse performance, and develop and deliver a service that is focused on the requirements of our customers.

We actively engage with our customers to keep them informed about the scheme, the performance of the Fund in the delivery of its service, ensuring these meet both the legal and regulatory duty of scheme administration as set out in The Pensions Regulator's Code of Practice, and the Fund's own objectives for service development.

Our success is dependent on building and maintaining good working relationships with our employers and scheme members, and this strategy aims to ensure customer focus is embedded in Fund operations and exhibited in our behaviours.

Our strategy outlines:

- What customer engagement is to the West Midlands Pension Fund;
- Who we will engage with regarding the delivery of our services;
- The types of engagement activities we undertake;
- How the insights from customer engagement activities are used;
- How we feed back to our customers the results and actions arising from their engagement with us; and
- How our customers can engage with us.



MANAGEMENT AND FINANCIAL PERFORMANCE

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Statistical Information

60 Contributions Receivable by Employer

FUND HIGHLIGHTS



335,101

Total scheme members

£18.9bn

Net assets of the Fund



£1.18bn

Total contributions

743

Active scheme employers



FUND HIGHLIGHTS



169

Staff employed by the Fund (FTE)

113,644

Contributing members



114,558

Deferred members

106,899

Pensioner members



PENSIONS COMMITTEE 2020/21

Wolverhampton Elected Members

- **Councillor M Jaspal**
(Chair)
- **Councillor C Simm**
(Vice-Chair)
- **Councillor H Banger**
- **Councillor J Dehar**
- **Councillor K Inston**
- **Councillor S Simkins**
- **Councillor P Page**
- **Councillor J Reynolds**
- **Councillor P Singh**

Metropolitan District Council representatives

- **Councillor M Afzal**
Birmingham City Council
- **Councillor R Martin**
Walsall MBC
- **Councillor J Tildesley**
Solihull MBC
- **Councillor B Singh**
Coventry City Council
- **Councillor A Taylor**
Dudley MBC
- **Councillor S Hevican**
Sandwell Council

Trade Union Observers

- **M Cantello** - Unison
- **M Clift** - Unite
- **I Smith** - Unite

Local Pensions Board – Member Representatives

- **A Turner (Chair)**
Unison
- **S Campion**
Unison
- **S Ruddock**
Unite
- **J Allam**
Unite
- **T Dingley**
GMB
- **Councillor R Kaur**
City of Wolverhampton Council (Local Authority Representative)

Local Pensions Board – Employer Representatives

- **J McCormick**
Rookery School
- **P Johnson (Vice Chair)**
Solihull MBC
- **I Martin**
West Midlands Combined Authority
- **M Smith**
Coventry University
- **J Carman**
Halesowen College
- **Councillor J Reynolds**
City of Wolverhampton Council (Local Authority Representative)

Administering Authority Officers 2020/21

- **R Brothwood**
Director of Pensions
- **T Davies**
Assistant Director, Investment Strategy
- **S Taylor**
Assistant Director, Pensions
- **R Howe**
Head of Governance and Corporate Services
- **A Regler**
Head of Operations
- **D Singh**
Head of Finance
Deputy S151 Officer
- **T Johnson**
Chief Executive
- **D Pattison**
Monitoring Officer
- **C Nye**
Section 151 Officer
Democratic.Services@wolverhampton.gov.uk

Main External Advisors and Service Providers

Independent Auditor Grant Thornton UK LLP	Regional Asset Pool LGPS Central Limited Mander House Wolverhampton WV1 3NB	AVC Providers Prudential Assurance Company Ltd	Squire Patton Boggs (UK) LLP
Investment Consultants Hymans Robertson LLP Redington Limited	Custodian of Assets HSBC Global Investment Services	Utmost Life and Pensions	HMRC references SCON number: S2700178F ECON number: E3900002R
Actuary Barnett Waddingham LLP	Banker National Westminster Bank plc	Legal Advisors City of Wolverhampton Council Legal Services	PSTR number: 003299101RC
		Eversheds Sutherland (International) LLP	PSTR sub-number: 49/16109

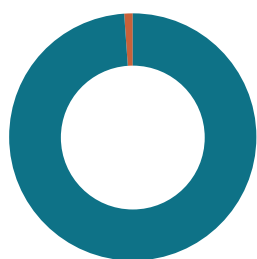
OVERALL FUND STATISTICAL INFORMATION

Employer and Customer Feedback

The Fund regularly collects feedback from its customers at all events held throughout the year, as well as following contact with customer services and issue of benefit information.

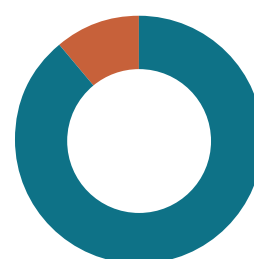


Employer Feedback



99% of employers were satisfied or above

Customer Feedback



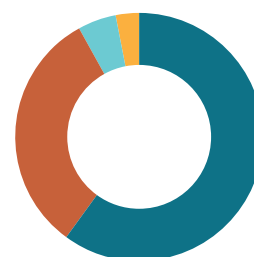
89% of employers were satisfied or above

AGM Feedback



■ Excellent 75%
■ Good 25%

MYR Feedback



■ Excellent 60%
■ Good 32%
■ Satisfactory 6%
■ Poor 3%

Internal Dispute Resolution Procedure (IDRP)

Year to date for 2021/2022, one case has been referred to Stage One of the procedure against the Fund and is under independent review.

For 2020/21 nine cases were completed one case partially upheld due to an administration error the others were not upheld.

Five cases progressed to stage 2 of the procedure, four cases were not upheld and 1 case is still being investigated.



OVERALL FUND STATISTICAL INFORMATION

Key Membership Statistics

Year	Active	Deferred	Preserved refunds	Pensioner	Beneficiary	Totals
31 March 2017	117,005	87,369	9,222	76,521	11,975	302,092
31 March 2018	118,093	92,928	10,637	79,479	12,262	313,399
31 March 2019	121,035	95,066	11,703	83,434	12,557	323,795
31 March 2020	117,950	99,890	12,049	90,451	13,594	333,934
31 March 2021	113,644	103,046	11,512	92,946	13,953	335,101

Active Members

The Fund has a total active membership of **113,644**. Since 31 March 2020, the number of contributing employees in membership has decreased by **4,306**.

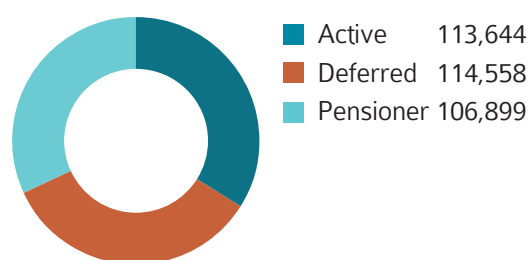
Deferred Members

These are former contributors who have left their pension rights with the Fund until they become payable at normal retirement date.

Pensioner Members

Pensions and other benefits amounting to **£646.8m** were paid in the year to retired members.

Fund Member by Type



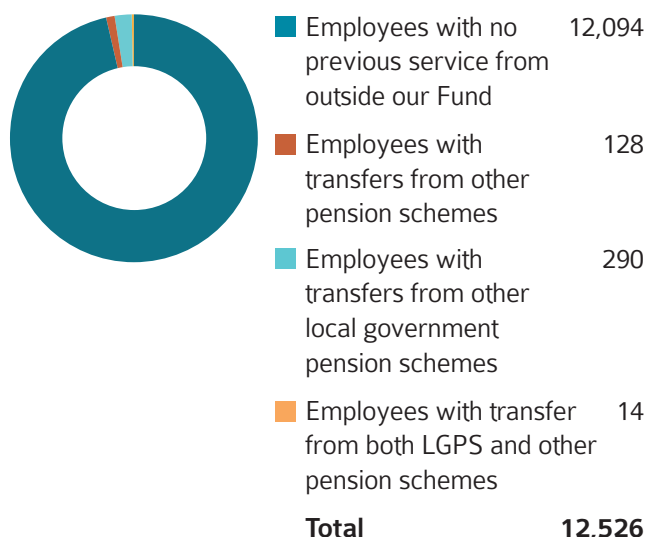
Employer Details

A summary of the number of employers in the Fund analysed by scheduled bodies and admitted bodies which are active (with active members) and ceased (no active members but with some outstanding pension liabilities) is given in the table below

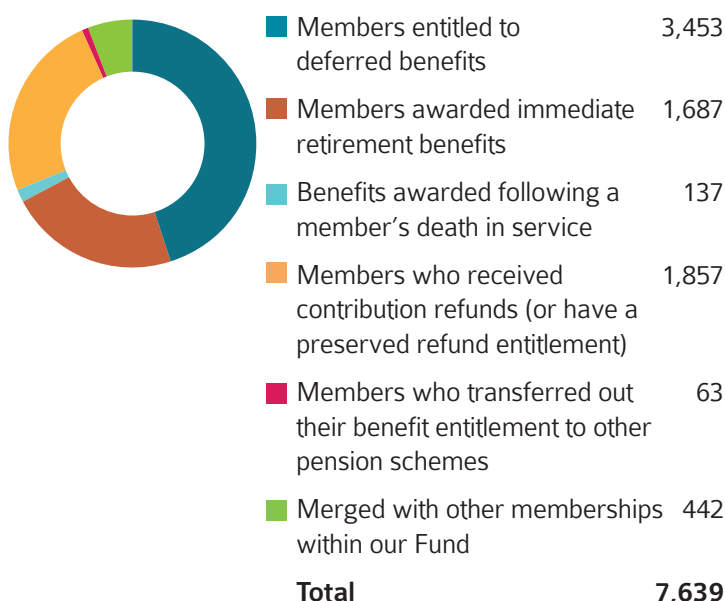
	Active	Ceased	Total
Scheduled body	504	1	505
Admitted body	200	25	225
Total	704	26	730

Benefit Operations - Membership Movement

Admissions to the Fund

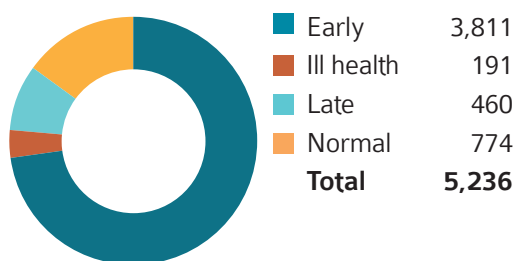


Withdrawals from the Fund



OVERALL FUND STATISTICAL INFORMATION

New Pensioners in Year 2020/21 by Retirement Type



Age Analysis – Number of Members

Status (age in years)	00-04	05-09	10-14	15-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54
Active	0	0	0	483	3,983	7,913	10,060	12,365	13,773	15,329	1,912
Beneficiary pensioner	12	47	157	247	122	16	23	34	73	124	331
Deferred	0	0	0	5	466	3,501	7,840	11,193	12,915	15,533	20,778
Deferred ex-spouse	0	0	0	0	0	0	0	0	5	29	51
Pensioner	0	0	0	0	0	0	3	16	25	96	378
Pensioner deferred	0	0	0	0	0	0	0	1	0	1	7
Pensioner ex-spouse	0	0	0	0	0	0	0	0	0	0	0
Preserved refund	0	0	0	47	632	1,554	974	978	1,217	1,285	1,605
Total	12	47	157	782	5,203	12,984	18,900	24,587	28,008	32,397	42,273

Status (age in years)	55-59	60-64	65-69	70-74	75-79	80-84	85-89	90-94	95-99	100+	Total
Active	17,481	10,037	2,570	498	28	1	0	0	0	0	113,644
Beneficiary pensioner	677	1,002	1,375	2,033	2,399	2,337	1,803	895	222	24	13,952
Deferred	19,699	8,631	1,853	214	47	19	53	53	22	3	102,825
Deferred ex-spouse	67	38	4	0	0	0	0	0	0	0	194
Pensioner	4,945	15,686	22,626	21,334	13,637	8,053	4,156	1,558	297	23	92,833
Pensioner deferred	11	7	0	0	0	0	0	0	0	0	27
Pensioner ex-spouse	21	41	28	11	1	0	1	0	0	21	113
Preserved refund	1,130	231	53	40	27	32	15	23	7	1,130	11,512
Total	44,552	36,552	28,700	24,160	16,162	10,438	6,044	2,522	564	57	335,101

OVERALL FUND STATISTICAL INFORMATION

In 2020/21	Cases outstanding as at 01/04/20	Number of cases commenced in year	Number of cases completed in year	Number of cases outstanding as at 31/03/21	% of completed cases in year
Deaths - initial letter acknowledgement death of active/deferred/pensioner member	-	4,220	4,211	9	99.79%
Deaths - letter notifying amount of dependent's benefit	470	4,486	4,222	734	85.19%
Retirements - letter notifying estimate of retirement benefits (includes all retirement types; normal, ill health, early, late etc.) (active)	320	2,145	2,092	373	84.87%
Retirements - letter notifying estimate of retirement benefits (includes all retirement types; normal, ill health, early, late etc.) (deferred)	1,014	5,487	5,330	1,171	81.99%
Retirements - letter notifying estimate of retirement benefits (includes all retirement types; normal, ill health, early, late etc.) (total)	1,334	7,632	7,422	1,544	82.78%
Retirements - Letter notifying actual retirement benefits (includes all retirement types; normal, ill health, early, late etc.) (active)	17	1,842	1,839	20	98.92%
Retirements - Letter notifying actual retirement benefits (includes all retirement types; normal, ill health, early, late etc.) (deferred)	15	3,534	3,502	47	98.68%
Retirements - Letter notifying actual retirement benefits (includes all retirement types; normal, ill health, early, late etc.) (total)	32	5,376	5,341	67	98.76%
Retirements - process and pay lump sum retirement grant (include all retirement types; normal, ill health, early, late etc.) (active)	17	1,831	1,827	19	98.86%
Retirements - process and pay lump sum retirement grant (include all retirement types; normal, ill health, early, late etc.) (deferred)	10	3,482	3,450	44	98.80%
Retirements - process and pay lump sum retirement grant (include all retirement types; normal, ill health, early, late etc.) (total)	27	5,313	5,277	63	98.82%

OVERALL FUND STATISTICAL INFORMATION

In 2020/21	Cases outstanding as at 01/04/20	Number of cases commenced in year	Number of cases completed in year	Number of cases outstanding as at 31/03/21	% of completed cases in year
Deferment - calculate and notify deferred benefits	10,223	9,444	10,898	8,769	55.41%
Transfers in - letter detailing transfer in quote	43	457	450	50	90.00%
Transfers in - letter detailing transfer in	54	306	280	80	77.78%
Transfers out - letter detailing transfer out quote	405	1,303	1,243	465	72.78%
Transfers out - letter detailing transfer out	25	146	144	27	84.21%
Refund - process and pay a refund	367	4,499	4,320	546	88.78%
Divorce quote - letter detailing cash equivalent value and other benefits	56	507	515	48	91.47%
Divorce settlement - letter detailing cash equivalent value and application of pension sharing order	14	12	20	6	76.92%
Member estimates	73	836	863	46	94.94%
Joiners - send notification of joining the LGPS	-	17,479	17,479	-	100.00%
Aggregation - send notification of aggregation options	82	36	98	20	83.05%

Performance indicator (from point at which all required information has been received)	Local KPI target	Achieved (%)	Number of cases completed within KPI	Legal requirement (from notification)	Achieved (%)
Transfers in - letter detailing transfer in quote	10 days	98%	509	2 months	93%
Transfers out - letter detailing transfer out quote	10 days	99%	1,064	2 months	93%
Retirements - letter notifying estimate of retirement benefits (including all retirement types; normal, ill health, early, late etc.) (active)	15 days	90%	1,772	2 months	77%
Retirements - letter notifying estimate of retirement benefits (including all retirement types; normal, ill health, early, late etc.) (deferred)	30 days*	88%	5,105	2 months	88%
Retirements - letter notifying estimate of retirement benefits (including all retirement types; normal, ill health, early, late etc.) (total, if not separated)	n/a	n/a	n/a	2 months	n/a
Retirements - letter notifying actual retirement benefits (including all retirement types; normal, ill health, early, late etc.) (active)	5 days	98%	1,930	2 months	n/a
Retirements - letter notifying actual retirement benefits (including all retirement types; normal, ill health, early, late etc.) (deferred)	5 days	97%	3,888	2 months	n/a
Deaths - initial letter acknowledging death of active/deferred/pensioner member	5 days	97%	3,228	2 months	n/a
Deaths - letter notifying amount of dependent's benefit	5 days	93%	503	2 months	91%
Retirements - process and pay lump sum retirement grant (including all retirement types; normal, ill health, early, late etc.) (active)	5 days	98%	1,910	2 months	n/a
Retirements - process and pay lump sum retirement grant (including all retirement types; normal, ill health, early, late etc.) (deferred)	5 days	94%	3,868	2 months	n/a
Deferment - calculate and notify deferred benefits	15 days	67 %	5,321	2 months	95%

Employer name	Total employee contributions	Total employer contributions
West Midlands County Council	-	1,392,202.65
Birmingham CC	22,048,565.79	369,466,419.19
Coventry CC	9,360,404.81	98,419,399.95
Dudley MBC	9,021,572.62	92,425,428.50
Sandwell MBC	9,567,481.32	62,707,700.45
Solihull MBC	5,642,851.69	59,008,476.94
Walsall MBC	7,040,492.02	91,930,640.08
Wolverhampton CC	7,486,435.73	43,841,039.87
Black Country Museum Trust Ltd	13,290.16	60,277.63
Birmingham Institute for the Deaf	1,088.64	6,231.84
Central England Law Centre	6,582.14	12,451.32
Wolverhampton Grammar School	31,860.24	92,850.34
Chelmsley Wood Town Council	3,694.44	13,955.25
Wolverhampton Voluntary Sector Council	9,805.52	43,777.39
Fordbridge Parish Council	2,095.21	7,832.86
West Midlands Travel Ltd	548,330.00	10,111,087.66
Birmingham City University	2,667,402.85	8,541,177.17
Coventry University	3,851,521.02	13,818,416.13
University of Wolverhampton	2,451,614.10	10,220,729.61
West Midlands Fire and Civil Defence Authority	905,181.88	7,925,971.04
The Chief Constable for West Midlands Police	8,097,330.50	24,565,814.50
University College Birmingham	559,542.90	1,719,606.16
South and City College Birmingham	712,551.57	3,424,273.12
Birmingham Metropolitan College	486,703.63	2,660,610.38
Hereward College	189,462.31	654,467.03
Dudley College of Technology	596,813.75	2,147,659.35
Halesowen College	204,448.50	696,089.36
King Edward VI College	100,943.85	347,719.47
Sandwell College	454,445.17	1,941,791.61
Solihull College	485,262.10	2,305,686.42
Walsall College	568,378.86	1,791,883.41
Cadbury Sixth Form College	17,784.84	26,890.67
Joseph Chamberlain Sixth Form College	89,683.88	280,283.17
Bickenhill Parish Council	-	7,125.00
Coventry and Solihull Waste Disposal Company Ltd	6,892.26	23,461.24
New Park Village Tenant Management Organisation	4,404.07	14,489.25
West Midlands Growth Company Ltd	22,700.33	87,909.13
Lighthouse Media Centre	452.82	13,768.21
Family Care Trust	-	23,000.00

Employer name	Total employee contributions	Total employer contributions
St Columba's Church Day Centre	4,195.62	16,680.34
Sandwell Community Caring Trust	38,785.73	138,621.27
Palfrey Community Association	-	866,675.28
The Penderels Trust Ltd	2,107.96	7,017.10
South Warwickshire Tourism	-101.94	-318.12
Bushbury Hill Estate Management Board	15,514.70	54,635.89
Brownhills Community Association	2,554.32	12,000.00
Smiths Wood Parish Council	1,014.41	3,614.64
Sickle Cell and Thalassaemia Group	6,548.53	17,864.88
Coventry Sports Trust Ltd	6,125.97	62,005.59
West Midlands Councils	-	184,930.00
City of Wolverhampton College	376,629.23	1,380,560.21
Home-Start (Stockland Green/Erdington)	2,191.68	133,931.88
Meriden Parish Council	1,140.86	5,960.19
Wildside Activity Centre	2,615.54	6,327.77
Whitefriars Housing Group (Citizen Housing Group)	679,319.41	2,426,763.88
Manor Farm Community Association	9,310.00	24,662.00
Bloomsbury Local Management Organisation Ltd	33,510.97	120,689.27
Galliford (UK) Ltd	2,289.33	4,716.57
Lieutenancy Services (WM) Ltd	-	11,200.00
Home-Start (Birmingham South)	-	5,680.00
Castle Bromwich Parish Council	6,948.76	30,258.23
Steps to Work (Walsall) Ltd	17,384.68	123,176.93
Home-Start (Walsall)	2,037.51	10,847.04
Murray Hall Community Trust	6,696.36	135,514.07
Sandbank Tenant Management Organisation Ltd	3,201.31	13,238.65
Walsall Housing Group	1,081,588.58	1,278,945.49
Amey Highways Ltd	3,323.90	5,328.04
Northern Housing Consortium Ltd	44,508.73	196,546.99
Walsall City Academy - Thomas Telford MAT	68,276.57	234,612.37
WATMOS Community Homes	110,256.32	451,339.11
Voyage Care Limited	559.71	2,299.87
West Midlands Transport Information Service Ltd	-	48,795.00
Black Country Partnership NHS Foundation Trust	-	2,379,824.00
Solihull Community Housing	498,520.65	1,210,657.10
Sandwell Leisure Trust	227,442.39	592,866.92
Grace Academy - Tove Learning Trust	149,139.23	537,121.74
Pell Frischmann Consultants Ltd	1,536.66	4,848.76
Mitie PFI Ltd	2,253.32	7,851.30
Wolverhampton Homes	1,261,428.80	3,840,502.00

Employer name	Total employee contributions	Total employer contributions
Integral UK Ltd (Coventry)	315.00	1,305.84
Black Country Consortium Ltd	113,637.36	223,959.47
Kingshurst Parish Council	-	-
Service Birmingham Ltd	15,212.22	-
BME United Ltd	13,358.79	73,720.70
Sandwell Academy - Thomas Telford MAT	82,331.16	325,206.65
Dovecotes Tenant Management Organisation Ltd	15,876.92	56,655.82
Midland Heart Ltd	3,321.08	14,556.84
Engie Services Limited	13,881.85	56,394.05
Shireland Collegiate Academy Trust	144,661.36	467,334.78
Enterprise Managed Services Ltd (Solihull)	33,818.45	104,194.37
Q3 Academy - Quaerere Academies Trust	105,675.68	334,928.72
Housing and Care 21 Ltd	73,579.15	143,768.05
Titan Partnership Ltd	452.06	3,590.04
CTC Kingshurst Academy - Tudor Grange Academies Trust	58,743.49	205,658.38
RSA Academy	79,446.28	256,284.28
BAM Construct UK Ltd	6,275.83	20,220.88
Ormiston Shelfield Community Academy	76,591.01	328,822.60
Tarmac Ltd	34,139.74	-
Ormiston Sandwell Community Academy	61,084.82	241,245.06
Park Hall Academy - Arden Multi-Academy Trust	47,430.08	166,861.70
E-ACT Heartlands Academy	35,935.64	241,941.65
E-ACT Shenley Academy	37,082.71	224,947.06
ARK St Albans Academy	55,883.00	255,737.10
Agilisys Ltd (Rowley/Smethwick)	1,098.12	189.36
KGB Cleaning and Support Services Ltd (Bishop Ullathorne School)	318.80	944.78
Sidney Stringer Academy Trust	150,529.30	576,158.19
Amey LG Ltd	5,166.99	32,348.67
King Edward VI Sheldon Heath Academy - KEVI AT Birmingham	58,024.09	202,701.16
E-ACT North Birmingham Academy	36,491.14	239,150.76
Harborne Academy	46,509.93	217,394.06
Arden Academy - Arden Multi-Academy Trust	135,372.82	415,781.76
Balfour Beatty Living Places Limited (Coventry)	8,542.47	20,982.45
SERCO Ltd (Sandwell)	186,532.80	696,185.89
Park Hall Infant Academy.	19,142.48	160,545.10
St Patricks Church of England Primary Academy	12,407.44	58,990.08
Tudor Grange Academy Solihull Trust - Tudor Grange Academies Trust	62,400.66	303,355.66
John Henry Newman Catholic College	85,524.09	376,594.69
Agilisys Ltd (OCOS/WODO/TIPTON)	985.75	1,489.12
Windsor High School and Sixth Form - Windsor Academy Trust	127,741.60	456,846.69

Employer name	Total employee contributions	Total employer contributions
Wood Green Academy Trust	57,012.46	244,049.90
Ninestiles An Academy - Summit Learning Trust	189,198.76	1,087,114.76
Lordswood Girls School and Sixth Form Centre	46,525.66	177,152.97
Ryders Hayes Academy Trust	34,048.91	132,666.06
Kings Norton Girls School and Language College	45,896.40	168,007.61
Shire Oak Academy - The Mercian Trust	67,776.41	540,107.72
Bartley Green School	61,684.61	357,097.15
Blue Coat Church of England School and Music College - Inspire Education Trust	80,811.07	337,946.29
Queen Marys High School - The Mercian Trust	18,667.49	227,555.62
Queen Marys Grammar School - The Mercian Trust	79,479.43	404,953.14
Sutton Coldfield Grammar School for Girls Academy Trust	56,153.07	296,712.50
Whitley Academy	65,763.67	268,551.76
Aston Manor Academy - Equitas Academies Trust	66,283.53	347,650.60
Heart of England School	45,627.64	235,378.66
Light Hall School	47,204.53	212,980.49
Pegasus Academy - Dudley Academies Trust	43,644.07	182,410.82
Barr Beacon School - Matrix Academy Trust	50,038.79	257,057.76
Woodlands Academy	-	-43,302.13
Rookery School	30,622.56	166,852.09
Finham Park School Academy	86,378.46	621,013.83
Langley School	54,862.68	266,750.08
Alderbrook School	66,711.45	486,252.20
Lode Heath School	38,318.81	187,684.61
The Westwood Academy - Kenilworth Multi-Academy Trust	39,030.85	202,908.75
Holyhead School	92,855.61	376,296.50
Fairfax School - Fairfax Multi-Academy Trust	98,485.29	421,980.69
The West Coventry Academy	71,020.94	363,071.81
Deanery Church of England School	34,117.63	171,706.61
Plantsbrook School - Plantsbrook Learning Trust	79,322.21	587,000.73
Oldbury Academy	61,487.42	403,910.43
Hillcrest School and Sixth Form Centre	38,966.08	162,454.92
Ormiston George Salter Academy	74,743.87	266,809.01
King Edward VI Camp Hill School for Boys - KEVI AT Birmingham	22,299.47	134,031.53
King Edward VI Camp Hill School for Girls - KEVI AT Birmingham	27,497.56	133,458.40
King Edward VI Handsworth School- KEVI AT Birmingham	29,622.76	161,885.08
King Edward VI Five Ways School - KEVI AT Birmingham	33,868.41	197,752.55
King Edward VI Aston School- KEVI AT Birmingham	36,899.14	182,858.25
Beacon Hill Academy - Dudley Academies Trust	60,088.41	284,571.09
Arthur Terry Learning Partnership	320,428.63	1,524,299.88
The Kingswinford School Academy - Windsor Academy Trust	47,498.83	170,893.85

Employer name	Total employee contributions	Total employer contributions
Nishkam School Trust	55,983.71	182,809.51
Heath Park Academy - Central Learning Partnership Trust	58,487.85	475,855.62
Lawrence Cleaning (St Stephens School)	580.86	2,515.89
The Streetly Academy	86,763.62	383,160.89
NSL Limited (Solihull)	836.23	-
New Heritage Regeneration Ltd	19,625.28	44,878.80
Ormiston Forge Academy	82,395.75	345,969.64
Earls High School (The) - Stour Vale Academy Trust	52,375.84	240,118.19
Interserve Catering Services Ltd (Smethwick)	6,890.97	31,325.80
Interserve Catering Services Ltd (Rowley)	326.53	1,525.85
Park Hall Junior Academy	24,770.73	157,004.26
Joseph Leckie Academy	89,972.09	503,634.02
E-ACT Willenhall Academy	169,103.46	654,382.44
Hall Green Secondary School - An academy	60,527.60	302,524.03
Rockwood Academy- The Core Education Trust	45,914.60	213,669.11
Birmingham Museums Limited	61,230.38	283,853.45
Bishop Vesey's Grammar School	53,488.92	246,501.11
Mesty Croft Academy	32,470.67	127,198.24
Mytime Active	16,266.53	37,188.05
Wilson Stuart School - Education Impact Academy Trust	125,498.80	453,180.66
Hockley Heath Academy	10,968.93	49,800.01
Warren Farm Primary School	25,540.13	116,153.55
Aldridge School - The Mercian Trust	49,857.36	415,375.80
Moseley Park Academy- Central Learning Partnership Trust	46,736.25	303,260.10
St Johns C of E Primary School	32,725.62	174,495.05
Coundon Court Academy	75,212.71	353,787.69
Barr View Primary & Nursery Academy	32,906.40	155,466.14
Timberley Academy Trust	89,633.18	318,527.70
Engie FM Limited (Broadway School)	3,105.64	12,039.92
Engie FM Limited (Moseley School)	2,680.42	9,128.43
Engie FM Limited (Waverley School)	2,467.91	11,914.94
Victoria Park Primary Academy - Victoria Academies Trust	67,862.71	282,907.26
Erdington Hall Primary Academy - Summit Learning Trust	14,948.33	163,765.22
Balsall Common Primary Academy - Central Schools Trust	35,918.00	145,819.29
Woodlands Academy of Learning	33,778.89	151,638.43
Acivico (Design Construction and Facilities Management) Ltd	161,644.32	394,056.64
Acivico (Building Consultancy) Ltd	72,744.17	158,024.64
Aston University Engineering Academy Birmingham	45,008.39	150,935.34
Sandwell Community Caring Trust (Sandwell Care Homes)	22,320.53	41,921.21
St Michael's CofE Primary Academy Handsworth - Birmingham Diocesan Multi-Academy Trust	17,835.21	114,636.77

Employer name	Total employee contributions	Total employer contributions
St Mary's C of E Primary Academy & Nursery	25,036.42	138,600.35
Green Meadow Primary School - Excelsior MAT	24,576.84	210,662.75
ARK Tindal Primary Academy	20,153.06	79,256.73
George Dixon Academy	67,122.31	279,591.33
Nansen Primary School - The Core Education Trust	29,318.34	212,866.92
4 Towers TMO Limited	5,767.22	15,125.72
Handsworth Wood Girls Academy - Kevi at Birmingham	41,694.51	208,048.75
Dorrington Academy Trust	37,071.88	192,687.43
ARK Kings Academy	63,044.54	259,803.44
Interserve Facilities Management Ltd (OCOS/WODO/Tipton Schools)	4,701.54	54,088.36
Interserve Facilities Management Ltd (Rowley Campus)	2,524.87	9,522.39
St Peters Collegiate C of E Academy Trust	51,882.50	288,837.03
Jubilee Academy Mossley - Academy Transformation Trust	15,047.22	71,159.08
Nechells Primary E-ACT Academy	14,770.01	61,017.28
Ormiston Academies Trust	227,456.27	512,913.47
East Birmingham Network Academy	35,668.46	108,470.42
Croft Primary Academy - The Elliot Foundation Academies Trust	18,765.95	97,646.23
Lordswood Boys School - Central Academies Trust	10,367.21	56,602.78
Chilwell Croft Academy - Equitas Academies Trust	45,148.71	198,712.74
Lawrence Cleaning Ltd (Parkfield School)	663.25	2,773.12
Elite Cleaning and Environmental Services Ltd (Walsall)	-	225,987.00
Goldsmith Primary Academy - Windsor Academy Trust	34,030.41	160,771.19
Kings Rise Academy - The Elliot Foundation Academies Trust	42,692.64	188,499.91
Alston Primary School - Leigh Trust	45,331.35	295,776.78
Greenholm Primary School	35,129.92	166,123.64
Blue Coat Church of England (Walsall) Trust	52,079.24	233,865.11
Caludon Castle School - Castle Phoenix Trust	87,571.67	370,922.71
Percy Shurmer Primary Academy - Academies Enterprise Trust	33,875.74	157,220.51
Woden Primary - Central Learning Partnership Trust	26,216.92	240,935.83
West Walsall E-ACT Academy	41,618.01	301,363.92
Birmingham Ormiston Academy	48,608.43	142,389.26
ABM Catering Ltd (Bordesley Green)	1,206.57	5,951.20
Places for People Leisure Limited (Harborne Pool)	3,394.10	7,880.88
SIPS Education Ltd	292,143.37	954,612.12
Engie FM Limited (HM and Stockland Green School)	8,021.24	24,603.96
Aspens-Services Limited (Gosford Park School)	560.28	3,280.23
St Clements C of E Academy Nechells - Birmingham Diocesan Multi Academy Trust	17,565.70	83,185.23
Oasis Community Learning - Blakenhale Junior	9,905.44	67,668.82
Oasis Community Learning - Woodview School	83,047.69	264,398.72
Oasis Community Learning - Blakenhale Infants	27,790.16	106,275.78

Employer name	Total employee contributions	Total employer contributions
Lea Forest Primary Academy - Academies Enterprise Trust	31,526.36	150,152.58
Four Dwellings Primary Academy - Academies Enterprise Trust	23,818.52	129,540.53
Tame Valley Academy - University of Wolverhampton MAT	16,403.14	73,229.63
Shirestone Community Academy - The Elliot Foundation Academies Trust	24,506.83	121,039.47
Oasis Community Learning - Short Heath Primary	26,044.24	107,362.78
Aldersley High School - Amethyst Academies Trust	66,775.01	307,651.70
Yardleys School	58,515.39	538,025.20
Woods Bank Academy - The Elliot Foundation Academies Trust	23,892.92	132,086.64
Billesley Primary Academy - The Elliot Foundation Academies Trust	50,831.98	234,810.83
Merritts Brook E-ACT Primary Academy	11,314.09	66,954.09
St Michael's CE Primary School - Birmingham Diocesan Multi-Academy Trust	29,119.66	177,349.37
Reedswood E-ACT Primary Academy	33,059.76	168,615.58
James Brindley School	127,557.46	876,298.23
Oaklands Primary - Summit Learning Trust	32,723.02	190,953.42
Greenwood Academy - Academies Enterprise Trust	71,583.80	317,641.37
Tudor Grange Primary Academy St James - Tudor Grange Academies	14,014.68	51,116.60
Mansfield Green E-ACT Primary Academy	28,474.06	164,915.57
Parkfield Community School - Excelsior Multi-Academy Trust	51,510.46	313,843.30
City Road Academy - Inspire Education Community Trust	23,764.57	171,298.34
Culture Coventry	66,184.26	167,061.19
Bramford Primary School - Griffin Schools Trust	24,663.25	134,042.25
Bristnall Academy - Academy Transformation Trust	67,150.10	299,047.36
Redhill School - Stour Vale Academy Trust	70,336.45	333,090.46
Edgar Stammers Academy - University of Wolverhampton MAT	26,895.98	128,087.78
Knowle CE Primary Academy	33,403.50	170,002.91
St Joseph's - John Paul II Multi-Academy	25,111.48	123,648.02
St Nicholas's - John Paul II Multi-Academy	8,036.11	74,982.87
Holy Cross - John Paul II Multi Academy	8,553.67	68,430.81
Bishop Walsh - John Paul II Multi Academy	53,172.08	339,396.21
Q3 Tipton - Quaerere Academies Trust	53,746.50	252,130.28
St John's and St Peter's CofE Academy - All Saints Multi Academy Trust	24,544.71	94,056.26
St George's CofE Primary School - Birmingham Diocesan Multi-Academy Trust	15,551.59	182,189.28
Acocks Green Primary School	33,686.76	176,381.49
Premier Support Services Ltd (Alumwell Infant School)	252.48	1,064.89
Washwood Heath Academy - Washwood Heath MAT	162,803.20	797,320.04
Perry Hall Primary School - Perry Hall MAT	31,814.67	176,489.73
Oasis Community Learning - Matthew Boulton	14,818.91	103,013.24
Four Dwellings Academy - Academies Enterprise Trust	42,942.16	230,137.75
Oasis Community Learning - Hobmoor Primary	30,747.55	191,175.39
Timbertree Primary - United Learning Trust	10,435.36	49,654.63

Employer name	Total employee contributions	Total employer contributions
George Betts Academy - The Elliot Foundation Academies Trust	42,375.14	221,517.29
Hamstead Hall Academy - Hamstead Hall Academy Trust	78,002.52	476,803.31
Corngreaves Primary - United Learning Trust	12,836.61	67,277.10
Shireland Hall Academy - The Elliot Foundation Academies Trust	55,067.11	279,777.70
Stretton Primary Academy - Diocese of Coventry MAT	16,503.71	78,474.25
St Laurence's Primary Academy - Diocese of Coventry MAT	22,453.74	128,014.65
Yarnfield Academy-Summit Learning Trust	36,728.31	405,270.06
President Kennedy School - The Futures Trust	119,871.04	558,596.29
Hawkesley Church Primary Academy - Birmingham Diocesan Multi-Academy Trust	13,088.23	244,606.80
Birchills Academy - St Chads Academies Trust	33,734.93	158,647.34
Montgomery Primary Academy - Academies Enterprise Trust	33,740.72	156,388.79
Fairway Primary Academy- University of Wolverhampton MAT	17,781.31	105,990.77
Cheswick Green Parish Council	901.29	3,696.48
Jubilee Park Academy - Summer Park MAT	18,146.48	97,632.31
Ocker Hill Junior Academy- Ocker Hill Academy Trust	19,402.39	95,100.48
Three Spires Academy - RNIB Specialist Learning Trust	32,132.22	142,981.83
Silvertrees Academy Trust	25,161.22	151,225.41
Pegasus Academy - Summit Learning Trust	15,739.97	122,012.93
Alliance in Partnership Ltd (Harborne Primary School)	872.44	4,235.23
St Edmund's Catholic Academy - St Francis and St Clare Catholic MAC	76,937.58	385,029.76
SS Mary & Johns Catholic Primary Academy - St Francis and St Clare Catholic MAC	12,170.41	52,571.73
St Teresa's Catholic Primary Academy - St Francis and St Clare Catholic MAC	12,260.98	58,337.77
Holy Trinity CE Primary Academy (Handsworth) - Birmingham Diocesan Multi-Academy Trust	12,607.17	164,150.74
SS Peter and Paul Catholic Primary Academy and Nursery - St Francis and St Clare Catholic MAC	15,729.90	90,371.91
St Michael's Catholic Primary Academy and Nursery - St Francis and St Clare Catholic MAC	13,347.78	70,103.73
Tiverton Academy - The Elliot Foundation Academies Trust	17,608.63	112,190.99
St Joseph's Academy - St John Bosco Catholic Academy Trust	14,961.23	57,443.91
Bishop Milner Academy - St John Bosco Catholic Academy Trust	46,784.85	226,864.04
St Chads Academy - St John Bosco Catholic Academy Trust	9,547.01	53,908.78
Bentley Heath Church of England Primary School	17,334.55	97,408.72
Reaside Academy - University of Wolverhampton MAT	11,920.31	62,215.64
Aspens-Services Limited (Phoenix Collegiate)	1,265.89	8,962.35
St George's CofE Academy Newtown - Birmingham Diocesan Multi-Academy Trust	18,529.01	139,249.43
St Bartholomew's C of E Primary Academy - Diocese of Coventry MAT	12,945.96	88,154.28
Coventry University Enterprises Ltd	54,881.87	187,265.86
Hill Farm Primary School - Castle Phoenix Trust	33,834.97	157,147.38
The Orchards Primary Academy - University of Wolverhampton MAT	18,004.16	109,875.27

Employer name	Total employee contributions	Total employer contributions
Wednesbury Oak Primary Academy	25,405.30	224,290.52
Robin Hood Primary Academy	41,994.12	221,014.95
Woodhouse Primary Academy - University of Wolverhampton MAT	44,520.58	270,500.15
Broadway Academy	89,313.57	457,951.13
Places For People Leisure Limited (Wolverhampton)	1,303.78	-
Radford Primary Academy - Sidney Stringer Academy Trust	20,587.07	89,979.82
Ernesford Grange Community Academy - Sidney Stringer Academy Trust	59,404.90	355,082.95
Chivenor Primary School - Griffin Schools Trust	20,591.52	149,453.11
Rivers Primary Academy - Windsor Academy Trust	18,626.97	85,062.28
Walsall Studio School - The Mercian Trust	11,107.52	39,079.00
Waverley Studio College - The Waverley Education Foundation Ltd	11,104.37	36,206.29
Twickenham Primary Academy	40,083.88	205,849.12
Grestone Primary Academy - Hamstead Hall Academy Trust	34,653.46	220,598.86
St Paul's C of E Primary Academy	19,452.39	95,273.82
Kingswood Trust	3,900.71	12,614.03
Leigh Primary School - Leigh Trust	47,658.11	303,575.81
University of Wolverhampton Multi Academy Trust	23,150.27	59,239.06
Wodensborough Ormiston Academy	55,141.92	328,239.37
Ridgewood High School - Stour Vale Academy Trust	36,705.23	201,364.60
Aspens-Services Limited (Courthouse Green Primary School)	1,259.07	6,524.44
Wolverhampton Girls High School	41,835.64	230,995.77
St Judes Academy - St Chad's Academies Trust	31,977.62	164,166.48
Oasis Community Learning - Foundry Primary	14,036.14	94,544.24
Riverbank Academy - Sidney Stringer Academy Trust	60,399.75	258,522.57
Berrybrook Primary School - Perry Hall MAT	14,212.13	77,213.64
Reach Free School Trust	13,285.78	43,757.49
WMG Academy for Young Engineers (Coventry)	27,381.52	88,057.62
Cottesbrooke Infant and Nursery School	25,810.52	260,245.86
Alliance in Partnership Ltd (Unity Cluster)	1,671.13	7,960.86
Atalian Servest Food Co Ltd (Synergy Schools)	1,665.03	5,730.06
APCOA Parking UK Ltd (Wolverhampton)	1,450.28	3,904.56
Smestow School - University of Wolverhampton MAT	34,163.54	436,508.64
Northwood Park Primary Academy - SHINE Academies	40,831.09	158,817.89
Marston Green Infant Academy	38,531.00	167,411.49
Smith's Wood Primary Academy	40,861.97	216,334.24
Police and Crime Commissioner West Midlands	170,186.32	558,458.53
Integral UK Limited (Hill Farm Primary School)	1,773.36	8,358.68
ABM Catering Limited (Aldermoor Farm Primary School)	1,410.90	6,926.22
Northern House School (Solihull)	27,257.51	118,364.50
St Johns C of E Primary Academy - Diocese Coventry MAT	9,672.92	56,164.83

Employer name	Total employee contributions	Total employer contributions
Atalian Servest Food Co Ltd (John Gulson)	253.60	1,092.49
Heathlands Academy - University of Wolverhampton MAT	31,746.89	175,350.46
Wednesfield High Academy - University of Wolverhampton MAT	40,394.09	251,263.11
Albert Bradbeer Primary School - University of Wolverhampton MAT	28,713.87	211,255.39
Alliance in Partnership Ltd (Broadway)	2,344.59	11,680.09
Action Indoor Sports Birmingham CIC Ltd	1,880.58	6,865.98
Pendergate Ltd	1,420.97	6,174.04
Sacred Heart Academy- Romero MAC	27,184.36	130,198.23
St Gregory's School Coventry - Romero MAC	16,005.15	86,198.03
Good Shepherd Primary School - Romero MAC	17,212.30	86,402.03
SS Peter and Paul Catholic Primary School - Romero MAC	16,347.60	86,032.13
St John Fisher School - Romero MAC	27,752.95	133,971.14
St Patrick's Catholic School - Romero MAC	18,274.34	99,462.60
Cardinal Wiseman Catholic Academy - Romero MAC	67,316.68	377,771.60
Corpus Christi Catholic Primary School - Romero MAC	25,950.76	124,144.54
All Saints National Academy - St Chads Academy Trust	20,553.76	88,155.55
Alliance In Partnership Ltd (Greenfields Primary School)	283.39	1,324.19
Aspens-Services Limited (Old Church School)	20.60	113.84
Aspens-Services Limited (Rough Hay School)	331.91	1,780.20
Aspens-Services Limited (Salisbury School)	46.86	503.72
Aspens-Services Limited (Aldridge School)	2,937.41	15,862.91
Aspens Services Ltd (St John Wall Catholic School)	21,095.72	77,440.99
Bournville School - Fairfax Multi-Academy Trust	36,932.24	390,302.05
St Gregory's Catholic Primary Academy - St Catherine of Siena MAC	17,655.81	82,289.81
Our Lady & St Hubert's Catholic Primary Academy - St Catherine of Siena MAC	35,180.65	150,717.27
St Francis Xavier Catholic Primary Academy - St Catherine of Siena MAC	17,206.99	103,243.42
St Philip's Catholic Primary Academy- St Catherine of Siena MAC	19,395.77	99,000.11
The University of Birmingham School	51,339.32	145,626.70
Aspens-Services Limited (Pinfold Street Primary)	17.88	79.64
Devonshire Infant Academy - Victoria Academies Trust	35,411.44	223,826.57
Seva Free School - Sevak Education Trust	20,601.60	69,161.88
Devonshire Junior Academy - Victoria Academies Trust	29,436.32	149,922.32
Town Junior School - Plantsbrook Learning Trust	13,436.74	153,053.87
St Brigid's Catholic Primary School - Lumen Christi MAT	28,950.83	105,654.80
St Columba's Catholic Primary School - Lumen Christi MAT	18,868.00	102,584.93
St Joseph's Catholic Primary School - St Nicholas Owen Catholic MAC	9,470.08	49,155.12
Our Lady of Fatima Catholic Primary School - St Nicholas Owen Catholic MAC	16,907.57	88,285.82
St Mary's Catholic Primary School - St Nicholas Owen Catholic MAC	15,544.59	76,465.18
Calthorpe Academy - Thrive Education Trust	195,839.55	943,329.24
Crestwood School - Invictus Education Trust	33,277.57	142,326.94

Employer name	Total employee contributions	Total employer contributions
Hillstone Primary School	46,529.38	252,978.79
Ellowes Hall Sports College - Invictus Education Trust	102,039.66	383,898.58
Wyndcliffe Primary School - Leigh Trust	43,230.72	253,199.48
Brownmead Academy - Washwood Heath MAT	27,297.44	140,800.06
Manor Primary School- Manor Multi Academy Trust	54,013.24	216,375.01
ABM Catering Limited (Allesley)	996.95	5,042.29
St Johns C of E Primary Academy - St Chad's Academy Trust	9,403.42	43,585.94
Change Grow Live Ltd	15,604.29	42,103.62
St Martin's C of E Primary School - St Martin's MAT	15,669.30	61,361.45
St Paul's Catholic Primary School - Lumen Christi MAT	21,571.72	97,201.26
St James Catholic Primary School - Lumen Christi MAT	18,094.07	90,115.63
St Joseph's Catholic Primary School - Lumen Christi MAT	16,460.29	77,403.51
St Thomas Aquinas Catholic School - Lumen Christi MAT	75,367.03	396,888.68
Field View Primary School - St Martin's MAT	26,969.04	130,613.58
Futurelets Ltd	43,664.66	144,281.82
ABM Catering (St Andrew's CE Infant School)	469.33	2,534.29
NSL Limited (BCC)	4,947.91	23,577.71
Jervoise School - Drb Ignite MAT	19,513.73	100,755.24
Wychall Primary school - Drb Ignite MAT	37,027.59	232,589.95
Holy Rosary Catholic Primary Academy - St Francis and St Clare Catholic MAC	14,488.59	81,892.27
St Mary's Catholic Primary - St Francis and St Clare Catholic MAC	29,622.25	169,437.95
Our Lady & St Chad Catholic Academy - St Francis and St Clare Catholic MAC	41,831.88	214,157.43
Corpus Christi Catholic Primary Academy - St Francis and St Clare Catholic MAC	13,514.90	83,494.12
St Thomas CE Academy - All Saints Multi Academy Trust	31,738.06	139,994.71
Birmingham Community Leisure Trust (North East Contract)	98,527.65	465,817.72
Birmingham Community Leisure Trust (South West Contract)	36,851.08	191,426.75
Saltley Academy - Washwood Heath Multi-Academy Trust	73,877.82	372,634.37
Barr's Hill School Academy - The Futures Trust	54,484.13	263,401.59
Alliance in Partnership LTD (Brownhills School)	891.10	4,240.47
Places for People Leisure Limited (Sparkhill)	1,678.81	7,168.80
Walsgrave C of E Academy - Inspire Education Trust	25,241.94	116,021.58
Clifford Bridge Academy - Inspire Education Trust	24,255.43	112,024.67
Whittle Academy - Inspire Education Trust	20,295.34	98,725.78
Lyndon Academy - Summit Learning Trust	42,271.22	476,634.63
Waverley School - The Waverley Education Foundation Ltd	90,453.35	421,027.26
Academy Transformation Trust	159,701.41	381,097.58
TnS Catering Management Ltd (Moat House School)	1,411.14	6,797.83
Heathfield Primary School - Prince Albert Community Trust	21,642.54	136,607.48
Bloxwich Academy - Matrix Academy Trust	30,781.21	256,753.37
Moor Green Primary Academy - REach2 Academy Trust	23,582.66	112,926.48

Employer name	Total employee contributions	Total employer contributions
Prince Albert Primary School - Prince Albert Community Trust	85,991.18	374,570.32
Beechwood C of E Primary School- DRB Ignite MAT	10,491.26	41,693.26
The British Sikh School - The Khalsa Academies Trust	6,571.99	21,637.35
Northfield Manor Primary Academy - Victoria Academy Trust	40,327.62	213,250.82
ARK Chamberlain Primary Academy	-	-
ARK Boulton Academy	44,095.32	227,467.61
Atalian Servest Food Co Ltd (Sidney Stringer Academy Trust)	-	-
ABM Catering Ltd (John Shelton Community Primary School)	585.02	2,010.36
Alliance In Partnership Ltd (Coventry South Cluster Group)	2,689.73	10,318.69
The Edge Academy	10,339.11	38,354.94
The Bromley-Pensnett Primary School- DRB Ignite MAT	22,303.01	122,834.82
Manor Way Primary Academy - Windsor Academy Trust	11,884.20	59,342.76
Dickens Heath Parish Council	772.47	3,623.64
West Midlands Construction UTC Trust	20,050.55	72,738.03
Alliance in Partnership Limited (St Matthias School)	434.91	577.23
Elston Hall Primary School - Elston Hall Multi-Academy Trust	52,115.40	287,756.52
Sidney Stringer Free Primary School - Sidney Stringer Academy Trust	29,628.02	106,301.45
Elite Cleaning & Environmental Services Ltd	554.45	4,700.65
Health Futures UTC	13,829.97	49,465.14
Bickenhill & Marston Green Parish Council	4,191.05	16,327.08
The King Solomon International Business School	35,131.77	118,922.51
Westcroft Sport and Vocational College - Central Learning Partnership Trust	45,040.76	306,499.16
Compass Contract Services (UK) Ltd (Diocese of Coventry Multi Academy Trust)	1,385.70	21,971.60
The Romero Catholic Academy	42,304.89	121,769.71
Inspire Education Trust	21,931.92	55,187.07
Aspens-Services Ltd (Bartley Green)	2,526.53	11,397.63
Aspens-Services Ltd (St Peters Collegiate)	4,553.15	20,166.09
Highfields School	74,365.25	417,964.65
Finham Primary School - Finham Park MAT	19,320.46	156,556.99
Engie Regeneration Holdings Ltd	63,989.94	247,122.65
Manor Park Primary Academy - REAch2 Academy Trust	34,935.60	192,373.95
Wates Construction Ltd (West-Central)	72,433.90	276,201.42
Northern House School (City of Wolverhampton)	26,698.27	143,355.99
Pool Hayes Academy - Academy Transformation Trust	57,651.94	356,023.73
Nonsuch Primary School - Birmingham Diocesan Multi-Academy Trust	12,018.28	131,659.89
Grove Primary School - St Martin's Multi Academy Trust	24,535.74	123,399.62
Highfield Junior and Infant School - Prince Albert Community Trust	35,111.95	200,192.27
Dunstall Hill Primary School - Perry Hall MAT	18,531.44	79,535.29
Priory Education Services Ltd	19,522.43	887,561.99
Wates Construction Ltd (East)	228,773.95	868,567.65

Employer name	Total employee contributions	Total employer contributions
Aston Tower Community Primary School - Aston Tower Multi-Academy Trust	25,516.39	134,484.87
Wolverhampton Vocational Training Centre - Central Learning Partnership Trust	13,747.05	50,319.37
Compass Contract Services (UK) LTD (Hall Green Secondary School)	6,098.13	39,168.27
Fortem Solutions Limited (BHAM South)	147,954.33	680,241.32
Alliance in Partnership Ltd (Pedmore Primary School)	705.47	3,706.99
Lodge Farm Primary School - Northwood Park Educational Trust - SHINE Academies	21,440.25	116,907.57
Palmers Cross Primary Academy - Elston Hall Multi Academy Trust	17,050.10	78,952.25
Dodd Group (Midlands) Ltd	12,303.06	43,171.10
Aspens-Services Ltd (Queensbridge School)	-	-
Mazars Ltd (Walsall MBC)	2,359.67	7,881.91
Finham Park 2 - Finham Park Multi Academy Trust	31,458.24	110,275.60
Prospects Services (Coventry and Warwickshire)	1,424.24	4,585.75
Royal Sutton Coldfield Town Council	13,674.63	31,755.96
Yew Tree Community Junior and Infant School - Inspire Education Community Trust	25,876.98	154,263.95
North Walsall Primary Academy - Academy Transformation Trust	15,860.67	88,248.27
Lyng Hall School - Finham Park MAT	58,899.93	463,984.77
Fibbersley Park Academy - Victoria Academies Trust	38,308.21	198,580.52
Hob Green Primary School - DRB Ignite MAT	21,960.31	111,443.05
Damson Wood Infant Academy - Central Schools Trust	11,854.57	70,638.69
Aspens-Services Ltd (St Peter's Catholic School Solihull)	2,257.39	14,355.96
Compass Contract Services (UK) Ltd (NEW and SWB Academy)	16,813.38	79,060.97
Streetsbrook Infant and Early Years Academy - Streetsbrook Academy Trust	27,417.25	125,589.91
Princethorpe Infant School - DRB Ignite MAT	19,313.16	83,998.61
The Oval Primary School - DRB Ignite MAT	34,401.07	131,929.20
Audley Primary School - DRB Ignite MAT	61,256.31	359,884.57
Aspens-Services Ltd (Heartlands Academy)	792.77	3,734.45
Aspens-Services Ltd (Merritts Brook Academy)	791.38	4,173.05
Aspens-Services Ltd (Shenley Academy)	9,051.28	39,608.39
Aspens-Services Ltd (St George's C of E Academy)	1,920.33	9,362.82
Aspens-Services Ltd (Mansfield Green Academy)	1,744.70	8,196.95
Gossey Lane Academy - Washwood Heath MAT	18,556.68	113,159.81
Leasowes High School - Invictus Education Trust	47,605.03	233,183.48
Aspens-Services Ltd (West Walsall E-ACT Academy)	1,876.10	8,792.85
Erdington Academy - Fairfax Multi-Academy Trust	57,437.42	265,882.25
Smith's Wood Academy - Fairfax MAT	43,265.98	232,014.70
Summerhill Primary Academy - Summer Park MAT	72,247.45	326,688.41
Conway Primary School - Create Partnership Trust	18,528.54	79,537.17
Greet Primary School - Create Partnership Trust	48,512.13	203,144.90
Alliance in Partnership Ltd (Holy Family Catholic Primary School)	184.92	1,403.45
Aspens-Services Ltd (Whitgreave Junior School)	998.91	6,380.06

Employer name	Total employee contributions	Total employer contributions
Sodexo Ltd (Oasis Community Learning)	7,428.48	26,442.83
West Midlands Combined Authority	1,920,816.75	9,806,333.43
Alliance in Partnership Ltd (Heart of England School)	1,217.65	5,889.04
Edward the Elder Primary - Elston Hall MAT	18,002.15	107,737.05
St Bartholomew's CE Primary School - St Bartholomew's CE Multi Academy Trust	23,519.79	95,904.24
Cleantec Services Ltd (Coventry College)	5,435.26	31,504.60
Northern House School (City of Wolverhampton) Primary PRU	10,207.56	55,161.87
Tenterfields Primary Academy - Windsor Academy Trust	14,121.32	67,609.90
Taylor Shaw Ltd (Broadway Academy)	2,598.55	9,221.74
St Francis CE Primary School and Nursery - Fioretti Trust	14,731.89	100,578.61
Aspens-Services Ltd (Hillcrest School)	1,275.11	6,684.67
Hill Avenue Academy - Manor MAT	11,260.28	53,431.31
East Park Academy - Manor MAT	52,414.37	261,842.43
Stanton Bridge Primary School - Stanton Bridge Multi Academy Trust	17,813.98	63,401.82
Cromwell Primary School - Cromwell Learning Community Academy Trust	16,568.95	79,414.56
Broadmeadow Special School - Central Learning Partnership Trust	34,806.88	408,776.40
Hearsall Community Academy - Inspire Education Trust	26,045.44	124,782.50
Bushbury Lane Academy - REAch2 MAT	12,709.98	60,729.95
Quinton Church Primary School - Birmingham Diocesan Multi-Academy Trust	9,773.42	107,452.48
Canterbury Cross Primary School - Canterbury Cross Educational Trust	27,629.54	188,518.44
Cedars Academy - Robin Hood MAT	18,216.33	101,151.46
Courthouse Green Primary School - Triumph Multi-Academy Trust	52,388.41	240,696.16
Premier Support Services Ltd (Yew Tree Community School)	308.62	1,986.19
Great Barr Academy - The Shaw Education Trust	100,152.43	636,917.72
Firs Primary School - Washwood Heath MAT	31,128.99	277,076.77
Topcliffe School - Washwood Heath Academies Trust	22,906.13	168,403.79
Parkgate Primary School - The Futures Trust	42,555.77	217,628.57
Phoenix Academy - Academy Transformation Trust	16,627.88	72,410.44
Westminster Primary School - Westminster Academy Trust	23,100.77	149,537.26
Bordesley Village Primary School - Cromwell Community Learning Trust	13,848.80	97,843.73
Stirchley Primary School - Evolve Education Trust	14,599.86	66,992.61
Aspens-Services Ltd (Joseph Leckie Academy)	3,403.60	17,018.30
Keresley Grange Academy - The Futures Trust	23,588.36	117,879.27
Heart of Birmingham Vocational College	12,904.09	35,819.38
Miquill Catering Ltd (Colton Hills)	893.50	5,383.21
Miquill Catering Ltd (Woodfield Junior)	2,518.90	14,258.79
Colley Lane Primary Academy - Windsor Academy Trust	37,003.84	236,386.41
Moreton School - Amethyst Academy Trust	54,669.90	300,693.61
Aspens-Services Ltd (Paganel Primary School)	-	-
Cockshut Hill School - Summit Learning Trust	68,117.81	538,790.25

Employer name	Total employee contributions	Total employer contributions
Chandos Primary School - The Elliot Foundation Academies Trust	38,264.03	220,894.80
Woodside Community School and Little Bears Nursery - Hales Valley Multi-Academy Trust	30,918.32	271,713.68
Lutley Primary School - Hales Valley Multi-Academy Trust	32,934.65	265,882.28
Aspens-Services Ltd (St Martin's MAT)	2,389.63	12,228.47
Lapal Primary School - Hales Valley Multi-Academy Trust	15,562.30	113,687.34
Sandwell Children's Trust	1,038,012.99	3,114,934.22
Caterlink Ltd (John Paul II Multi Academy)	3,918.20	18,107.86
Murray Hall Community Trust (Rowley and Tipton)	905.81	2,264.58
Churchill Contract Services Ltd (Finham Park MAT)	2,755.86	14,216.50
King Edward VI Handsworth Grammar School For Boys - Kevi at Birmingham	43,295.27	216,316.19
The Bridge School - Forward Education Trust	38,808.05	309,086.12
Hodge Hill Primary School - Create Partnership Trust	21,294.61	158,529.52
Brays School - Forward Education Trust	115,356.94	620,805.48
KWB Corporate Cleaning Ltd (Boldmere Junior and Infant School)	4,039.08	16,523.78
Hallmoor School - Forward Education Trust	57,547.65	482,659.17
Compass Contract Services Uk Ltd (Arthur Terry LP)	6,134.41	70,526.63
Dame Elizabeth Cadbury School - Matrix Academy Trust	27,769.45	398,781.95
Matrix Academy Trust	31,269.11	167,666.00
Caterlink Ltd (The Futures Trust)	1,252.16	6,306.32
Foxford Community School - Castle Phoenix Trust	63,006.92	287,554.13
WMG Academy for Young Engineers (Solihull)	13,706.83	49,369.17
Aspens-Services Limited (Fairfax Mat)	7,242.88	32,567.95
Greenwich Leisure Limited	79,568.70	407,752.64
Turves Green Primary School - Excelsior Multi Academy Trust	24,213.38	136,444.18
Thorns Collegiate Academy - Shireland Collegiate Academy Trust	34,374.98	171,503.40
St Stephen's Church of England Primary School - St Stephen's Church of England MAT	13,236.87	66,823.45
Holyhead Primary Academy - Shireland Collegiate Academy Trust	11,136.74	57,910.46
Parkfield Primary School - St Stephen's Church of England MAT	12,190.11	62,996.94
Tile Cross Academy - Washwood Heath MAT	36,915.40	194,198.92
Caldmore Primary Academy - Academy Transformation Trust	28,406.69	122,500.46
Action for Children (West Bromwich and Wednesbury)	5,165.19	19,084.46
Action for Children (Smethwick and Oldbury)	2,803.17	11,462.08
Aspens-Services Ltd (Merridale Primary School)	377.75	2,133.15
Aspens-Services Ltd (Bantock Primary School)	932.58	4,632.41
Churchill Contract Services Ltd (Queensbridge School)	1,333.04	7,344.11
Aspens-Services Ltd (Lanesfield Primary School)	655.65	3,135.26
Stoke Park School - The Futures Trust	55,697.96	241,169.22
KCLS Ltd (St Anne's Primary School)	266.49	1,153.17
Churchill Contract Services Ltd (Wodensfield Primary School)	403.67	2,165.15

Employer name	Total employee contributions	Total employer contributions
Churchill Contract Services Ltd (Stoke Park School and Community Technology College)	1,482.34	7,224.96
Coventry College	215,826.85	2,529,896.76
Netherbrook Primary School - Learning Link MAT	30,455.36	147,909.56
Dudley Wood Primary School - Learning Link MAT	22,159.29	122,512.42
Ormiston SWB Academy	79,821.20	255,219.10
Sledmere Primary School - Learning Link MAT	40,083.15	185,324.35
Kates Hill Primary School - Learning Link MAT	32,434.24	165,498.23
Woodfield Primary School - St Bartholomew's COE MAT	31,617.58	177,620.62
Compass Contract Services (UK) Ltd (Smestow School)	1,929.46	8,341.84
Compass Contract Services (UK) Ltd (Wednesfield High School)	1,252.68	5,900.81
The Link Academy - Dudley Academies Trust	55,596.90	253,708.57
St James Academy- Dudley Academies Trust	32,504.56	145,982.64
Birmingham Diocesan Multi-Academy Trust	30,849.82	92,011.49
The Sixth Form College - Summit Learning Trust	79,811.32	273,570.01
Aspens Services Ltd (Cottesbrooke Infant School)	9,236.53	41,274.11
T(n)S Catering Management Ltd (Fibbersley Park School)	2,406.26	11,888.92
Olive Hill Primary School - Stour Vale Academy Trust	19,618.18	98,440.57
Caterlink Ltd (Stoke Park School)	446.29	1,963.61
Cardinal Newman Catholic School - Holy Cross MAC	63,322.44	378,483.66
Goldthorn Park Primary - Elston Hall MAT	17,515.22	106,211.00
Caterlink Ltd (Romero Multi Academy)	1,174.47	6,043.58
Ormiston NEW Academy	50,002.64	224,370.84
LGPS Central	153,246.85	365,273.68
Churchill Contract Services Ltd (Moat House Primary School)	761.42	7,132.52
Priory Primary School - Hales Valley MAT	32,636.72	253,611.79
Hurst Hill Primary School - Hales Valley MAT	19,769.63	170,421.21
Netherton COE Primary School - Diocese of Worcester MAT	23,826.38	124,141.52
Kingdom Services Group (Lyndon Academy)	4,356.07	15,796.23
Small Heath Leadership Academy - STAR Academies	56,396.19	310,240.83
Churchill Contract Services Ltd (Archbishop Ilsey Catholic School)	2,409.36	10,052.87
Capita Managed IT Solutions Ltd (Ormiston Academies Trust)	1,071.55	3,082.81
Leigh COE Primary Academy - Diocese of Coventry MAT	15,339.27	77,508.53
The Active Wellbeing Society Limited	3,303.74	53,451.52
OCS Group UK Ltd (Highfields and Pennfields)	2,571.44	15,209.55
Compass Contract Services (UK) Ltd (Uplands Junior School)	853.74	4,418.66
Birmingham Children's Trust Ltd	3,500,966.79	9,864,593.15
Jewson Limited (Dudley MBC)	4,080.45	15,920.27
D'Eyncourt Primary School - Central Learning Partnership Trust	14,132.34	164,509.02
Accuro FM Limited (Hall Green Secondary School)	-	18,440.19
Arden Services (UK) Ltd (Highfields J&I School)	-	-

Employer name	Total employee contributions	Total employer contributions
ICE Creates Limited (Coventry City Council)	949.92	5,588.88
Churchill Contract Services Ltd (Finham Park School)	1,369.10	7,056.61
Arden Services (UK) Ltd (Birchfield Primary School)	-	-
Miquill Catering Ltd (Rednal Hill)	8,400.12	37,379.87
Tenon FM Limited (Bournville Junior and Infant School)	790.53	2,940.05
KWB Corporate Cleaning Ltd (Elms Farm Primary School)	1,306.50	5,927.05
Villiers Primary School - SHINE Academies	32,364.21	169,506.98
City Academy - The Core Education Trust	22,710.91	71,851.08
Jewellery Quarter Academy - Core Education Trust	23,988.98	70,975.57
Central Academy - The Core Education Trust	8,845.65	27,229.11
Arena Academy - The Core Education Trust	29,259.83	111,418.42
Ark Victoria Academy	72,252.28	255,591.58
KWB Corporate Cleaning Ltd (Gilbertstone Primary School)	614.04	3,237.66
St Thomas More Catholic Academy - Holy Cross MAC	21,074.45	107,430.04
Richard Lee Primary School - Castle Phoenix Trust	33,676.11	173,998.07
Woodthorne Primary School - Perry Hall MAT	14,137.36	72,072.55
Aramark Limited (Walsall College)	885.71	5,121.04
Alliance in Partnership Ltd (Holy Trinity C of E Primary School)	1,633.94	6,993.29
Mellors Catering Services Ltd (All Saints MAT)	-	-
Bishop Ullathorne Catholic School - Holy Cross MAC	51,199.47	236,955.75
Alliance in Partnership Ltd (Edgewick Primary School)	1,283.89	9,767.44
Premier Support Services Ltd (Braidwood Trust School For The Deaf)	-	-
Churchill Contract Services Ltd (Colmers School and Sixth Form College)	1,797.35	8,583.65
Christ The King Catholic Academy - Holy Cross MAC	24,910.38	156,267.36
St Elizabeth's Catholic Academy - Holy Cross MAC	19,447.89	96,801.06
St Augustines Catholic Academy - Holy Cross MAC	24,545.11	122,883.99
Miquill Catering Ltd (Acocks Green Primary School)	2,751.19	13,499.86
Tameside Primary Academy - Shireland Collegiate Academy Trust	34,846.13	221,739.19
Solo Service Group Ltd (Bordesley Green Girls School)	2,389.80	10,471.84
Coppice Performing Arts School - Central Learning Partnership	37,333.62	232,601.97
St John Vianney Catholic Primary School - Holy Cross Academy	10,028.78	63,647.66
Aspens-Services Ltd (Maney Hill Primary)	515.47	2,127.31
PeoplesFuture Limited	74,760.86	272,670.56
Pendergate Ltd (Yardley Primary School)	1,137.82	4,991.97
Aspens-Services Ltd (Blue Coat C of E Academy)	628.96	3,419.41
Aspens-Services Ltd (Whitgreave Infant School)	1,039.43	5,081.19
Aspens-Services Ltd (Swanshurst School)	5,157.37	24,467.94
Genie Cleaning Services Ltd (Bartley Green School)	6,819.13	32,649.51
Cleantec Services Ltd (Four Dwellings Primary Academy)	1,315.62	5,022.90
Dudley Academies Trust	18,150.81	52,769.62

Employer name	Total employee contributions	Total employer contributions
Pendergate Ltd (Tudor Grange Academies Trust)	4,036.24	16,255.13
St Margaret's C of E Primary School- Birmingham Diocesan Multi-Academy Trust	14,882.18	104,543.61
The Camphill Village Trust Ltd (Dudley MBC)	1,769.88	10,081.44
Holy Trinity Catholic School - St Teresa of Calcutta MAC	47,841.92	297,206.50
St Thomas' C of E Primary School - Manor MAT	6,648.34	28,722.83
St Alban's C of E Primary School - Manor MAT	9,000.18	34,591.92
Archbishop Ilsley Catholic School - St Teresa of Calcutta MAC	66,719.32	400,079.27
The Pedmore High School - Invictus Education Trust	27,830.85	136,793.76
Aspens-Services Ltd (Lordswood Girls School)	4,513.18	42,696.00
Birchfield Primary School - Prince Albert Community Trust	38,956.35	206,188.40
Wilson Stuart UCB Partnership Trust	25,674.32	95,590.02
Caterlink Ltd (CORE Education Trust)	-	-
Solihull Alternative Provision Academy	26,732.29	84,052.38
Princethorpe Junior School - DRB Ignite MAT	21,457.36	113,201.51
Titan Aston Academy - Titan Education Trust	12,010.62	35,884.23
Computer Systems in Education Limited (CTC Kingshurst Academy)	-	-
Bellrock Property and Facilities Management Ltd (Tudor Grange Academies trust)	4,821.92	21,896.48
SS Mary & John Catholic Primary School - John Paul II Multi-Academy	24,750.01	189,499.21
Ulverley School - Robin Hood MAT	30,021.08	136,314.99
Yenton Primary School - Robin Hood Multi Academy Trust	27,572.53	160,736.78
Mellors Catering Services (Kingswinford Academy)	1,009.96	6,379.23
Churchill Contract Services Limited (Langley School)	852.67	6,265.73
Brookfields Primary School - Create Partnership Trust	15,351.15	104,741.12
Aspens-Services Ltd (Yardleys School)	1,973.03	15,616.16
Marlborough Infant School - Leigh Trust	40,112.23	258,508.87
Marlborough Junior School - Leigh Trust	-	-38,150.00
SS Peter & Paul Catholic Primary School - John Paul II Multi-Academy	13,048.82	50,544.37
Queensbury School - Education Impact Academy Trust	30,403.99	45,685.26
The Ladder School - The Mercian Trust	12,166.54	46,103.99
Birmingham and Solihull Mental Health Foundation Trust	-	-
Churchill Contract Services Ltd (Ormiston Shelfield Community Academy)	-	-
Accuro FM Ltd (Core Academy Trust)	13,488.19	60,036.65
Holy Souls Catholic Primary School - St Teresa of Calcutta MAC	27,494.97	184,305.87
Miquill Catering Ltd (Yardley Primary School)	7,688.31	28,936.73
Aspens Services Ltd (Create Partnership Trust)	32,241.22	106,456.47
Busill Jones Primary School - SHINE Academies	15,160.05	89,032.06
Springfield Primary Academy - REAch2 Academy Trust	23,845.89	95,843.52
Churchill Contract Services Ltd (Dorridge Primary School)	370.26	1,363.45
Cleantec Services Ltd (Montgomery Primary Academy)	3,719.40	17,123.85

Employer name	Total employee contributions	Total employer contributions
Trinity C of E Primary Academy - St Chads Academy Trust	37,339.43	203,464.61
CU Recruitment and Admissions Limited	61,424.19	268,605.91
Pearl Hyde Community Primary School - Finham Park MAT	13,869.13	83,310.64
Miquill Catering Ltd (Woodfield School)	1,401.34	5,412.80
Miquill Catering Ltd (St Bartholomews CE Primary School)	2,539.09	10,124.42
Greater Birmingham and Solihull Local Enterprise Partnership	115,082.47	312,781.12
RM Education Ltd (Academies Enterprise Trust)	8,669.44	25,626.73
King Edward VI Balaam Wood Academy - KEVI at Birmingham	24,452.88	146,308.96
DRB Ignite Multi-Academy Trust	31,912.58	71,581.91
Colmers Farm Primary School - Excelsior Multi-Academy Trust	31,485.85	190,836.58
Engie Services Ltd (Starbank School)	6,897.77	28,205.66
Pendergate Ltd (Queensbridge School)	1,405.39	5,060.75
Northfield Road Primary School - Stour Vale Academy Trust	29,956.17	135,922.65
Mellors Catering Services Ltd (Plantsbrook Learning Trust)	417.37	1,616.78
Bespoke Cleaning Services Ltd (Walsall College)	5,020.10	16,082.74
Miquill Catering Ltd (Uffculme School)	3,180.07	11,909.47
Shireland Technology Primary School - Shireland Collegiate Academy Trust	13,327.73	44,034.30
ABM Catering Limited (Kings Heath Primary School)	639.90	2,349.99
West Bromwich Collegiate Academy - Shireland Collegiate Academy Trust	17,303.90	59,603.96
Aspens Services Ltd - Pegasus Primary School	2,489.90	9,510.98
Aspens-Services Ltd (Yarnfield Primary School)	567.72	2,198.64
WCS Commercial Ltd (St Thomas More Catholic Primary School)	612.46	2,265.69
Tudor Grange Primary Academy Yew Tree - Tudor Grange Academies Trust	23,075.80	104,793.26
Holy Cross MAC - Central Office	11,761.88	49,660.80
Sacred Heart Catholic School - John Paul II Multi Academy	16,976.29	98,481.00
Ham Dingle Primary Academy - United Learning Trust	15,711.65	69,642.69
Taylor Shaw Ltd (Lighthall School)	-	-
St Barnabas C of E Primary School- Fioretti Trust	29,679.72	195,910.15
Sutton Park Primary School - Prince Albert Community Trust	21,315.84	126,733.86
ABM Catering Limited (Raddlebarn Primary School)	1,958.51	6,746.59
Dudley Council For Voluntary Service	-	-
The Olive School - Small Heath - Star Academies	15,691.95	74,075.40
SLM Food & Beverage LTD (Solihull MBC)	3,894.88	16,233.11
SLM Community Leisure Limited(Solihull MBC)	21,187.60	76,572.65
KWB Corporate Cleaning Ltd (Create Partnership Trust)	4,634.75	17,244.01
Miquill Catering Ltd (Busill Jones Primary School)	2,268.54	8,620.96
Miquill Catering Ltd - Elston Hall Multi Academy Trust	9,817.72	37,509.39
Miquill Catering Ltd (Bushbury Hill Primary School)	1,881.88	6,443.30
St Mary's Catholic Primary School - St John Bosco Catholic Academy Trust	17,325.39	83,496.06
St Edmund Campion Catholic Secondary School - John Paul II Multi-Academy	43,268.36	268,140.88

Employer name	Total employee contributions	Total employer contributions
Stuart Bathurst Catholic High School - St John Bosco Catholic Academy Trust	28,734.43	159,085.67
St Thomas More Catholic Primary School - Lumen Christi Catholic Multi Academy	22,633.74	137,030.56
SIPS Education Limited(Sladefield Primary School)	3,521.72	12,945.57
Pheasey Park Farm Primary School - Elston Hall Multi-Academy Trust	46,804.03	249,741.21
Blowers Green Primary School - Dudley Academies Trust	16,567.31	72,574.47
St Patricks Catholic Primary School - St Francis and St Clare Catholic MAC	13,456.06	70,655.03
St Anthony's Catholic Primary (St Francis & St Clare MAC)	9,059.46	46,499.51
Cherry Tree Learning Centre - The Skylark Partnership	10,530.15	53,028.42
Aspens Services Ltd - St James Church of England Primary School	1,206.25	4,529.84
Cleantec Services Ltd (E-ACT)	-	-
Miquill Catering Ltd - (Potters Green Primary School)	1,292.19	4,084.52
Atalian Servest Food Co Ltd (Fortis Academy)	-	-
Kier Highways Limited (Birmingham City Council)	-	-
ABM Catering Limited - Robin Hood Multi Academy Trust	872.44	3,200.74
Newtown Primary School - Stour Vale Academy Trust	10,733.13	60,600.31
Brownhills School - Ormiston Academy Trust	40,250.77	200,363.41
Caterlink Limited (Cockshut Hill School)	3,065.91	11,912.80
Shenstone Lodge School - Manor Hall Academy Trust	33,947.29	151,201.72
Compass Contract Services UK Ltd (St Francis and St Clare MAC)	-	12,904.06
Lady Katherine Leveson Church of England Primary School - Birmingham Diocesan MA Trust	7,286.35	33,030.63
Starbank Leadership Academy - Star Academies	50,191.03	346,063.24
Coventry University Services Ltd	55,330.23	133,997.44
Wallbrook Primary Academy - Shireland Collegiate Academy Trust	4,390.72	18,360.19
Foxyards Primary School - Manor Multi Academy Trust	4,380.80	17,990.31
St John Fisher Catholic Primary School - Lumen Christi MAC	2,582.77	15,950.11

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INVESTMENT STRATEGY

Tom Davies
Assistant Director,
Investment Strategy



The primary objective of the Fund is to ensure that it is able to meet the pension promises (liabilities) made to scheme members as they fall due. To meet this objective, the Fund sets an investment strategy which aims to achieve the target level of return required over the longer-term and to ensure that sufficient capital growth and cashflow is generated so that it's liabilities can be met.

In conjunction with this, the Fund recognises its role as a large institutional investor, and the duty it has to and govern the assets in which it invests, with Responsible Investment beliefs integrated to investment management and stewardship.

Following a review of the Fund's Investment Strategy and Asset Allocation benchmark in 2020, the Fund is continuing to focus on changes to long term asset allocation and portfolio risk. During an unpredicted and volatile year for markets, there has been a continued focus on performance drivers and emerging risks in portfolio

positioning. As the outlook remains more subdued, the investment strategy will be reviewed again over 2022/23, alongside the 2022 actuarial valuation, reviewing the performance required from fund assets to support the long term payment of pension liabilities.

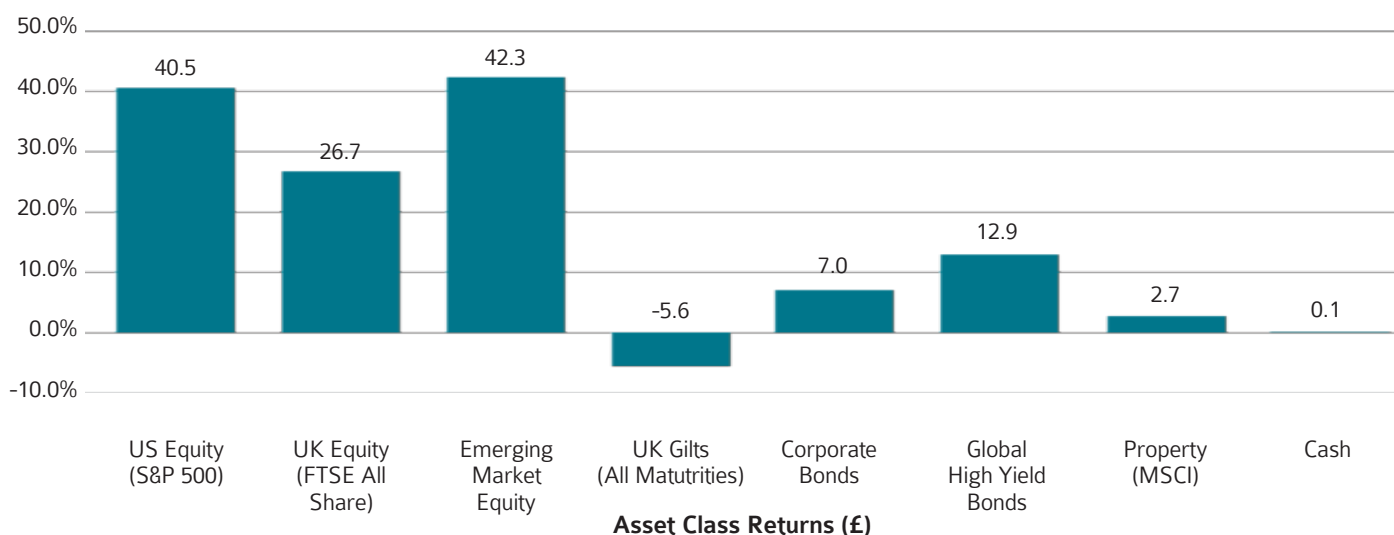
Market summary

At the beginning of the period the market value of the Fund's assets was £15.3 billion, having been impacted by deteriorating global market conditions resulting from the Covid pandemic during March 2020. However, the market impacts were relatively short-lived, with markets and asset values making a sharp recovery over 2020/21. At the close of the year, the Fund's invested assets had risen in value to £18.7 billion driven largely by the recovery in global equity markets (growth assets) and strong performance within equity portfolios and with the Fund's direct property portfolio.

The two Admitted Body Sub Funds (included within the figures above) also closed out the year with strong performance driven by returns within Multi Asset Credit and Diversified Growth Funds.

While there have been steep recoveries across assets there is caution across global markets for future economic growth and rising inflation, with a the high level of return not expected to persist over the next 12 months or longer term. Forward looking indicators suggest that the level of returns achieved over the last three years will not be sustainable in the medium to long term, with the gains achieved this year needed to sustain longer term overall performance across a 5, 10 and 15 year period.

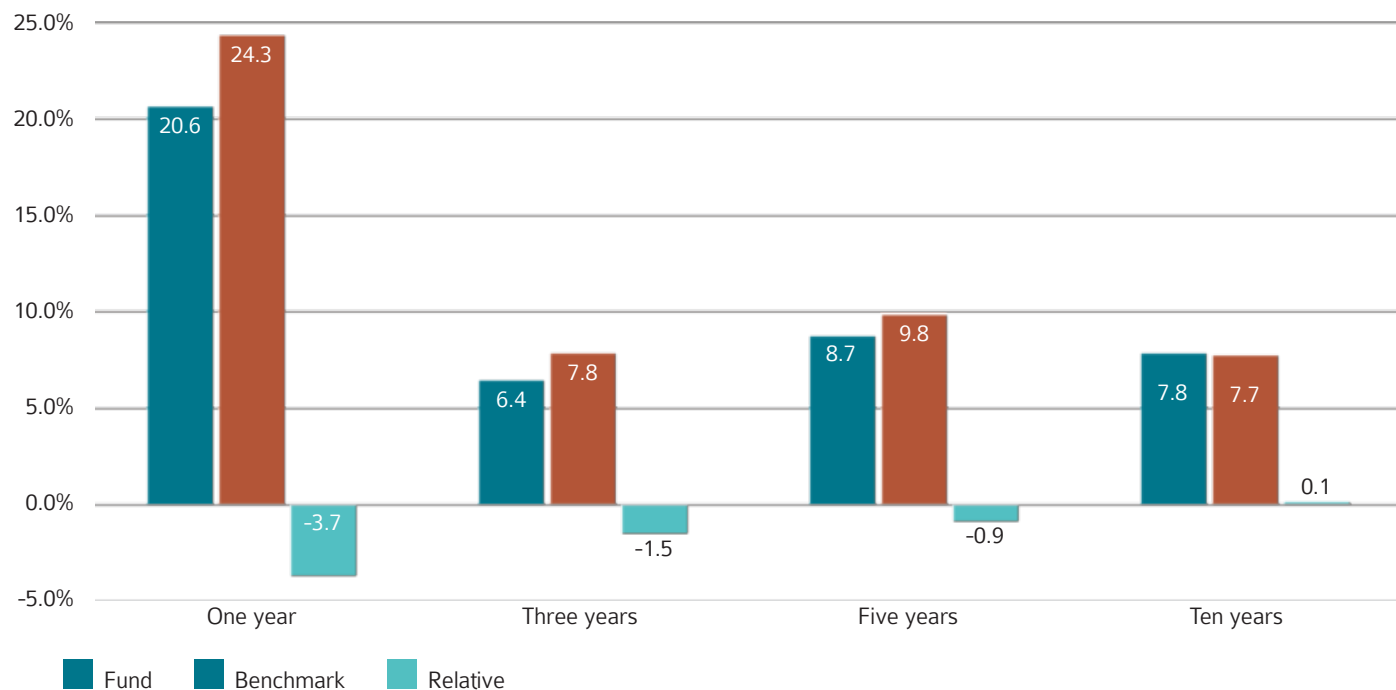
Market Returns to Year Ending 31 March 2021 (%)



INVESTMENT PERFORMANCE

The Fund's returns over one, three, five and ten years compared to its bespoke benchmark, are illustrated in the chart shown below:

Comparative Returns Over One, Three, Five and Ten Years to 31 March 2021 – Main Fund



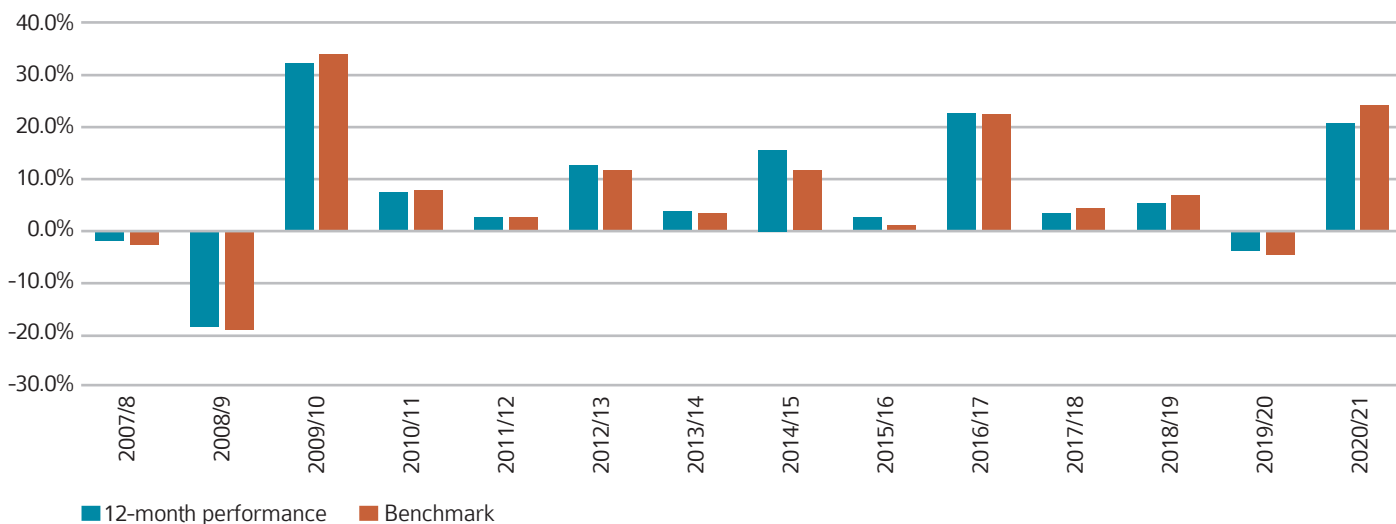
The Main Fund has generated a return of 6.4% p.a. over the three-year period with underperformance relative to benchmark over one and three years driven by lagged recovery in the valuations of illiquid assets and higher cash positioning. Absolute returns over three, five and ten years, remain above the level required to meet the funding target.

Longer Term Summary

Annual returns over a longer period are shown in the chart below.

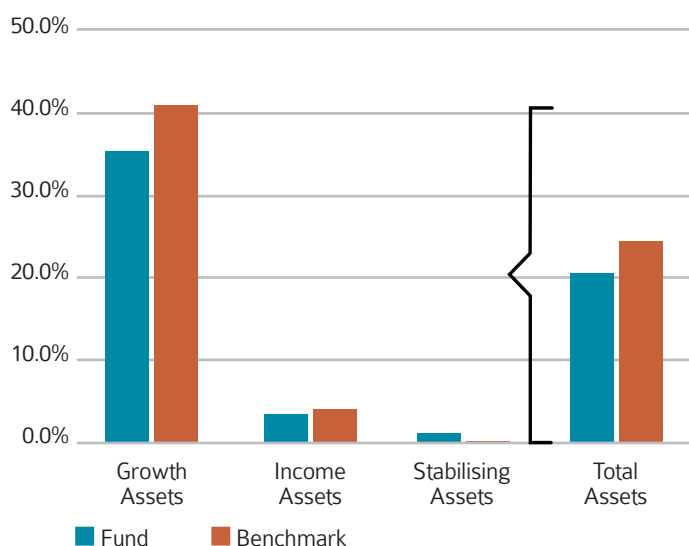
The strong rebound over 2020/21 has more than recovered falls in the previous year, with more modest returns typically following periods of volatility over the timeframe shown.

Annual Performance Versus Benchmark

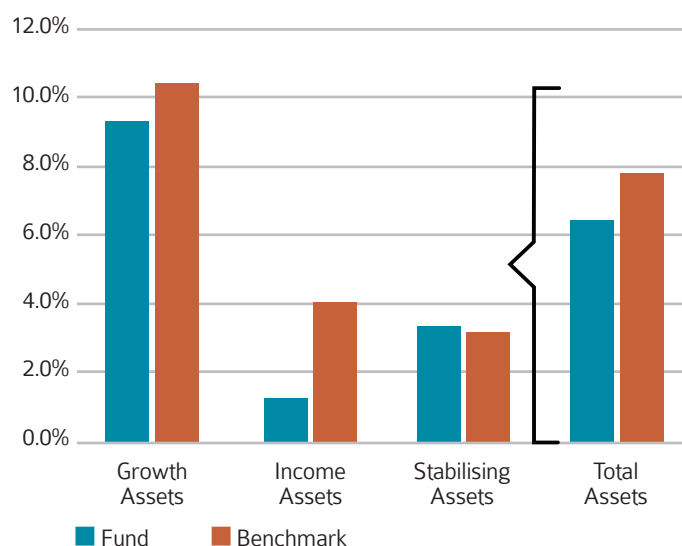


The following graph illustrates the returns of the Fund's main asset classes for both the year and three years ended 31 March 2021 and compares them to relevant benchmarks.

One-Year Returns - Year Ended 31 March 2021



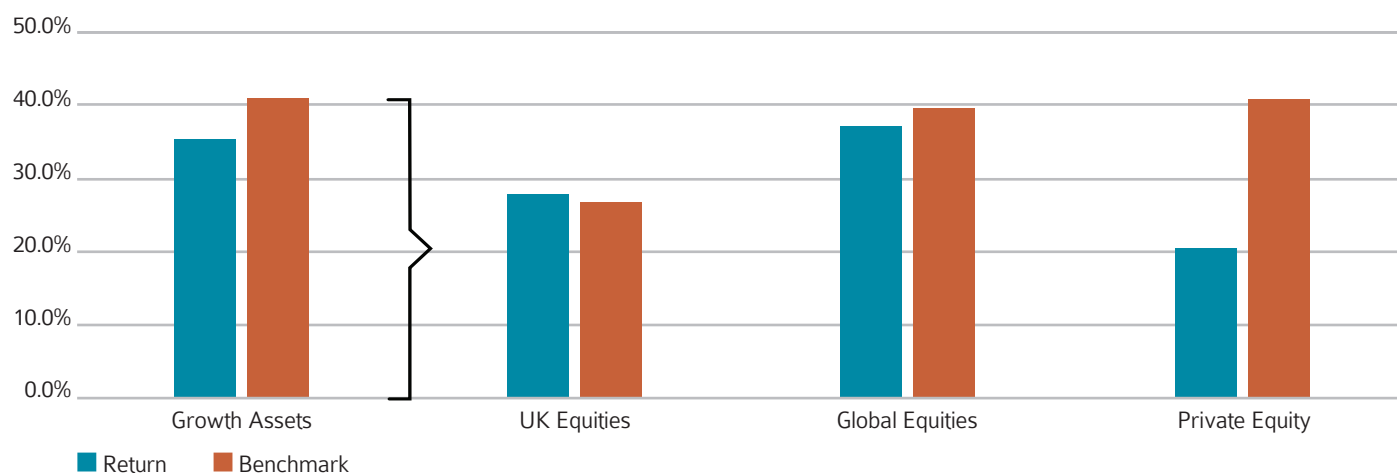
Three-Year Returns - Year Ended 31 March 2021



Over the one and three-year periods to 31 March 2021, the Growth and Income elements of the portfolio have underperformed their respective benchmarks whilst the Stabilising Assets have outperformed.

The graph below illustrates the returns of the main elements within the growth asset portfolio during the last financial year.

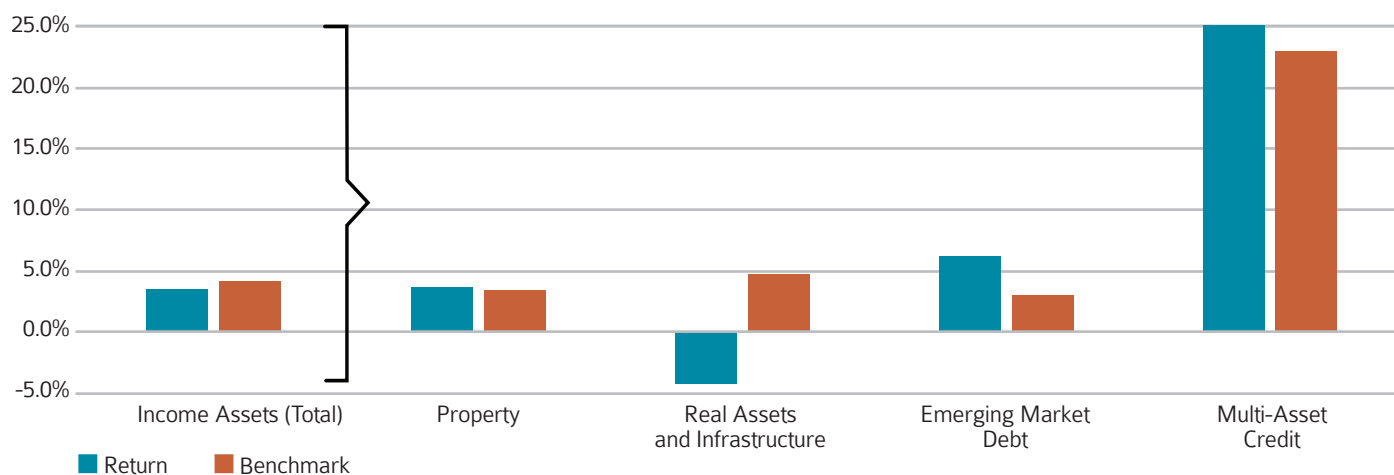
Growth Asset Returns - Year Ended 31 March 2021



Overall performance relative to benchmark has been impacted by stock selection in actively managed global equity funds and a lag in valuations for private equity.

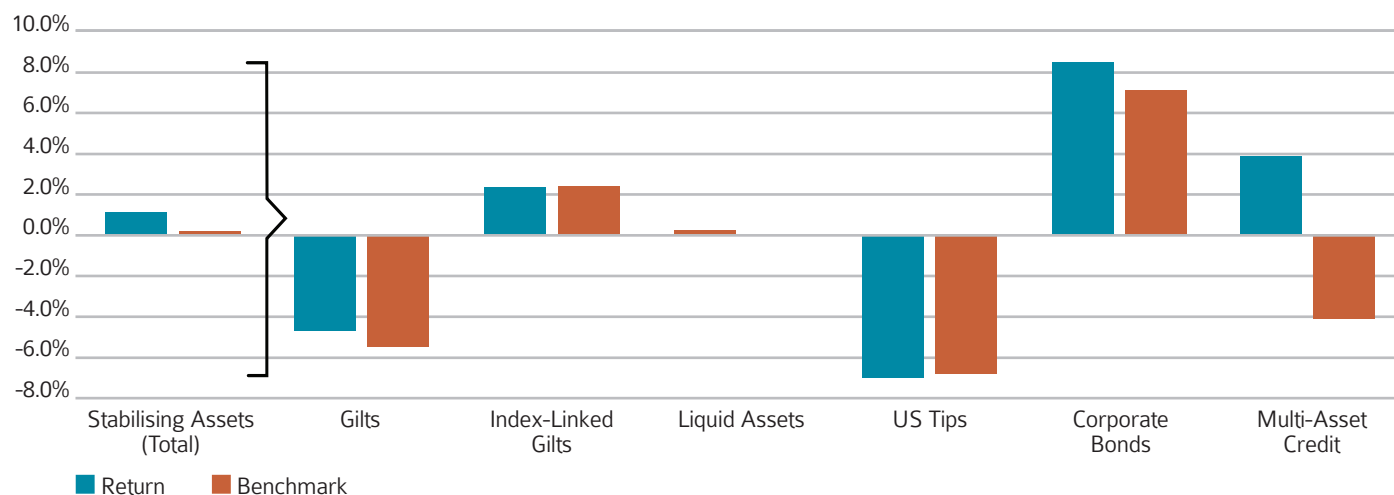
The graph below illustrates the returns of main elements within the income asset portfolio:

Income Asset Returns - Year Ended 31 March 2021



The Income element experienced mixed and varied performance, with fixed income holdings performing well over the year and infrastructure significantly behind the benchmark and long term target return, as assets were impacted by the pandemic.

Stabilising Asset Returns - Year Ended 31 March 2021

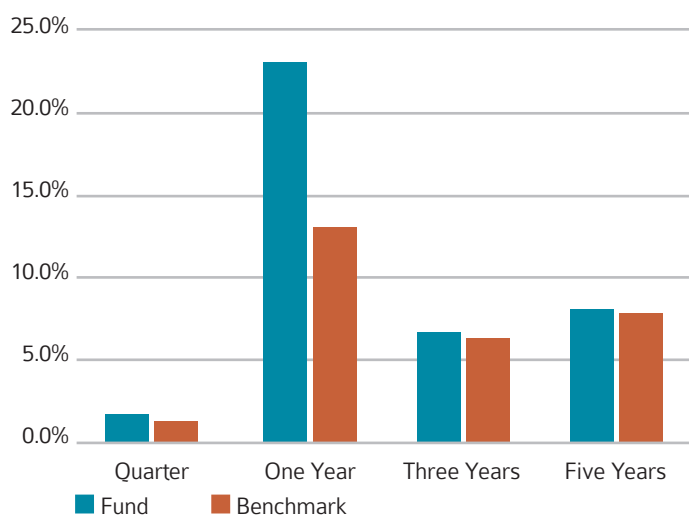


The Stabilising element overperformed over the year, driven by outperformance in credit markets.

Performance within the Separate Admission Body Sub-Funds

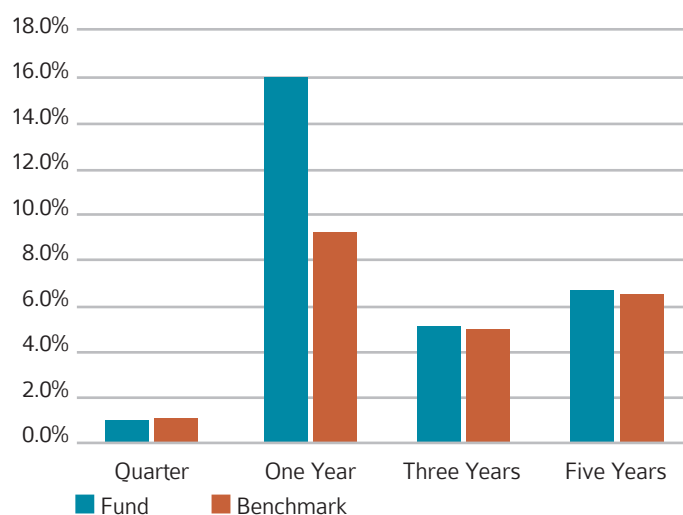
The charts below, summarise the performance of the invested assets within the separate Admission Body Sub-Funds over one, three and five years.

WMTL Performance to 31 March 2021



The Fund is marginally ahead of its benchmark on a 3 year basis with relative performance driven by the Multi Asset Credit and Diversified Growth Fund.

Preston Bus Performance to 31 March 2021



The Fund is marginally ahead of its benchmark on a 3 year basis with relative performance driven by the Multi Asset Credit Fund.

ASSET ALLOCATION

The following tables provide a summary of the asset allocation for the Main Fund and two separate admission body sub-funds at the year ended 31 March 2021 compared with the strategic targets agreed by the Pensions Committee in operation during the financial year 2020/21.

Asset Allocation as at 31 March 2021

	Value (£m)	Allocation (%)	Current Benchmark (%)	Long Term SAA Target (%)	Difference (%)
Quoted Equities	9,900,382,079.06	53.9	48.0	42.0	-11.9
Private Equity	1,375,520,896.38	7.5	10.0	6.0	-7.5
Opportunistic	304,745,372.48	1.7	5.0	2.0	0.3
Total Growth	11,580,648,347.92	63.1	63.0	50.0	
UK Gilts	429,611,851.78	2.3	2.0	2.0	-0.3
Index Linked	1,247,946,545.81	6.8	5.0	4.0	-2.8
Cash	524,890,713.98	2.9	2.0	2.0	-0.9
Corporate bonds	1,163,994,590.65	6.3	5.0	6.0	-0.3
Total Stabilising	3,366,443,702.22	18.3	14.0	14.0	
Multi-Asset	392,204,225.30	2.1	4.0	6.5	4.4
Private Debt	65,837,774.15	0.4	0.0	7.0	6.6
Emerging Market	750,128,613.62	4.1	4.0	4.5	0.4
Property	1,377,101,350.92	7.5	10.0	9.0	1.5
Infrastructure	819,688,000.51	4.5	6.0	9.0	4.5
Total Income	3,404,959,964.50	18.6	23.0	36.0	-
TOTAL	18,352,052,014.64	100.0	-	-	-

The asset allocation benchmark referred to above reflects the basis of performance measurement over 2020/21. An investment strategy review was undertaken in 2020 and revised long term Strategic Asset Allocation (SAA) targets were agreed and documented in the Fund's Investment Strategy Statement. The new targets reflect an increase in allocation to credit and illiquid markets, including Private Debt and Infrastructure. These allocations are building gradually and will further increase over 2021/22.

Separate Admission Body Fund (WMTL)*

	Value (£m)	Allocation (%)
Equities	85,828	30
Diversified	107,146	38
Total Growth	192,974	68
Corporate Bonds	10,135	4
Multi-Asset Credit	51,038	18
LDI/Index Linked	27,015	10
Cash	2,352	1
Total Defensive	90,540	32
TOTAL	283,574	100

* Note the table above excludes the value of the bulk annuity insurance buy-in contract which is held within and linked to the liabilities of the WMTL Admission Body Fund.

Separate Admission Body Sub Fund (PBL)

	Value (£m)	Allocation (%)
Equities	3,429	18
Total Growth	3,429	18
Corporate Bonds	5,454	28
Multi-Asset Credit	5,586	29
LDI/Index Linked	5,054	26
Cash	<1	0
Total Defensive	16,094	82
TOTAL	19,534	100

TOP TWENTY DIRECT EQUITY HOLDINGS

1 Taiwan Semiconductor Manufacturing Co Ltd £105,718,644	2 Tencent Holdings Ltd £100,204,404	3 AIA Group Ltd £58,123,311	4 Alibaba Group Holding Ltd £57,678,986
5 iShares MSCI India ETF £54,819,580	6 HDFC Bank Ltd £50,723,333	7 Reliance Industries Ltd £47,847,166	8 Infosys Ltd ADR £47,697,402
9 Taiwan Semiconductor Manufacturing Co Ltd - ADR £47,214,097	10 Pantheon International Ord £46,073,842	11 Square Inc Class A £45,668,250	12 Roku Class A £43,525,015
13 Microsoft Corp £38,755,121	14 Unilever plc £31,899,156	15 Haier Smart Home Class H Ltd £31,786,576	16 Ecolab Inc £31,022,828
17 Uber Technologies Inc £30,898,798	18 SolarEdge Technologies Com £26,927,559	19 Ping An Insurance (Group) Co of China Class H £25,859,583	20 Danaher Corporation £25,499,870

TOP TWENTY INDIRECT HOLDINGS

1

LGPS Central Global
Ex UK Passive Equity
Fund (Class A Acc)
£2,532,614,419

2

LGPS Central All World
Equity Climate Multi
Factor Fund (A Acc)
£1,862,665,497

3

LGPS Central UK
Equity Passive Fund
(Class A Acc)
£1,075,428,864

4

LGPS Central Global
Equity Active Multi
Manager Fund
(Class A Acc)
£1,057,971,654

5

Legal & General
All Stocks Index Linked
Gilts Fund
£961,951,060

6

LGPS Central Global
Equity Dividend Growth
Factor Fund
(Class A Acc)
£556,889,829

7

Capital International
Emerging Market
Debt Fund
£406,502,313

8

CQS Credit Multi Asset
Credit Fund (Class E1)
£385,959,698

9

Schroder All Maturities
Corporate Bond Fund
£375,729,966

10

LGPS Central Global
Active Emerging Market
Bond Multi Manager
Fund (A Acc)
£343,626,300

11

Aegon Short Dated
Investment Grade
Bond Fund
£299,849,984

12

LGPS Central Global
Active Investment Grade
Corporate Bond Multi
Manager (A Acc)
£209,103,520

13

Legal & General All
Stocks Gilts Index Fund
£179,409,711

14

LGPSC Co-Invest 2018
£164,206,332

15

JP Morgan Infrastructure
Investment Fund
£135,265,637

16

Baillie Gifford Diversified
Growth Fund C Acc
£120,172,339

17

PIP WM-MA LP
Red Funnel
£103,103,003

18

Legal & General
Overseas Bond Fund
£101,942,560

19

Legal & General
Investment Grade
Corporate Bond All
Stocks Index Fund
£89,023,930

20

CTI European
Sustainable Infrastructure
£84,820,849

RESPONSIBLE INVESTMENT

Rachael Lem
Responsible
Investment
Officer



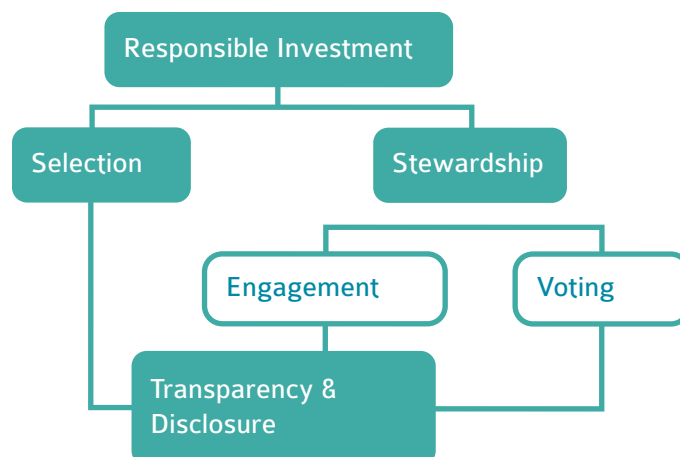
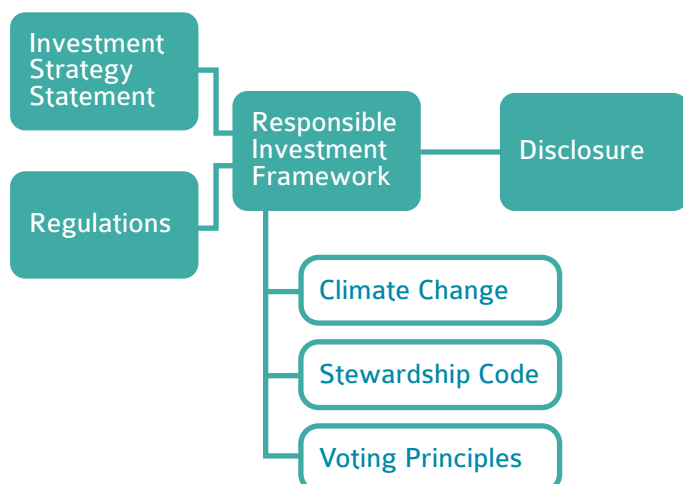
The ongoing global COVID-19 pandemic continues to cause disruption with potentially long-lasting repercussions for the economy and society as a whole and the Fund continues to reflect and engage on the impact that this is having for companies and their stakeholders. We envision an unprecedented opportunity for momentum, and we look forward to working together to deliver on our ambition to build sustainable futures for all.

As long-term owners of capital the Fund believes that investing responsibly is key to ensuring the long-term value of the assets in which it invests is protected and where possible, enhanced. Investing responsibly and engaging as long-term owners reduces risk over time and has been proven to positively impact investment returns.

Responsible Investment Approach

Through our Responsible Investment (RI) Framework we support active stewardship and engagement and seek positive change to protect and enhance the Fund's assets, ensuring they deliver the investment returns to support the payment of members' pension benefits.

Responsible Investment Framework:



We adopt a three-pillar approach to implementation, across selection, stewardship, and transparency and disclosure. Supporting activities reflect investment beliefs set out in our Investment Strategy Statement, including the beliefs that:

- Investing responsibly is key to ensuring that the long-term value of the Fund's assets are protected and where possible, enhanced.
- Engaging as a long-term asset owner reduces risk over time and has been proven to positively impact investment return.
- There is overwhelming evidence that climate change poses both risks and opportunities for investments.

We implement a policy of risk monitoring and engagement in order to positively influence company behaviour and enhance shareholder value. Our principles of evidence-based decision making and engagement for positive change extend to our due diligence, selection, and monitoring of fund managers.

We believe that we can be more effective by acting collectively and in partnership, targeting engagement themes and policy matters across jurisdictions and asset classes, to promote change to deliver sustainable long-term growth.

Stewardship

In April 2021 the Fund submitted its first Annual Stewardship Report (ASR) to the Financial Reporting Council. The ASR provides an overview the Fund's approach to stewardship and the efforts taken to ensure that the Fund practices stewardship at the highest level both in our own operations and

RESPONSIBLE INVESTMENT

throughout our investment chain. It covers each of the 12 principles of the UK Stewardship Code 2020 grouped into four categories: Purpose and Governance, Investment Approach, Engagement and Exercising Voting Rights and Responsibilities.

We expect that our Annual Stewardship Report will both inevitably, and desirably, evolve as ESG tools and data availability advance, and the understanding of the complex issues, evident in practical and academic research, improves. The Fund is proud of the outcomes and effective actions that it was able to demonstrate within its first ASR and expect our approach to continue to evolve as we continue to engage in collaboration with key partners to drive our common ambition to build sustainable futures for all.

Climate-Related Financial Disclosure



Action is needed at an increasing pace to meet the challenges that climate change brings to us all, WMPF included

Events this year have reinforced more than ever the importance of strong governance, responsible investment practice, and the need for a proactive response to climate change.

The Fund acknowledges the pressing and increasing pace of action on climate change; with the UN Climate Change Conference of the Parties (COP26 Summit) due to take place in Glasgow in November 2021, this is a critical year for both corporate and policy makers in accelerating action towards the goals of the Paris Agreement.

The Fund plays an ongoing role in climate change campaigning and through the Local Authority Pension Fund Forum, pledged support for the 'Say on Climate' initiative, which encourages all listed companies to submit a Climate Transition Action Plan to a shareholder vote at their AGMs. We are actively involved in developing standards for "net zero investors" through working groups of the Institutional Investors Group on Climate Change (IIGCC), which aim to define the investment practices, policies and corporate behaviours required to address climate change.

In December 2020 the Fund published its first separate stand-alone Taskforce for Financial Climate-related Disclosure (TCFD) report to further enhance transparency and disclosure around our approach to climate risk management and demonstrate progress against targets set in 2019. WMPF was also pleased that its TCFD report was used as a case study example at the Accounting for Sustainability conference in December 2020.

Section	Analysis
Governance	A review of WMPF's documentation from the perspective of climate strategy setting and issue recommendations on how the WMPF could improve its governance of climate-related risk.
Strategy	Using the services of Mercer, assessment of the extent to which the WMPF's risk and return characteristics could come to be affected by a set of plausible climate scenarios. This includes an estimation of the annual climate-related impact on returns (at fund and asset-class level), and climate stress tests (to explore the potential impact of a sudden climate-related price movement).
Risk Management	A Climate Stewardship Plan which identifies the areas in which stewardship techniques could be leveraged to further understand and manage climate-related risks within the portfolio. The plan includes plans to engage both individual companies and fund managers.
Metrics & Targets	A bottom-up carbon risk metrics analysis at the company and portfolio level. For the most part, four types of carbon risk metric are utilised: portfolio carbon footprint, fossil fuel exposure, weight in clean technology and climate risk management (via the Transition Pathway Initiative).

RESPONSIBLE INVESTMENT

Engagement



WMPF believes working collaboratively with other investors will deliver improvements to the way in which companies are managed and the provides the opportunity to influence wider policy which could impact on the long term returns to WMPF

Engagement Through Partnerships

WMPF's strategy is to engage with its investee companies and other key stakeholders through partnerships. WMPF aims to protect and increase shareholder value by engaging on a range of financially material ESG investment factors. A significant part of WMPF's engagement programme is implemented through LGPS Central and EOS at Federated Hermes (via a contract held by LGPS Central Ltd) and through partnerships including the Local Authority Pension Fund Forum (LAPFF), Principles for Responsible Investment (PRI), Institutional Investors Group on Climate Change (IIGCC), Climate Action 100+ (CA100+) and the Transition Pathway Initiative (TPI).

Engaging Our Portfolio Companies

Through LGPS Central Limited, WMPF utilises EOS at Federated Hermes' (EOS) global engagement team to further our stewardship ambitions at the companies in which we invest. During the last year, EOS engaged with 830 companies within WMPF's portfolio on 3,143 environmental, social, governance and strategy, risk and communication issues and objectives. EOS' holistic approach to engagement means that it typically engages with companies on more than one topic simultaneously.





RESPONSIBLE INVESTMENT

During the last year, EOS engaged with 830 companies in WMPF's portfolio on 3,143 environmental, social, governance and strategy, risk and communication issues and objectives. EOS' holistic approach to engagement means that it typically engages with companies on more than one topic simultaneously.

Global

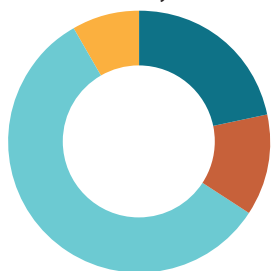
EOS engaged with **830** companies over the last year.



Environmental	24.3%
Social and Ethical	19.5%
Governance	39.5%
Strategy, Risk & Communication	16.7%

Australia and New Zealand

EOS engaged with **842** companies over the last year.



Environmental	21.9%
Social and Ethical	12.3%
Governance	57.5%
Strategy, Risk & Communication	8.2%

Developed Asia

EOS engaged with **108** companies over the last year.



Environmental	28.8%
Social and Ethical	22.5%
Governance	33.8%
Strategy, Risk & Communication	15.0%

Emerging Markets

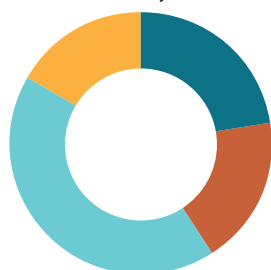
EOS engaged with **82** companies over the last year.



Environmental	25.1%
Social and Ethical	14.9%
Governance	39.6%
Strategy, Risk & Communication	20.4%

Europe

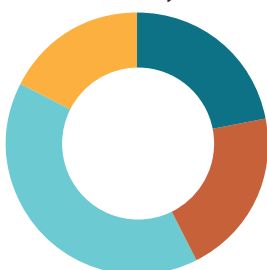
EOS engaged with **200** companies over the last year.



Environmental	26.1%
Social and Ethical	17.6%
Governance	40.5%
Strategy, Risk & Communication	15.8%

North America

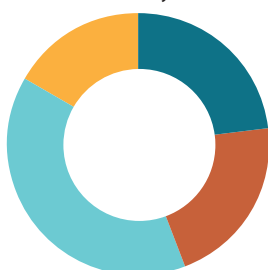
EOS engaged with **283** companies over the last year.



Environmental	22.0%
Social and Ethical	20.6%
Governance	40.0%
Strategy, Risk & Communication	17.5%

United Kingdom

EOS engaged with **115** companies over the last year.



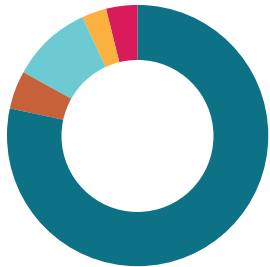
Environmental	23.3%
Social and Ethical	21.3%
Governance	39.5%
Strategy, Risk & Communication	16.8%

RESPONSIBLE INVESTMENT

A summary of the 3,143 issues and objectives on which EOS engaged with companies in the Fund's portfolios over the last year is shown below.

Environmental

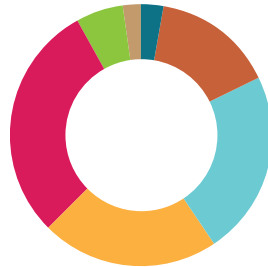
Environmental topics featured in **24%** of engagements over the last year.



Climate Change	26.1%
Forestry and Land Use	17.6%
Pollution and Waste Management	40.5%
Supply Change Management	15.8%
Water	3.7%

Social

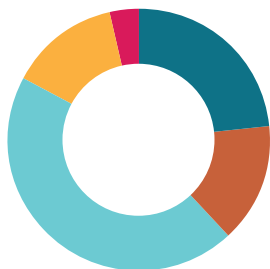
Social topics featured in **20%** of engagements over the last year.



Bribery and Corruption	2.8%
Conduct and Culture	15.2%
Diversity	22.8%
Human Capital Management	21.7%
Human Rights	29.5%
Labour Rights	6.0%
Tax	2.0%

Governance

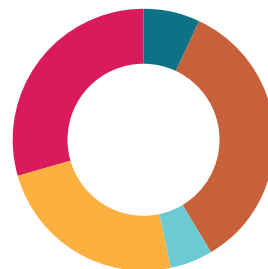
Governance topics featured in **40%** of engagements over the last year.



Board Diversity, Skills and Experience	23.3%
Board Independence	14.7%
Executive Remuneration	44.8%
Shareholder Protection and Rights	13.5%
Succession Planning	3.5%

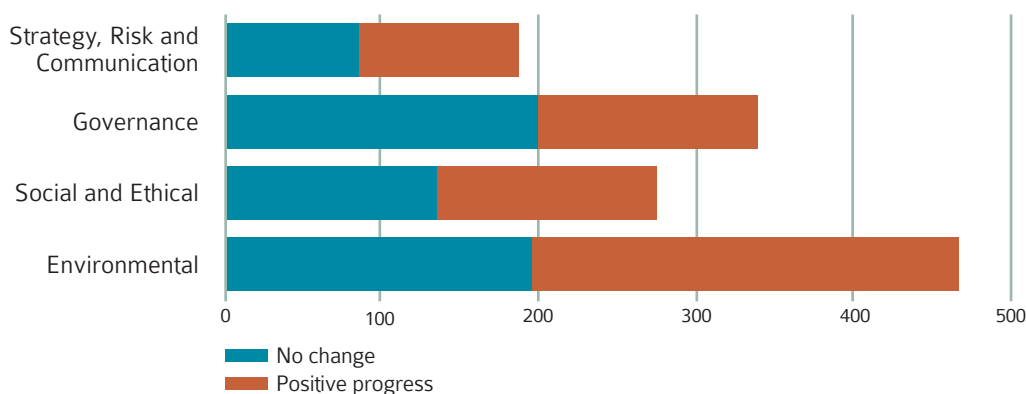
Strategy, Risk and Communication

Strategy, risk and communication topics featured in **16%** of engagements over the last year.



Audit and Accounting	23.3%
Business Strategy	14.7%
Cyber Security	44.8%
Integrated Reporting and Other Disclosures	13.5%
Risk Management	3.5%

EOS made solid progress in delivering engagement objectives across regions and themes for WMPF. The following chart describes how much progress has been made in achieving the milestones set for each engagement.



RESPONSIBLE INVESTMENT

Engagement Themes

Through targeted engagement themes for 2020-2023, the Fund is monitoring progress against objectives set to ensure action on:

- Climate Change
- Sustainable Food Systems
- Protection of Human Rights
- Responsible Financial Management.

The Fund reports developments and progress against each theme to Pensions Committee on a quarterly basis. In response to feedback and developing market practice, engagement progress and outcomes are now more routinely prepared by LGPS Central and LAPFF and included within the Fund's quarterly engagement reports and annual monitoring and reporting framework.

Climate Change

WMPF adopts an evidence-based approach to climate change and believes there is overwhelming evidence to support that climate changes poses both risks and opportunities to WMPF's investments. It is WMPF's view that the scale of these impacts is such that a proactive and precautionary approach is needed in order to address them. WMPF has a proactive programme of climate change stewardship, primarily by leveraging its strategic partnerships and through its support to the Transition Pathway Initiative, the Climate Action 100+ Initiative, and the Institutional Investor Group on Climate Change.

Stewardship strategy: Engagement is done through key collaborative initiatives including Climate Action 100+ (CA100+), Institutional Investor Group on Climate Change (IIGCC) and the Transition Pathway Initiative (TPI).

Measures of success: We assess progress against the underlying objectives of the CA100+ engagement project, and against improvements on TPI scores for management quality and carbon performance.

Our aims are:

- For LGPS Central on behalf of WMPF, to lead or be in the focus group of at least three CA100+ company engagements over the next year.
- To see improvements on TPI scores management quality in key engagements.
- To see improvements on TPI scores for carbon performance in key engagements.

Engagement highlight: During 2020 the Fund, in conjunction with LGPS Central, Climate Action 100+, IIGCC and the TPI, undertook 10 live climate related engagements (eight of which are Climate Action 100+ companies).

Climate Action 100+



WMPF has been an active member of Climate Action 100+ (CA100+) since its inception.

CA100+ engages 161 companies across the globe that are responsible for 80% of industrial carbon emissions globally. The project is currently being ramped up through a Benchmarking initiative asking companies to set an explicit target of net-zero emissions by 2050, and to provide verifiable evidence that this

will be achieved in the short, medium and long term.

Through LGPS Central, WMPF is actively involved in leading and/or supporting eight CA100+ engagements across mining, oil & gas, industrial technology, and integrated energy sectors. All companies have set a high-level ambition of being net-zero by 2050, with varying remits in scope.

We are pleased to note that two of the eight companies engaged directly (Glencore and Royal Dutch Shell) have made the decision to allow shareholders an advisory vote on their respective Climate Transition Plans. While neither company has fully disclosed strategies to achieve Paris goals across all scopes and over relevant time horizons (2025, 2036 and 2050), they have taken key steps that can set each company, respectively, on a Paris trajectory.

In the case of Glencore, we will particularly encourage clear and ambitious short-term targets that align with their 40% GHG emissions reduction target across all scopes by 2035, and net-zero by 2050. We will also push the company to provide more information on their climate policy lobbying activities, both directly and indirectly through industry associations, giving shareholders assurances that misalignment will be addressed in a robust manner.

RESPONSIBLE INVESTMENT

Institutional Investors Group on Climate Change

IIGCC

Institutional Investors Group on Climate Change

WMPF is currently actively involved in developing standards for “net zero investors” through working groups of the Institutional Investors Group on Climate Change (IIGCC), which aim to define the investment practices, policies and corporate behaviours required to address climate change.

Launched in May 2019, IIGCC’s Paris-Aligned Investment Initiative looks at how investors can align their portfolios to the goals of the Paris Agreement. Fund Officers are currently involved in two of the working groups.

Climate solutions working group:

- Assess methodologies that capture relative impact of climate solutions investment, such as methodologies for calculating avoided emissions.
- Aims to identify and address barriers, provide insight to best

practice, and build expertise, in relation to scaling up investment in climate solutions.

Net zero working group:

- To support IIGCC members to implement net zero commitments and use the Net Zero Investment Framework
- Top-down portfolio-level target setting
- Bottom-up company and sector-level alignment analysis

Sustainable Food Systems

“

With increasing attention from governments to the negative impacts of plastic use and consumers calling for less harmful alternatives, investee companies in the plastic value chain are exposed to increasing regulatory risks, environmental risks, reputational risks and the risk of missing out to market developments

A sustainable food system is one that delivers food and nutrition security for all in such a way that the economic, social and environmental bases for future generations are not compromised. There has been a shift among consumers who are increasingly aware of, and concerned by, the climate impacts of the food they eat and how sustainably it is produced. Not only is climate change having an impact on the planet, but so are the actions of modern society. WMPF is very conscious of the damage that single use plastics has on the environment and is keen to engage alongside partners in highlighting the risks that single use plastics pose to longer term financial returns.

Plastic Pollution



Stewardship strategy: Through LGPS Central we will leverage investor collaboration opportunities for instance through the PRI Plastics Working Group and Investor Forum’s Marine Plastic Pollution project. Voting will as far as possible be engagement led, and we will consider co-filing or supporting shareholder resolutions that relate to better risk management (reduce plastic use, reduce plastic waste, increase recycling, invest in relevant research and development).

Measures of success:

- We aim for positive interactions at senior levels of target companies and acknowledgement of plastic as a business risk, along with commitments to strategies or targets to manage those risks.

RESPONSIBLE INVESTMENT

- We aim to lead or be part of at least three plastics-related company engagements over the next financial year.
- We aim to support investor expectations – e.g. as expressed by the PRI Working Group – in dialogue with companies.

Engagement highlights:

- Six live engagements during the reporting year with an objective of engaging and supporting progress for companies in a 'plastics transition' – to reduce, re-use and replace fossil-fuel based plastics.
- Collaborative engagement via LGPS Central through a sub-group of the PRI Plastic Working Group, led by Dutch investors Achmea Investment Management and Actiam.
- Direct engagement has been combined with "knowledge sharing" events hosted by PRI Plastic working group where some of the companies have taken part.

Plastics Packing Company Engagement

In 2020 LGPS Central engaged a US-based industrial packaging company. The company has seen a greater interest from its customer base for sustainability in the last four – five years and as a result, is expanding its postconsumer resin (PCR) products, capabilities and technologies.

PCR plastics are recycled materials from existing polyethylene terephthalate (considered safe and is represented on water bottles as a safe option) and other plastics. Demand for PCR is greater among customers in Europe than in North America and the Company is actively educating its customers both on the quality and safety of recycled products and on emissions impacts for specific products.

In all these engagements, the investor group would like to see ambitious targets for reduction, re-use and replacement of plastic and clear key performance indicators (KPIs) and timelines for how targets can be achieved. The aforementioned Company is currently going through a KPI setting procedure and we encouraged them to integrate relevant KPIs on sustainability progress in executive remuneration. The Company seems to welcome further investor input to the KPI setting process, and the group will continue dialogue to discuss the development of targets and what progress is being made against those.

Human Rights

Human rights include civil, political, economic, and social and cultural rights, such as the right to life, the right to freedom of association or the right to health. The ability and commitment to remedy human rights issues reflects the strength of a company's culture and risk management. Many companies are reliant upon global supply chains to access labour in low cost regions. Although no publicly traded companies intentionally support human trafficking, they can become unintentionally complicit in it by inadequately overseeing their supply chains. To combat this, companies must remain vigilant with regard to their suppliers' hiring policies and practices to avoid and discourage these conditions in the workplace. This theme includes a focus on valuing and supporting greater diversity. As a representative of an asset owner diversity working group, and a member of the 30% club, WMPF has pressed for greater gender and ethnicity diversity on company boards. WMPF stewardship work incorporates a drive for wider-ranging action on equality and inclusion to drive change and increase representation and involvement by all.

Stewardship strategy: We will leverage investor collaboration opportunities for instance the New Zealand Super-led coalition aimed at eliminating terrorist and violent extremist content online. Voting will as far as possible be engagement led, and we will consider co-filing or supporting shareholder resolutions that relate to better risk management on social media content control and human rights risks.

Measures of success:

- We aim for positive interactions at senior levels of target companies and acknowledgement of the above-mentioned risks faced by many tech companies.
- We aim to lead or be part of at least three engagements with tech companies over the next financial year.
- We aim to support benchmarks such as Ranking Digital Rights, the Workforce Disclosure Initiative and a potential new SASB standard on social media content control.

RESPONSIBLE INVESTMENT

Engagement highlights:

- Six live engagements.
- The Fund is part of two global collaborative initiatives: one focusing on social media content control, and one addressing human rights more broadly.

Modern Slavery Engagement

In March 2020, WMPF became a signatory of the Modern Slavery Engagement Project, co-ordinated by Rathbones Bothers PLC. The initiative sought investors to co-sign letters to a group of 25 FTSE 350 companies who have failed to meet the minimum reporting standards of the Modern Slavery Act, Section 54. The minimum standard is that companies over a certain size (turnover of more than £36 million per year) must post a modern slavery statement on their website and have a process in place by which the statement is: approved by the board; signed by a director; and is reviewed annually. Rathbones carried out a similar, but smaller engagement project last year, reaching out to four FTSE100 companies with the same request.

Social Media Companies



With technology dominating daily lives, the need for good governance has led to significant opportunities for institutional investor

In 2020, WMPF, alongside LGPS Central, joined a collaborative engagement initiative led by the New Zealand Superfund, aiming for social media companies (Facebook, Twitter and Alphabet) to strengthen controls around the live streaming and distribution of objectionable content (documented in the Fund's January 2020 RI Pensions Committee paper).

As a direct response to a specific governance-level request by the Superfund, Facebook has updated the charter of its Audit & Risk Oversight Committee to explicitly include review of content-related risks that violate its policies, and it will move not just to monitor or mitigate such abuse, but to prevent it. Facebook noted its appreciation of the Superfund's constructive



dialogue. Alphabet has also recently strengthened the mandate of its Audit committee to explicitly include oversight of civil and human rights-related risks. The Superfund hopes that Twitter will follow suit.

Mental Health Initiative

In April 2020 WMPF became a signatory of the CCLA FTSE 100 Mental Health initiative, backed by signatories representing £2.2 trillion in assets under management. The initiative was devised to encourage FTSE 100 constituent companies, as the UK's largest listed business, to protect their employee's mental health during the extraordinary working environment caused by Covid-19.

A combination of obligatory remote working, social isolation, quarantine, bereavement and pending recession could have unanticipated mental health consequences for a great number of people. This is a unique time for workplace mental health, with no historical parallel from which to learn. Thus far CCLA has received a large number of holding emails and 12 detailed responses.

RESPONSIBLE INVESTMENT

Responsible Financial Management

WMPF supports the practice of responsible financial management. The avoidance of tax by some large multinationals has attracted a great deal of criticism, and small businesses shouldering a heavier tax burden have struggled to compete. Instead, more companies are now taking a long-term view that investment in the community and the society in which they operate by paying taxes will ultimately lead to greater prosperity for the business too. As governments, companies and global economies look to “build back better” over 2021, increased focused on financing and reporting arrangements is expected to increase both to demonstrate action on climate change and to respond to demands to reconsider social value.

Stewardship strategy: We will leverage investor collaboration opportunities for instance through PRI Tax Investor Working Group and a newly initiated Tax Roundtable (led by NBIM (Norway) and APG (Netherlands)). Voting will as far as possible be engagement led, and we will consider co-filing or supporting shareholder resolutions that relate to better risk management (through tax policy, board oversight, country-by-country reporting).

Measures of success:

- We aim for positive interactions at senior levels of target companies and acknowledgement of lack of tax transparency as a business risk, along with commitments to strategies or targets to manage those risks.
- We aim to lead or be part of at least three tax-related company engagements over the next financial year.

- We aim to support investor expectations – as expressed by the GRI tax standard and the UK Fair Tax Mark – in dialogue with companies.

Engagement highlights:

- LGPS Central has formed a collaboration with four other European investors which is a subgroup to a broader Tax Roundtable led by Norges Bank Investment Management and APG. The group has sought engagement with companies across technology, telecommunications, finance and mining sectors where a low effective tax rate was an initial concern with several of these.
- Key asks: Board oversight of tax policy and risk assessment; disclosure of tax strategy and policy; robust management of tax related risks, including preferably a country-by-country tax disclosure; link between company’s purpose, sustainability goals and tax strategy; engagement with tax policy makers and other stakeholders.
- Alongside direct engagement, the broader Tax Roundtable is developing a set of Tax Transparency expectations that amalgamate expectations set by individual investors.

Engagement through EOS at Federated Hermes

Executive remuneration continues to be a topical issue and, against the backdrop of the coronavirus pandemic, decisions on how to reward executives have been thrown into sharp focus. During the quarter, EOS looked for appropriate reductions to salaries and incentive pay and for boards to use their judgement to ensure executives were not being unduly insulated from the

impacts of the crisis where others were not. EOS opposed pay proposals where they did not believe appropriate adjustments had already been made, such as at JPMorgan, Chase & Co, Disney and Delta Airlines.

EOS has continued to make the case for switching to simpler pay schemes based on long-term time-restricted stock, as the crisis exposed the limitations of schemes reliant on stock options or ‘performance-based’ schemes for which boards struggled to set meaningful targets.

Underpinning this, EOS has applied its normal voting policy guidelines that seek to address excessive pay and problematic pay structures around the world.

EOS has been engaging with Tesco since 2014. Following recent correspondence with Tesco’s board, EOS were pleased with the changes made to the company’s culture and processes, particularly for financial reporting and audit, risk management and enhanced transparency. EOS was satisfied with the effectiveness of the company’s response to the coronavirus pandemic; improved risk management processes enabled a quick operational response, whilst the company’s culture enabled swift decision-making.

Voting

The Fund’s Voting Principles, have been developed in alignment with the relevant statutory guidance. The Voting Principles apply to those assets where the Fund holds the voting rights. Where voting rights are executed by external managers on behalf of the Fund (for instance, in pool mandates, including those operated by LGPS Central, or where WMPF has delegated authority) the Fund has reviewed and is satisfied with the voting.

RESPONSIBLE INVESTMENT

Since April 2018, the Fund's voting rights have been executed by LGPS Central Limited, following its adoption of a leading approach to responsible investment and stewardship, aligned to the principles established by the West Midlands and other partner funds.

2020 Voting Summary¹

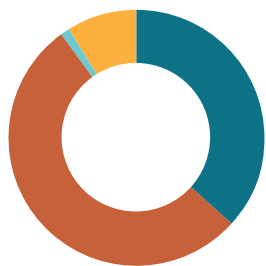
The 2020 voting season saw many companies in the US and Europe opt for virtual shareholder meetings against the backdrop of Covid-19.

While the virtual format posed fresh challenges for companies and investors alike, it is clear that the attention to material ESG issues remains high on investors' agenda and many ESG-related shareholder proposals got very strong or even majority support. The majority of shareholder proposals that we voted for (against managements' recommendation) were on environmental and social & ethical issues.

During the last year, the Fund voted on 37,111 resolutions at 2,967 meetings. At 4,506 of those meetings, we opposed one or more resolutions, while at 2,37 meetings, we abstained. We voted with management by exception at 3,76 meetings and supported management on all resolutions at 31,992 meetings.

Global

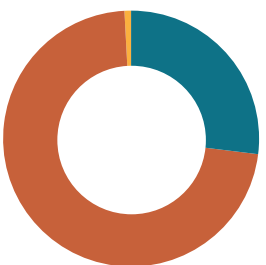
We voted at **2,967** meetings (37,111) resolutions over the last year



Total meetings voted in favour	36.2%
Meetings where voted against (or voted against AND abstained)	52.2%
Meetings where abstained	1.0%
Meetings where voted with management by exception	8.6%

Australia and New Zealand

We voted at **125** meetings (740) resolutions over the last year



Total meetings voted in favour	27.2%
Meetings where voted against (or voted against AND abstained)	72.0%
Meetings where voted with management by exception	8.6%

Developed Asia

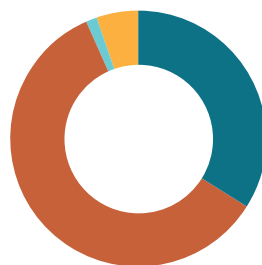
We voted at **869** meetings (8,349) resolutions over the last year



Total meetings voted in favour	48.6%
Meetings where voted against (or voted against AND abstained)	49.7%
Meetings where voted with management by exception	1.7%

Emerging Markets

We voted at **680** meetings (3,977) resolutions over the last year



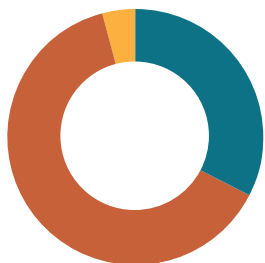
Total meetings voted in favour	33.9%
Meetings where voted against (or voted against AND abstained)	59.5%
Meetings where abstained	1.4%
Meetings where voted with management by exception	5.2%

¹ Please note that our votes are executed through LGPS Central, according to WMPF's Voting Principles. LGPS Central switched its provider of voting services in September 2018, and the data displayed above relate to voting outcomes since October 2018. WMPF's and LGPS Central's full voting records are available on their respective websites.

RESPONSIBLE INVESTMENT

Europe

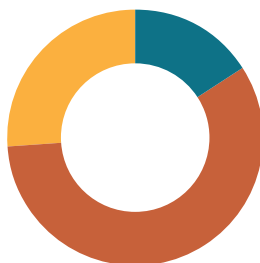
We voted at **606** meetings (9,841) resolutions over the last year



Total meetings voted in favour	32.5%
Meetings where voted against (or voted against AND abstained)	62.7%
Meetings where voted with management by exception	4.1%

North America

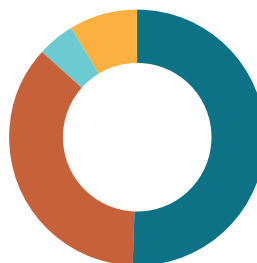
We voted at **615** meetings (7,604) resolutions over the last year



Total meetings voted in favour	15.9%
Meetings where voted against (or voted against AND abstained)	58.0%
Meetings where voted with management by exception	26.0%

United Kingdom

We voted at **437** meetings (6,600) resolutions over the last year

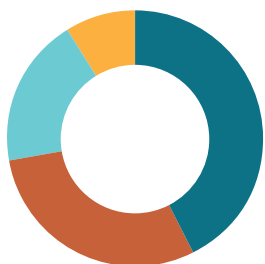


Total meetings voted in favour	50.8%
Meetings where voted against (or voted against AND abstained)	36.2%
Meetings where abstained	4.6%
Meetings where voted with management by exception	8.5%

The resolutions where we voted against management or abstained are shown below².

Global

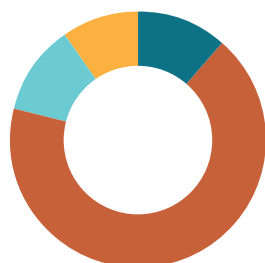
We voted against or abstained on **4,743** resolutions over the last year.



Board structure	42.7%
Remuneration	29.7%
Miscellaneous	18.9%
Shareholder resolution	8.8%

Australia and New Zealand

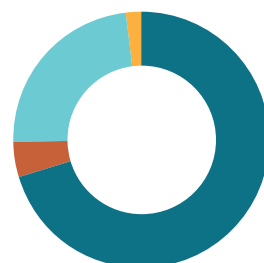
We voted against or abstained on **1** resolutions over the last year.



Board structure	11.6%
Remuneration	67.4%
Miscellaneous	11.6%
Shareholder resolution	9.5%

Developed Asia

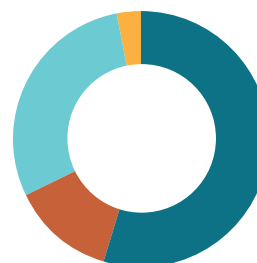
We voted against or abstained on **19** resolutions over the last year.



Board structure	70.3%
Remuneration	4.5%
Miscellaneous	23.6%
Shareholder resolution	1.7%

Emerging Markets

We voted against or abstained on **1** resolutions over the last year.



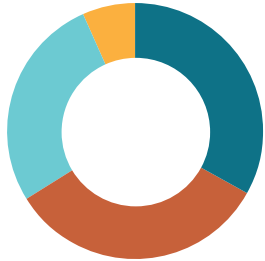
Board structure	54.8%
Remuneration	13.2%
Miscellaneous	29.0%
Shareholder resolution	3.0%

² Miscellaneous activities comprise: capital structure and dividends, amend articles, audit and accounts, poison pill/anti-taker and other.

RESPONSIBLE INVESTMENT

Europe

We voted against or abstained on **61** resolutions over the last year.



Board structure	31.6%
Remuneration	31.6%
Miscellaneous	26.1%
Shareholder resolution	6.1%

North America

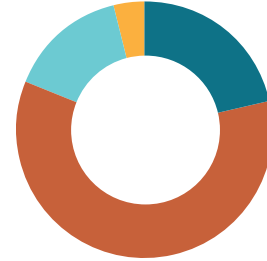
We voted against or abstained on **228** resolutions over the last year.



Board structure	36.5%
Remuneration	38.8%
Miscellaneous	0.8%
Shareholder resolution	23.9%

United Kingdom

We voted against or abstained on **85** resolutions over the last year.



Board structure	21.5%
Remuneration	59.7%
Miscellaneous	15.0%
Shareholder resolution	3.8%

ASSETS HELD AS AT 31 MARCH 2020

1 QUOTED EQUITIES

The Fund has direct holdings of quoted equities predominantly in Global Overseas and Emerging Markets. The number and amount of individual stocks held will vary according to investment decisions taken on a day-to-day basis, but it is likely at any point in time the Fund will hold over 240 stocks. In respect of the UK, US, Europe, Pacific Basin and Japan, the Fund now holds the majority of its significant quoted stocks indirectly through the Pooling agent's passive and active equity funds

2 EQUITIES FUNDS

The Fund also has separate interests in the following funds:

- LGPS Central All World Equity Climate Multi Factor Fund (A Acc)
- LGPS Central Global Equity Dividend Growth Factor Fund (Class A Acc)
- LGPS Central Global Ex UK Passive Equity Fund (Class A Acc)
- LGPS Central Global Equity Active Multi Manager Fund (Class A Acc)
- LGPS Central UK Equity Passive Fund (Class A Acc)
- Legal & General UK Smaller Companies Index Fund
- Legal & General UK Equity Index
- Legal & General North America Equity Index
- Legal & General Europe (Ex UK) Equity Index
- Legal & General Japan Equity Index
- Legal & General Asia Pac Ex Japan Dev Equity Index
- Legal & General World Emerging Markets Equity Index
- Eiser Infrastructure
- EQT Infrastructure Capital Equity Partners 1-B LP
- First Reserve Global Energy & Power Infrastructure Fund I, L.P.
- Global Infrastructure Partners – C, L.P.
- Goldman Sachs International Infrastructure Fund
- Impax New Energy II
- Impax New Energy Invest
- Infracapital Partners
- Innisfree PFI Secondaries LP
- Insight Global Farmland Fund Ltd Class B
- JP Morgan Infrastructure Investment Fund
- PIP Multi-Strategy Infrastructure LP (Core 2-5% Portfolio Investors)
- PIP Multi-Strategy Infrastructure LP (Ppp Portfolio Investors) Project Fleming
- PIP Wm-Ma Lp EDF
- PIP Wm-Ma Lp Red Funnel
- PPP Equity PIP Limited Partnership Pip Dalmore
- Riverstone/Carlyle Renewable and Alternative Energy Fund II L.P.
- Steelriver Infrastructure Fund North America LP
- The Rohatyn Group (JP Morgan) Asian Infrastructure & Related Resources Opportunity Fund
- Waste Resources Fund L.P.
- Welcome Break Investors II LP (Arjun Infrastructure)
- Gresham House British Strategic Investment Fund Housing LP
- Gresham House British Strategic Investment Fund Infrastructure LP
- Gresham House British Strategic Investment Fund Local LP

3 SPECIALIST VEHICLES

The Fund also has interests in the following funds:

Real assets and infrastructure

- (Hg capital) Asper Renewable Power Partners LP
- Alterna Core Capital Assets Fund, L.P.
- Amp Capital Asian Giants Infrastructure Fund
- Black River Agriculture Fund 2 LP
- CTI European Sustainable Infrastructure
- Dalmore Infrastructure Investments Lp (Thames Tideway)

Absolute Return

- Baillie Gifford Diversified Growth Fund C Acc
- Cairn Pathfinder Fund I - Class A GBP
- Catco A Sub 41 Liq
- Catco Sub 3 Side Pocket 17
- Catco Sub 3 Side Pocket 18
- Catco Sub Series B 2016

- CEMOF II Master Co-Investment Partners, L.P.
- Coriolis The Horizon Fund – Class E
- Credit Suisse IRIS S01
- Credit Suisse IRIS S02
- Credit Suisse IRIS S03
- Credit Suisse IRIS S04
- Dorchester Capital Secondaries Offshore III, L.P.
- Dorchester Capital Secondaries Offshore V, L.P.
- Dorchester Capital Secondaries Offshore IV, L.P.
- Finance Birmingham
- Frontier Development Capital Debt Fund
- Frontier Development Capital
- Oaktree Principal Fund V LP
- Science Aviation Special Opportunities Offshore Investment Fund, L.P.
- BNY Mellon Newton Real Return Institutional Shares 2 (Acc)

Indirect Property

- Bridges Alternative IV
- Bridges Alternative III
- Bridges Sustainable Property
- Hearthstone Residential
- Kames Capital UK Active Property Unit Trust
- Kames Capital UK Active Property Unit Trust II
- Mansford Real Estate Opportunities Fund
- Newcore IV
- Igloo Regeneration Partnership
- Blackrock Residential Opportunity Feeder Fund 2
- PLA Residential Fund III
- Rockspring Peripheral Europe Limited Partnership
- Aew European property Investors Special opportunities LP
- Brazil Real Estate Opportunities Fund I (Delaware), L.P.
- Brazil Real Estate Opportunities Fund II - Amazonas (BRL), L.P.
- Beacon Capital Strategic Partners VI

- Bluehouse Accession Property III – Class A
- Dune Real Estate Fund II International Fund LP
- Goldman Sachs Developing Markets Real Estate Fund
- Morgan Stanley Phoenix Global Real Estate Secondaries Feeder 2009 LP
- Morgan Stanley North Haven Real Estate Fund VII Global
- Phoenix Asia Real Estate Investments IV (A), L.P.
- Phoenix Asia Real Estate Investments V (A), L.P.
- RREEF European Value-Added Fund I
- Silk Road Asia Value Partners
- University of York Student Accommodation

Fixed Interest

- Capital International Emerging Market Debt Fund
- CQS Credit Multi Asset Fund (Class E1)
- Goldman Sachs Mezzanine Partners V Offshore, L.P.
- Highbridge Offshore Mezzanine Partners LP
- Highbridge Speciality Loan Fund III L.P.
- Legal & General Overseas Bond Index Fund
- Legal & General All Stocks Gilts Index Fund
- Legal & General All Stocks Index Linked Gilt Index Fund
- Legal & General Active Corporate Bond – All Stocks Fund
- LIFFE-LONG Gilt
- Newton Global Dynamic Bond Fund
- Park Square Capital Partners II, LP
- RLAM Segregated Mandate
- Schroder All Maturities Corporate Bond Fund
- US Treasury Inflation-Protected Securities
- Legal & General Investment Grade Corporate Bond - All Stocks Index Fund
- LGPS Central Global Active Emerging Market Bond Multi Manager Fund (A Acc)
- LGPS Central Global Active Investment Grade Corporate Bond Multi Manager Fund (A Acc)
- Schroder's Focus II Fund
- Aegon Short Dated Investment Grade Bond Fund

4 DIRECT PROPERTY HOLDINGS

The Fund has investments in the following

Agricultural

- Cleveland Estate
- Backford & Wincham Est.
- Stagsden Land
- Butlers Marston Est

Industrial

- Southampton (Canberra Rd)
- Horsham (Parsonage Way)
- Weybridge (Brooklands)
- Bristol (Kingswood Industrial Estate)
- Birmingham (Midpoint Park)
- Hayes (Elystan Business Centre Unit)
- Birmingham, Merlin Park
- Birmingham - Premier House
- London Powergate Busines
- Basingstoke (W.H Ind Est)
- Southampton Unit 43 Nursling Industrial
- London Park Royal – Solus Road
- London Medway – Commercial Park

Offices

- Bath (Manvers St)
- Birmingham (Newhall St)
- London (Wardour St)
- London (Southwest House)
- London (Whitfield Street)
- Reading (Thames Valley)
- Edinburgh (Citypoint)
- Birmingham, St Philips
- Leeds City Point
- Bristol, 1 Rivergate

Retail Warehouses

- Pontefract (Racecourse Retail park)
- Hayes (Uxbridge Road Retail park)
- Birmingham (The Fort)
- Oxford (Botley Retail Park)
- Clifton Moor
- Bristol (Longwell Green)
- London (Waxlow Road)
- High Wycombe Sytner Car showroom
- Coventry Ryton on Dunsmore, Network Rail DC
- South Ealing, 89C
- Sydenham

Shopping Centres

- Bury St Edmunds (Arc)

Shops

- Glasgow (Buchanan Street)

Supermarket

- Birmingham (Great Barr)
- Morrisons Wood Green
- Hattersley (Tesco)



ACTUARY'S STATEMENT

As at 31 March 2021

ACTUARY'S STATEMENT

Introduction

The last full triennial valuation of the West Midlands Pension Fund (the Fund) was carried out as at 31 March 2019 as required under Regulation 62 of the Local Government Pension Scheme Regulations 2013 (the Regulations) and in accordance with the Funding Strategy Statement of the Fund. The results were published in the triennial valuation report dated 31 March 2020.

Asset Value and Funding Level

The results for the Fund at 31 March 2019 were as follows:

- The value of the Fund's assets as at 31 March 2019 for valuation purposes was £15,634m.
 - The Fund had a funding level of 94% i.e. the value of assets was 94% of the value that they would have needed to be to pay for the benefits accrued to that date, based on the assumptions used.
- This corresponded to a deficit of £1,014m.

Contribution Rates

The employer contribution rates, in addition to those paid by the members of the Fund, are set to be sufficient to meet:

- The annual accrual of benefits allowing for future pay increases and increases to pensions in payment when these fall due;
- plus an amount to reflect each participating employer's notional share of the Fund's assets compared with 100% of their liabilities in the Fund, in respect of service to the valuation date.

Assumptions

The key assumptions used to value the liabilities at 31 March 2019 are summarised below:

Assumptions	Assumptions used for the 2019 valuation
Financial assumptions	
Market date	31 March 2019
CPI inflation	2.6% p.a.
Long-term salary increases	3.6% p.a.
Discount rate (active employers)	4.6% p.a.
Discount rate (non-active employers)	2.6% p.a.
Volatility reserve – category 2 employers	5% loading on past service liability
Volatility reserve – category 3 employers	10% loading on past service liability
Asset reserve in respect of McCloud/Sargeant	1.5% of assets

The primary rate of contribution on a whole Fund level was 20.4% of payroll p.a. The primary rate as defined by Regulation 62(5) is the employer's share of the cost of benefits accruing in each of the three years beginning 1 April 2020.

In addition, further "secondary" contributions were required in order to pay off the Fund's deficit by no more than 17 years with effect from the 2019 valuation. This secondary rate is based on their particular circumstances and so individual adjustments are made for each employer. The total secondary contributions payable by all employers, present in the Fund as at 31 March 2019, over the three years to 31 March 2023 was estimated to be as follows

Secondary contributions	2020/21	2021/22	2022/23
Total as a % of payroll	5.8%	5.7%	5.7%
Equivalent to total monetary amounts of	£114.5m	£117.8m	£122.2m

In practice, each employer was assessed individually in setting the minimum contributions due from them over the inter-valuation period. Details of each employer's contribution rate are contained in the Rates and Adjustments Certificate in the triennial valuation report.

ACTUARY'S STATEMENT

Assumptions	Assumptions used for the 2019 valuation
Demographic assumptions	
Post-retirement mortality	
Member base tables	S3PA_H
Member mortality multiplier (Male/Female)	85%/95%
Dependant base tables (Male/Female)	S3DMA/S3DFA
Dependant mortality multiplier (Male/Female)	110%/125%
Projection model	CMI 2018
Long-term rate of improvement	1.5% p.a.
Smoothing parameter	7.5
Initial addition to improvements	0.5% p.a.
The mortality assumptions translate to life expectancies as follows:	
Assumed life expectancies at age 65	
Average life expectancy for current pensioners - men currently age 65	21.8 years
Average life expectancy for current pensioners - women currently age 65	24.0 years
Average life expectancy for future pensioners - men currently age 45	23.7 years
Average life expectancy for future pensioners - women currently age 45	25.9 years

Full details of the demographic and other assumptions adopted as well as details of the derivation of the financial assumptions used can be found in the 2019 valuation report.

Updated Position Since the 2019 Valuation

Assets

Returns over the year to 31 March 2021 have been strong, helping to offset the significant fall in asset values at the end of the previous year. As at 31 March 2021, in market value terms, the Fund assets were slightly more than where they were projected to be based on the previous valuation.

Liabilities

The key assumption which has the greatest impact on the valuation of liabilities is the real discount rate (the discount rate relative to CPI inflation) – the higher the real discount rate the lower the value of liabilities. As at

31 March 2021, the real discount rate is estimated to be lower than at the 2019 valuation due to lower future expected returns on assets in excess of CPI inflation.

Please note that we have updated the derivation of the CPI inflation assumption to be 0.8% p.a. below the 20 year point on the Bank of England (BoE) implied inflation curve. The assumption adopted at the 2019 valuation was that CPI would be 1.0% p.a. below the 20 year point on the BoE implied inflation curve. This update was made following the Government's response (on 25 November 2020) to the consultation on the reform of RPI, and the expectation that the UK Statistics Authority will implement the

proposed changes to bring RPI in line with CPIH from 2030. This updated approach leads to a small increase in the value of liabilities.

The value of liabilities will also have increased due to the accrual of new benefits net of benefits paid.

It is currently unclear what the impact of the COVID-19 pandemic is on the Fund's funding position. It is expected that COVID-related deaths will not have a material impact on the Fund's current funding level, however, impact on future mortality rates may be more significant and we will be reviewing the Fund's mortality assumption as part of the next valuation.

ACTUARY'S STATEMENT

Overall Position

On balance, we estimate that the funding position has weakened slightly when compared on a consistent basis to 31 March 2019 (but allowing for the update to the CPI inflation assumption).

The change in the real discount rate since 31 March 2019 is likely to place a higher value on the cost of future accrual which results in a higher primary contribution rate. Deficit contributions would also be slightly higher as a result of the worsening in the funding position.

Future investment returns that will be achieved by the Fund in the short term are more uncertain than usual, in particular the return from equities due to recent reductions and suspensions of dividends. There is also uncertainty around future benefits due to the McCloud/Sargeant cases and the cost cap process.

We will continue to monitor the funding level and review the appropriateness of the assumptions used in our funding model.

Graeme Muir FFA

Partner, Barnett Waddingham



STATEMENT OF ACCOUNTS

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Wolverhampton Council on the Pension Fund Financial
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INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the members of City of Wolverhampton Council on the consistency of the pension fund financial statements of West Midlands Pension Fund included in the Pension Fund Annual Report

Opinion

The pension fund financial statements of West Midlands Pension Fund (the 'pension fund') administered by City of Wolverhampton Council (the "Authority") for the year ended 31 March 2021 which comprise the Fund Account, the Net Assets Statement and the Notes to the Pension Fund Statements, including a summary of significant accounting policies, are derived from the audited pension fund financial statements for the year ended 31 March 2021 included in the Authority's Statement of Accounts (the "Statement of Accounts").

In our opinion, the accompanying pension fund financial statements are consistent, in all material respects, with the audited financial statements in accordance with proper practices as defined in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 and applicable law.

Pension Fund Annual Report – Pension Fund Financial Statements

The Pension Fund Annual Report and the pension fund financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the Statement of Accounts. Reading the pension fund financial statements and the auditor's report thereon is not a substitute for reading the audited Statement of Accounts and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the pension fund financial statements in the Statement of Accounts in our report dated 11 October 2021

Director of Finance's Responsibilities for the Pension Fund Financial Statements in the Pension Fund Annual Report

Under the Local Government Pension Scheme Regulations 2013 the Director of Finance of the Authority is responsible for the preparation of the pension fund financial statements, which must include the Fund Account, the Net Asset Statement and supporting notes and disclosures prepared in accordance with proper practices. Proper practices for the pension fund financial statements in both the Statement of Accounts and the Pension Fund Annual Report are set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2020/21.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the pension fund financial statements in the Pension Fund Annual Report are consistent, in all material respects, with the audited pension fund financial statements in the Statement of Accounts based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised), Engagements to Report on Summary Financial Statements.

Use of Our Report

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 paragraph 20(5) of the Local Audit and Accountability Act 2014 and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Authority's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Patterson,
Key Audit Partner for and on behalf of Grant Thornton UK LLP, Local Auditor Birmingham

Date: 11 October 2021

STATEMENT OF RESPONSIBILITIES

The Council's Responsibilities

The Council is required to:

- i) Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Council, that officer is the Director of Finance.
- ii) Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- iii) Approve the Statement of Accounts.

The Director of Finance's Responsibilities

The Director of Finance is responsible for the preparation of the Council's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts, the Director of Finance has:

The Council is required to:

- i) Selected suitable accounting policies and then applied them consistently.
- ii) Made judgements and estimates that were reasonable and prudent.
- iii) Complied with the Code.

The Director of Finance has also:

- i) Kept proper accounting records which were up to date.
- ii) Taken reasonable steps for the prevention and detection of fraud and other irregularities.

Certification of the Director of Finance

I certify that the above responsibilities have been complied with and the Statement of Accounts herewith presents a true and fair view of the financial position of the Council as at 31 March 2021 and its income and expenditure for the year ended on the same date.

Claire Nye

Director of Finance

Date: 11 October 2021

Councillor Approval for the Accounts

Responsibility for councillor approval of the Council's Statement of Accounts lies with the Audit and Risk Committee. The Statement of Accounts was presented by the Director of Finance to the Audit and Risk Committee on 27 September 2021 and was formally approved at that meeting subject to final amendments being agreed by the Chair of the Committee.

Councillor Alan Butt

Chair, Audit and Risk Committee

Date: 11 October 2021

FUND ACCOUNT

2019/20 £m		Note	2020/21 £m
	Contributions and benefits		
353.2	Contributions receivable	8	1,184.8
31.2	Transfers in	9	22.3
14.3	Other income	10	13.9
398.7	Total contributions and other income		1,221.0
(637.8)	Benefits payable	11	(646.8)
(40.0)	Payments to and on account of leavers	12	(31.0)
(0.9)	Other payments		(0.4)
(678.7)	Total benefits and other expenditure		(678.2)
(280.0)	Net additions/(withdrawals) from dealings with members		542.8
(91.5)	Management expenses	13	(110.2)
491.7	Transfer in of WMITA Fund at market value	9	-
	Returns on Investments		
178.2	Investment Income	14	84.8
(745.1)	Changes in value of investments	16	3,123.8
20.7	Revaluation of bulk annuity insurance buy-in contract	17	(14.1)
(546.2)	Net return on investments		3,194.5
(426.0)	Net increase/(decrease) in the Fund during the year		3,627.1
15,714.1	Net assets of the Fund at the beginning of the year		15,288.1
15,288.1	Net assets of the Fund at the end of the year		18,915.2

NET ASSETS STATEMENT

31 March 2020 £m		Note	31 March 2021 £m
	Investment Assets (at Market Value)	15	
494.0	Bonds		508.4
28.9	UK Equities		27.0
1,408.8	Overseas Equities		2,567.5
10,869.9	Pooled Investment Vehicles		13,640.8
965.1	Property		1,014.0
11.7	Derivatives – Futures		-
-	Derivatives – Forward Foreign Exchange		3.1
582.5	Foreign Currency Holdings		399.6
569.6	Cash Deposits		498.2
75.8	Other Investment Assets		19.2
7.0	Outstanding Dividend Entitlement and Recoverable With-Holding Tax		7.5
15,013.3	Investment Assets		18,685.3
	Investment Liabilities (at Market Value)	15	
(76.8)	Derivatives – Forward Foreign Exchange		-
-	Derivatives – Futures		(2.3)
(76.8)	Investment Liabilities		(2.3)
14,936.5	Net Investment Assets		18,683.0
229.4	Bulk annuity insurance buy-in contract	17	200.0
14.5	Long-Term Debtors	19	10.2
132.4	Current Assets	20	42.5
(24.7)	Current Liabilities	21	(20.5)
15,288.1	Net assets of the Fund at the end of the year		18,915.2

The accounts summarise the transactions of the Fund and deal with the net assets at its disposal. They do not take account of obligations to pay pensions and benefits which fall due after the end of the financial year. The actuarial present value of promised retirement benefits is disclosed at note 6.

The notes form part of these financial statements.

NOTES TO THE PENSION FUND STATEMENTS

NOTE 1 - GENERAL

The description in this note is a high-level summary of the Fund's activities and more detail is available in the Fund's Annual Report which can be found on its website.

West Midlands Pension Fund is part of the Local Government Pension Scheme and is administered by the City of Wolverhampton Council on behalf of all local authorities in the West Midlands and other employers who have members in the Fund. Membership of the Fund is available to all local government employees including non-teaching staff of schools and further and higher education corporations in the West Midlands region together with employees of scheduled and admitted bodies. At 31 March 2021, the Fund had 743 actively participating employers and 335,101 members as set out in the following table. A full list of participating employers can be found in the Fund's Annual Report.

31 March 2020		31 March 2021
117,950	Active Members	113,644
104,045	Pensioner Members	106,899
111,939	Deferred Members	114,558
333,934	Total	335,101

In 2019/20, following the enactment of UK Statutory Instrument 2019 No. 1351 ("the Local Government Pension Scheme (West Midlands Integrated Transport Authority Pension Fund and West Midlands Pension Fund Merger) Regulations 2019, all the assets and liabilities of the former West Midlands Integrated Transport Authority Pension Fund (WMITA) transferred to West Midlands Pension Fund. For any person for whom the appropriate Administering Authority had been, or would have been, the West Midlands Combined Authority, the appropriate Administering Authority became City of Wolverhampton Council. The regulations effecting this change came into full legal force on 8 November 2019 but with retrospective effect in a legal and accounting sense from 1 April 2019 (the "merger date" cited in the legislation).

The responsibility for administering the Fund is delegated to the Council's Pensions Committee. It meets at approximately quarterly intervals and has members from each of the seven metropolitan district councils in the West Midlands. A Pensions Board was also in operation during

2020/21. Membership of the Committee and Board can be found on the City of Wolverhampton Council website:

<http://wolverhampton.moderngov.co.uk/mgListCommittees.aspx?bcr=1>

The scheme is governed by the Public Services Pensions Act 2013. The Fund is administered in accordance with the following secondary legislation:

- (i) The Local Government Pension Scheme Regulations 2013 (as amended)
- (ii) The Local Government Pension Scheme (Transitional Provisions, Saving and Amendments) Regulations 2014 (as amended)
- (iii) The Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016

The scheme is a contributory defined benefit pension scheme. Benefits are funded by contributions and investment earnings. Contributions are made by active members of the Fund in accordance with the LGPS Regulations 2013 and range from 5.5% to 12.5% of pensionable pay for the financial year ending 31 March 2021. In addition to employee contributions, employers' contributions are paid as set based on triennial actuarial funding valuations. The valuation in relation to 2020/21 contribution rates was conducted at 31 March 2019. Employer contribution rates during 2020/21 ranged from 15.5% to 38.6% of pensionable pay.

Major changes were introduced to the LGPS from 1 April 2014, in particular, the move from basing pensions on final salaries to career-average revalued earnings (CARE) with an accrual rate of 1/49th and pensions uprated annually in line with the Consumer Price Index. Pension entitlements accrued prior to this date continue to be based on final salary.

Further to direction from government, local authority investment pools have been created to bring together the investment assets of LGPS pension funds into eight Investment Pools. LGPS Central Limited (LGPSC), the company established to manage investments on behalf of eight LGPS funds including West Midlands Pension Fund (WMPF), received authorisation from the Financial Conduct Authority in 2018 and the LGPS Central regional investment asset pool went live on 1 April 2018.

As at 31 March 2021, WMPF had assets of £7,869m managed in LGPSC sub-funds comprising £7,670m managed through Authorised Contractual Scheme (ACS) sub-funds and a further £199m managed through a Scottish Limited Liability Partnership vehicle.

Work is underway to develop further LGPS Central Limited sub-funds in collaboration with LGPS Central investment asset pool Partner Funds and WMPF will continue to review the decision to transition assets on a case by case basis dependent on the sub-fund meeting the strategic requirements of WMPF. The transition of the Fund's remaining assets into products offered by LGPS Central Limited is expected to take several years.

WMPF has a number of advisory arrangements in place with LGPSC to support with advice and sometimes to facilitate execution on the underlying assets of legacy portfolios managed directly by the Fund. It is likely that some of these advisory and execution mandates will remain in place for some time to come due to the illiquid nature of the investments and the cost effectiveness of transition.

NOTE 2 - BASIS OF PREPARATION

The Statement of Accounts summarises the Fund's transactions for the 2020/21 financial year and its financial position as at 31 March 2021. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2020/21 (the Code) which is based upon International Financial Reporting Standards (IFRS), as amended for the UK public sector.

The accounts summarise the transactions of the Fund and report on the net assets available to pay pension benefits. The accounts do not take account of obligations to pay pensions and benefits which fall due after the end of the financial year. The actuarial present value of promised retirement benefits, valued on an International Accounting Standard (IAS) 19 basis, is disclosed at Note 6 of these accounts.

As disclosed above, during 2019/20 all assets and liabilities of the former West Midlands Integrated Transport Authority Pension Fund transferred to the West Midlands Pension Fund and transactions occurring after that date (on an accruals basis) are attributable to WMPF. The relevant assets and liabilities were treated in the accounts as having been transferred at the values applicable on the "merger date" 1 April 2019. The Fund Account for 2019/20 therefore included:

- a transfer (shown separately) of the total market value of WMITA as at 1 April 2019 including accrued income and expenses at that date.
- all income and expense transactions related to the former WMITA Pension Fund since 1 April 2019 shown on a consolidated basis.

The transfer value of the WMITA Fund shown in the accounts was based on the Net Assets Statement in the audited accounts of the WMITA Fund for the year to 31 March 2019. The audit was performed by Grant Thornton LLP and their audit report was signed in July 2019.

The accounts have been prepared on a going concern basis.

NOTE 3 - STATEMENT OF ACCOUNTING POLICIES

A Fund account

In the Fund Account, income and expenditure are accounted for in the year in which they accrue by the creation of payables and receivables at the year end where necessary. Provision has not been made where the amount payable or receivable in relation to transfers was not agreed at the year end (see note 9).

B Contribution income

Contributions receivable have been included in the accounts on the accruals basis at the rates recommended by the Fund's actuary for basic contributions. Additional contributions (including past service deficit contributions and excluding additional voluntary contributions) as notified by employers for the period have also been included. Past service deficit contributions are accounted for in the year in which they are payable under the schedule of contributions set by the scheme actuary.

Employers' augmentation contributions and pensions strain contributions are accounted for in the period in which the liability arises. Any amount due in year but unpaid is classed as a current financial asset with amounts due after the following year classed as long-term financial assets.

Where employing organisations have not submitted all of the certified returns of contributions payable by the due date for preparation of these accounts, an estimate has been made based on the monthly returns actually received from these bodies.

C Transfers to and from other schemes

Transfer values represent the amounts received and paid during the year for members who had either transferred benefits in or out of the scheme as at 31 March 2021, calculated in accordance with the Local Government Pension Scheme Regulations (see notes to the accounts). Transfers in respect of individuals are accounted for when received or paid which is normally when the member liability is accepted or discharged. Group transfers are accounted for on an accruals basis in accordance with the terms of the transfer agreement.

Transfers in from members wishing to use the proceeds of their additional voluntary contributions to purchase scheme benefits are accounted for on a receipts basis and are reported within transfers in.

D Investment Income**i) Interest Income**

Interest income is recognised in the Fund Account as it accrues using the effective interest rate of the financial instrument as at the date of acquisition or origination.

ii) Dividend Income

Dividend income is recognised on the date the shares are quoted ex-dividend. Any amount not received by the end of the reporting period is disclosed in the Net Assets Statement as a current financial asset.

iii) Distributions from Pooled Funds

Distributions from pooled funds are recognised at the date of issue.

Investment income arising from the underlying investments of pooled investment vehicles is rolled up and reinvested within the pooled investment vehicles. This is reflected in the relevant unit price and reported within 'Change in Market Value'.

iv) Property-Related Income

Property-related income (consisting primarily of rental income from operating leases) is recognised on a straight-line basis over the term of the lease. Any lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Contingent rents based on the future amount of a factor that changes other than with the passage of time, such as turnover rents, are only recognised when contractually due.

v) Changes in the Value of Investments

Changes in the net market value of investments (including investment properties) are recognised as income and comprise all realised and unrealised profits/losses during the year.

vi) Stock lending income

Stock lending income is accounted for on a cash basis.

E Taxation

The Fund is a registered public service scheme under section 1(1) of Schedule 36 of the Finance Act 2004 and as such is exempt from UK income tax on interest received and from capital gains tax on the proceeds of investments sold. Income from overseas investments suffers withholding tax in the country of origin unless exemption is permitted. Irrecoverable tax is accounted for as an expense as it arises.

F Benefits payable

Pensions and lump sum benefits payable include all amounts known to be due as at 31 March 2021. Any amounts due but unpaid are disclosed in the Net Assets Statement as current liabilities.

G Financial assets

The LGPS Central pool trading company, LGPS Central Limited, only became licensed to trade on 1 April 2018. The Pension Fund's view is that for 31 March 2021, cost is still an appropriate estimate of the fair value of shares held in this company.

Financial assets are included in the Net Assets Statement on a fair value basis as at the reporting date. A financial asset is recognised in the Net Assets Statement on the date the Fund becomes party to the contractual acquisition of the asset. From this date, any gains or losses arising from changes in the fair value of the asset are recognised in the Fund Account.

The values of investments as shown in the Net Assets Statement have been determined at fair value in accordance with the requirements of the Code and IFRS 13 (see note 17 to the accounts). For the purposes of disclosing levels of fair value hierarchy, the Fund has adopted the classification guidelines recommended in Practical Guidance on Investment Disclosures (PRAG/Investment Association, 2016).

H Freehold and leasehold properties

Properties are valued annually as at the year end by independent valuers on a fair value basis. The market values included in these accounts are contained in a valuation report by Savills plc (in accordance with Royal Institute of Chartered Surveyors valuation standards) as at 31 March 2021. All investment property assets are subject to annual revaluation, one third of the commercial property portfolio is valued fully in March each year with the remaining two thirds being a 'desktop' valuation. Agricultural properties were valued by Browns, agricultural valuers, at the same date.

I Foreign currencies

Investments held in foreign currencies have been valued as set out in paragraph g) above and translated at exchange rates ruling at 31 March 2021.

Dividends, interest and purchases and sales of investments have been accounted for at the spot market rates at the date of transaction. End of year spot market exchange rates have been used to value cash balances held in foreign currency bank accounts, market values of overseas investments and purchases and sales outstanding at 31 March 2021.

J Derivatives

The Fund uses derivative financial instruments to manage its exposure to specific risks arising from its investment activities. The Fund does not hold derivatives for speculative purposes.

Purchases and sales of derivatives are recognised as follows:

Futures – on close out or expiry the variation margins are recognised as cash receipts or payments depending on whether there is a gain or loss.

Forward currency contracts settlements are reported as gross receipts and payments.

K Movement in the net market value of investments

Any gains or losses arising on translation of investments into sterling are accounted for as a change in the market value of investments.

L Cash and cash equivalents

Cash comprises cash in hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known

amounts of cash and that are subject to minimal risk of changes in value.

M Financial liabilities

The Fund recognises financial liabilities at fair value as at the reporting date. A financial liability is recognised in the Net Assets Statement on the date the Fund becomes party to the liability. From this date, any gains or losses arising from changes in the fair value of the liability are recognised by the Fund.

N Management expenses

The Fund discloses its management expenses in accordance with the CIPFA guidance Accounting for Local Government Pension Scheme Management Expenses 2016.

All administrative expenses are accounted for on an accruals basis. The costs of Fund officers are recharged to the Fund along with all other costs incurred directly on Fund activities and an apportionment for corporate support services provided by the administering authority.

All investment management expenses are accounted for on an accruals basis. External investment management and custodian fees are agreed in management or custody agreements governing the administration of the individual mandates. Fees are generally based on the valuation of the underlying investments either being managed or in safe custody. In addition, performance-related fees are negotiated with a number of managers and the amounts of such fees are provided in a note to the accounts.

Where a management fee notification has not been received by the time of preparing these accounts, an estimate based upon the market value of the relevant mandate is used for inclusion in the Fund Account.

The cost of any 'in-house' Fund investment activity is included in investment management expenses.

O Actuarial present value of promised retirement benefits

The actuarial present value of promised retirement benefits is assessed on a triennial basis by the scheme actuary in accordance with the requirements of IAS 19 and relevant actuarial standards. As permitted under the Code, the Fund has opted to disclose the actuarial present value of promised retirement benefits by way of a note to the Net Assets Statement (see note 5).

P Additional voluntary contributions

The Fund provides an additional voluntary contributions (AVC) scheme for its members the assets of which are invested separately from those of the Fund. The Fund has appointed Prudential Assurance Company Limited and Utmost Life and Pensions as its AVC providers. AVCs are paid to the provider by employers and are specifically for providing additional benefits for individual contributors. Each contributor receives an annual statement showing the amount held in their account and the movements in the year. AVCs are not included in the accounts in accordance with section 4(1)(b) of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 but are disclosed as a note only (see note 22).

The AVC arrangements pertaining to the former WMITA Fund have transferred to West Midlands Pension Fund under the merger. These arrangements with Prudential Assurance Company Limited and Utmost Life and Pensions Limited operate on the same basis as described above and will continue to be provided within the West Midlands Pension Fund.

NOTE 4 - CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

It has not been necessary to make any material critical judgements in applying the accounting policies in 2020-21.

NOTE 5 - ASSUMPTIONS MADE ABOUT THE FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY

Unquoted private equity investments

The valuation of unquoted securities is based on the latest investor reports and financial statements provided by the fund managers of the underlying funds adjusted for transactions arising after the date of such reports. A discount may be applied by the fund manager where trading restrictions apply to such securities. Where the first investor valuation report has not been received from the fund manager the security is valued at cost. The value of unquoted private equity at 31 March 2021 was £1,315.5 million (£1,203.3 million at 31 March 2020).

Bulk annuity insurance buy-in contract

The transfer of assets from the WMITA Fund included a bulk annuity insurance buy-in contract with Prudential Retirement Income Limited. The insurance cover provides that the insurer underwrites the risk for meeting the liabilities of a specified group of pensioners on the WMITA pensions payroll as at 11 August 2011. The insurance provider will pay the cost of the monthly pension payments for this group whilst they or their dependants are entitled to a pension.

The bulk annuity insurance buy-in contract is included in the Net Assets Statement as an asset and is valued at year end by the Actuary.

Pension Fund liability

The pension fund liability is calculated every three years by the appointed Actuary with annual updates in the intervening years. The methodology used is in line with accepted guidelines and in accordance with IAS 19. Assumptions underpinning the valuations are agreed with the Actuary and are summarised in Note P6. This estimate is subject to significant variances based on changes to the underlying assumptions.

Actuarial present value of promised retirement benefits

Uncertainties

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries and pensions are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. Barnett Waddingham, the Fund's consulting Actuaries, are engaged to provide expert advice about the assumptions to be applied.

Effect if actual results differ from assumptions

The effects on the net pension liability of changes in individual assumptions can be measured. For instance, an increase in the discount rate assumption would result in a decrease in the pension liability; however, an increase in assumed earnings inflation or assumed life expectancy would significantly increase the pension liability as detailed by the Fund's consulting Actuary below:

Change in assumptions - year ended 31 March 2021	Approx. % increase in liabilities	Approx. monetary value £m
0.5% p.a. decrease in discount rate	11%	3,236.3
1 year increase in member life expectancy	5%	1,462.7
0.5% p.a. increase in salary increase rate	1%	310.7
0.5% p.a. increase in CPI inflation	10%	2,880.9

Fair value of investments

Uncertainties

Certain types of investments are not publicly listed and, as such, there is a degree of estimation involved in their valuation.

COVID-19 valuation uncertainty

During the year to 31 March 2021, the impact of COVID-19 led to valuation challenges regarding certain illiquid assets. On 17 March 2020, the Royal Institute of Chartered Surveyors (RICS) recommended that surveyors use a material valuation uncertainty clause in property valuations due to the unprecedented circumstances caused by the pandemic and the corresponding absence of market evidence on which to base judgements. Throughout the year, such clauses applied to fewer and fewer assets as market uncertainty gradually receded and on 9 September 2020, RICS formally lifted its recommendation.

Obtaining timely valuation is a perennial issue with Private Equity where the valuation of investment vehicles often has to be 'stale' or 'lagged' due to the unavailability of pricing information as at the Fund's year end date (by the time the Statement of Accounts has been prepared and audited). Valuations are by necessity estimated and may not fully reflect the performance of the vehicles underlying portfolio of investments.

Effect if actual results differ from assumptions

The use of estimates for investment values is greatest for those assets classified at Level 3 which means there is a risk that these investments may be over/under stated in the accounts. The total value of Level 3 investments is £3,920.7m at 31 March 2021 (£3,806.1m at 31 March 2020). The assets classified as Level 3 and the sensitivity of the valuation methods employed is described in note 17.

NOTE 6 - ACTUARIAL VALUATION OF THE FUND

The contribution rates applicable to the period 1 April 2020 to 31 March 2023 were determined by the Fund's Actuary, G Muir of Barnett Waddingham LLP as part of the full actuarial valuation of the Fund made as at 31 March 2019.

On the basis of the assumptions adopted, the 2019 valuation revealed that the value of the Fund's assets of £15,634 million represented 94% of the funding target of £16,648 million at the valuation date. The valuation also showed that a primary rate of contribution of 20.4% of pensionable pay per annum was required from employers. The common rate is calculated as being sufficient, together with contributions paid by members, to meet all liabilities arising in respect of service after the valuation date.

In general, the Fund applies a maximum deficit recovery period of 17 years. The aim is to achieve 100% solvency over the period and to provide stability in employer contribution rates.

In practice, each individual employer's position is assessed separately and the contributions required are set out in the report dated 31 March 2020. In addition to the certified contribution rates, payments to cover additional liabilities arising from early retirements (other than ill-health retirements) will be made to the Fund by the employers.

The funding plan adopted in assessing the contributions for each individual employer is in accordance with the Funding Strategy Statement (FSS). Different approaches adopted in implementing contribution increases and deficit recovery periods are as determined through the FSS consultation process.

As a result of the valuation, a revised Rates and Adjustments certificate was prepared for the three years commencing 1 April 2020. For comparison purposes, the figures for the two preceding years are also shown. The minimum payable by the seven councils was certified as follows:

	Future Service Rate (% of pay) plus lump sum (£)				
	2018/19	2019/20	2020/21	2021/22	2022/23
Birmingham City Council	16.8% plus £61.8m (£124.0m)	18.3% plus £61.5m (£124.2m)	21.3% plus £48.2m (£124.2m)	21.3% plus £49.9m (£123m)	21.3% plus £51.8m (£121.9m)
Coventry City Council	16.8% plus £12m (£31.1m)	16.8% plus £12m (£31.1m)	20.4% plus £3.6m (£32.9m)	20.4% plus £3.7m (£32.6m)	20.4% plus £3.9m (£32.3m)
Dudley MBC	17.0% plus £9.7m (£31.3m)	18.6% plus £9.6m (£32.3m)	20.7% plus £3.0m (£31.5m)	20.7% plus £3.1m (£30.6m)	20.7% plus £3.2m (£29.9m)
Sandwell MBC	16.2% plus £17m (£17.0m)	17.7% plus £16.9m (£16.9m)	20.5% plus £10.5m (£10.3m)	20.5% plus £10.9m (£10.2m)	20.5% plus £11.3m (£10.1m)
Solihull MBC	16.5% plus £5.1m (£16.6m)	18.4% plus £5.1m (£17.4m)	20.7% plus £2.9m (£19.9m)	20.7% plus £3.0m (£19.4m)	20.7% plus £3.1m (£19.0m)
Walsall MBC	16.9% plus £14.8m (£30.2m)	18.3% plus £15m (£31.5m)	20.3% plus £9.8m (£30.2m)	20.3% plus £10.1m (£30.0m)	20.3% plus £10.5m (£29.7m)
City of Wolverhampton Council	16.8% plus £14m	18.1% plus £14.6m	20.0% plus £6.8m (£28.8m)	20.0% plus £7.1m	20.0% plus £7.3m

The amounts shown in brackets are due in the year where the Council has opted to make a cash payment in advance. These amounts were received by the Fund in April 2020. The valuation was carried out using the projected unit actuarial method and the main actuarial assumptions used for assessing the Funding Target and the common contribution rate were as follows:

	2019	2016
Rate of return on investments	4.6% per annum	4.7% per annum
Rate of pay increases	3.6% per annum	3.9% per annum
Rate of increases in pensions in payment (in excess of Guaranteed Minimum Pension)	2.6% per annum	2.4% per annum

The assets were assessed at market value.

The 31 March 2019 Actuarial Valuation report can be found on the Fund's website.

Actuarial present value of promised retirement benefits for the purposes of IAS 26

IAS 26 requires the present value of the Fund's promised retirement benefits to be disclosed and for this purpose, the actuarial assumptions and methodology used should be based on IAS 19 rather than the assumptions and methodology used for funding purposes.

To assess the value of the benefits on this basis, the following financial assumptions have been used:

	31 March 2020	31 March 2021
Rate of return on investments (discount rate)	2.35% per annum	2.00% per annum
Rate of pay increases	2.90% per annum	3.85% per annum
Rate of increases in pensions in payment (in excess of Guaranteed Minimum Pension)	1.90% per annum	2.85% per annum

The total value of the Fund's promised retirement benefits for the purposes of IAS 26 as at 31 March 2020 was estimated as £23,091.8 million. The effect of the changes in actuarial assumptions between 31 March 2020 and 31 March 2021 as described above is to increase the liabilities by £6,723.6 million. Adding interest over the year increases the liabilities by £523.9 million and allowing for net benefits accrued/paid over the period increases the liabilities by £154.3 million (this includes any increase arising as a result of early retirements/augmentations). There is a decrease of £288.8 million as a result of allowing for actual experience or outcomes which were different when viewed in hindsight to that assumed previously and, a change in mortality rates assumptions decreases liabilities by a further £300.1 million. Last year, the merger with the WMITA Fund added £543.3m of liabilities which have increased by £63.8m during 2020/21 to £607.1m at 31 March 2021.

The net effect of all the above is that the estimated total value of the Fund's promised retirement benefits as at 31 March 2021 is therefore £29,968.5 million.

NOTE 7 - TAXATION

1. Value added tax (VAT)

The Fund (as part of the City of Wolverhampton Council) pays VAT collected on income in excess of VAT payable on expenditure to HMRC. The accounts are shown exclusive of VAT.

2. Taxation of overseas investment income

The Fund receives interest on its overseas bonds gross but a variety of arrangements apply for the taxation of dividends on overseas equities in the various markets.

In some markets, a lower-than-standard tax rate is available, either as a result of a double tax treaty in place between the UK and the investment country (e.g. Poland, Canada, Italy, Sweden) or based on favourable domestic legislation (e.g. Australia, Czech Republic, Singapore). Where this is the case, relief may be granted at source based on documentation already on file (e.g. USA, Belgium, Australia, Finland, France and Norway), or ex post via reclaim forms submitted to the local tax authorities (e.g. Austria, Denmark, Germany, Netherlands, Switzerland and Spain).

There are also markets where relief is not possible - either no double taxation agreement exists (e.g. Brazil, Colombia, Lebanon), or a 'subject to tax' clause prevents UK pension funds from benefitting from treaty rates (e.g. Israel, Malaysia, Portugal). In such cases, the full amount of tax is withheld and is final.

NOTE 8 - CONTRIBUTIONS RECEIVABLE

Contributions receivable by type

2019/20 £m		2020/21 £m
From employers		
170.3	Contributions	744.2
42.6	Past service deficit	303.9
19.2	Additional cost of early retirement	10.9
232.1		1,059.0
From members		
120.5	Basic contributions	125.3
0.6	Additional contributions	0.5
121.1		125.8
353.2	Total contributions	1,184.8

Following the actuarial valuation as at 31 March 2019, some employers chose to pay their full three-year future service and past service deficit contributions in advance as a lump sum in 2020/21. The lump sums paid by the seven councils have been accounted for fully in 2020/21 and are listed in the table in note 6. The additional contributions above represent the purchase of added membership or additional benefits under the pension scheme.

Contributions receivable by type of employer

2019/20 £m		2020/21 £m
9.1	Administering authority	51.3
300.4	Other scheduled employers	1,089.1
43.7	Admitted employers	44.4
353.2	Total	1,184.8

NOTE 9 - TRANSFERS IN

2019/20 £m		2020/21 £m
31.2	Individual transfers	22.3
31.2	Total	22.3

Analysis of transfer value from West Midlands Integrated Transport Authority Pension Fund

1 April 2019 £m	
263.5	Investments transferred in specie
224.5	Bulk annuity insurance buy-in contract
3.9	Cash deposits
0.6	Current assets
(0.8)	Current liabilities
491.7	Total

NOTE 10 - OTHER INCOME

2019/20 £m		2020/21 £m
	Benefits recharged to employers	
7.4	Compensatory added years	7.1
6.9	Pensions increases	6.8
14.3	Total	13.9

NOTE 11 - BENEFITS PAYABLE

Benefits payable by type

2019/20 £m		2020/21 £m
	Pensions	
485.9	Retirement pensions	499.1
30.0	Widows' pensions	33.8
1.0	Children's' pensions	1.1
6.1	Widowers' pensions	6.7
0.2	Ex-spouses' pensions	0.2
0.2	Equivalent pension benefits	0.2
0.5	Co-habiting partners' pensions	0.3
-	- Civil Partnership	0.1
-	- Amounts due to Estate	0.1
523.9	Total pensions	541.6
	Lump sum benefits	
100.0	Retiring allowances	87.5
13.9	Death grants	17.7
113.9	Total lump sum benefits	105.2
637.8	Total benefits payable	646.8

Benefits payable by type of employer

2019/20 £m		2020/21 £m
51.5	Administering authority	50.4
507.2	Other scheduled employers	543.2
79.1	Admitted employers	53.2
637.8	Total	646.8

NOTE 12 - PAYMENTS TO AND ON ACCOUNT OF LEAVERS

2019/20 £m		2020/21 £m
37.6	Individual transfers	29.2
2.4	Refunds of contributions	1.8
40.0	Total	31.0

NOTE 13 - MANAGEMENT EXPENSES

2019/20 £m		2020/21 £m
6.0	Administrative costs	6.3
82.6	Investment management expenses	100.8
2.9	Oversight and governance costs	3.1
91.5	Total	110.2

Included in administrative costs of £6.3m above are external audit fees of £78,931 (2019/20: £72,930). The charge for 2020/21 comprises the current year audit fee of £70,386 and a provision of £8,545 for additional costs arising from the impact of the Covid 19 Pandemic on Grant Thornton's work in completing the 2019/20 audit.

The guidance requires that external investment management fees that are deducted from asset values (rather than invoiced and paid directly) are shown gross. Wherever possible, the figures are based on actual costs disclosed by the manager; where actual costs were not available, best estimates have been made using other available information.

Note P13 i) - Investment management expenses

2020/21	Total £m	Management fees £m	Performance related fees £m	Transaction costs £m
Equities	11.9	7.9	-	4.0
Fixed interest	0.5	0.5	-	-
Pooled investments *	24.6	10.0	-	14.6
Pooled property investments	8.2	7.2	(0.8)	1.8
Private equity	38.8	23.2	15.6	-
Property	2.6	1.6	-	1.0
Infrastructure	6.1	4.2	0.7	1.2
Absolute return	6.7	6.6	0.1	-
Derivatives	0.7	0.7	-	-
Cash, cash equivalents & fx contracts	0.3	0.3	-	-
	100.4	62.2	15.6	22.6
Custody fees	0.4			
Total	100.8			

* Includes £4.8m charged to the Pension Fund by LGPS Central Limited regional asset pool (2019/20: £4.0m).

2019/20	Total £m	Management fees £m	Performance related fees £m	Transaction costs £m
Equities	8.0	6.0	-	2.0
Fixed interest	0.5	0.5	-	-
Pooled investments *	23.1	12.0	1.9	9.2
Pooled property investments	3.4	2.7	0.6	0.1
Private equity	32.5	21.9	9.8	0.8
Property	2.4	1.5	-	0.9
Infrastructure	3.7	4.0	(0.4)	0.1
Absolute return	8.0	6.8	0.1	1.1
Derivatives	0.4	0.4	-	-
Cash, cash equivalents & fx contracts	0.3	0.3	-	-
	82.3	56.1	12.0	14.2
Custody fees	0.3			
Total	82.6			

NOTE 14 - INVESTMENT INCOME

2019/20 £m		2020/21 £m
	Dividends and Interest	
	Bonds	
7.1	UK private sector – quoted	7.9
	Equities	
0.9	UK private sector – quoted	-
39.9	Overseas	23.2
	Pooled Investment Vehicles	
74.1	UK private sector – quoted	1.0
6.8	Overseas equities	4.7
9.4	Interest on cash deposits	1.7
0.7	Stocklending	0.8
2.1	Other investment income	5.6
141.0	Total dividends and interest	44.9
47.4	Property management income	48.5
(10.2)	Property management expenses	(8.6)
37.2	Total property management	39.9
178.2	Total investment income	84.8

Stocklending

As at 31 March 2021, £482.6 million of stock was on loan to an agreed list of approved borrowers through the Fund's custodian in its capacity as agent lender (31 March 2020: £384.3 million). The loans were covered by non-cash collateral in the form of equities, gilts, DBVs and G10 sovereign debt totalling £521 million and giving a margin of 8.0% (31 March 2020, £416 million, margin of 8.2%).

Collateral is marked to market, adjusted daily and held by a third party agent on behalf of the Fund. Net income from stocklending amounted to £0.8 million during the year (2019/20: £0.7 million). The Fund retains its economic interest in stocks on loan and their value is included in the Fund valuation. There is however, an obligation to return collateral to the borrowers and its value is therefore excluded from the Fund valuation. The securities lending programme is indemnified to give the Fund further protection against losses.

During the period the stock is on loan, the voting rights on the loaned stock pass to the borrower.

There are no liabilities associated with the loaned assets.

Other investment income

Other investment income includes the following: Class action income, liquidation proceeds and tax refunds.

NOTE 15 - NET INVESTMENT ASSETS

31 March 2020 £m		31 March 2021 £m
	Bonds	
186.6	UK companies – segregated (external)	222.4
307.4	Overseas sovereign - Index Linked	286.0
494.0		508.4
	UK Equities	
26.9	Quoted	25.0
2.0	Unquoted	2.0
28.9		27.0
	Overseas equities	
61.9	Quoted	181.1
1,346.9	Quoted – segregated (external)	2,386.4
1,408.8		2,567.5
	Pooled investment vehicles	
	Managed Funds	
632.5	UK fixed interest	659.8
1,051.4	Other fixed interest	1,876.7
971.0	UK quoted, index linked	961.9
856.0	UK quoted equities (pooled assets)	1,081.7
4,425.9	Overseas quoted equities (pooled assets)	6,093.1
772.8	Infrastructure	819.7
1,203.3	Private equity	1,315.5
464.9	UK absolute returns	356.6
63.3	Overseas absolute returns	54.1
45.3	Multi asset credit	-
79.7	UK property	188.3
156.0	Overseas property	122.0
	Unit trusts	
40.4	UK quoted equities	-
107.3	UK property	111.4
0.1	Overseas property	-
10,869.9		13,640.8

31 March 2020 £m		31 March 2021 £m
	Property	
918.9	UK freehold	969.4
46.2	UK leasehold*	44.6
965.1		1,014.0
	Derivative contracts	
11.7	Futures	-
-	Forward currency contracts	3.1
11.7		3.1
	Foreign currency holdings	
0.4	Australian Dollars	0.5
0.6	Canadian Dollars	0.6
1.3	Czech Koruna	1.3
0.5	Danish Kroner	0.6
113.3	Euro	73.6
135.7	Hong Kong Dollars	31.3
0.6	Hungarian Forints	0.6
5.9	Japanese Yen	5.2
1.9	Mexican Peso	2.2
0.5	New Zealand Dollars	0.5
0.4	Norwegian Kroner	0.5
0.5	Polish Zloty	0.5
1.3	Singapore Dollars	1.4
2.9	Swedish Kroner	2.9
5.2	Swiss Francs	4.8
1.0	Turkish Lira	0.7
310.5	United States Dollars	272.4
582.5		399.6
	Cash Deposits	
456.7	UK	491.0
112.9	US	7.2
569.6		498.2

31 March 2020 £m		31 March 2021 £m
	Other Investments	
75.8	Broker balances	19.2
7.0	Outstanding dividend entitlement and recoverable with-holding tax	7.5
82.8		26.7
15,013.3	Total investment assets	18,685.3
	Investment liabilities	
	Derivative contracts	
(76.8)	Forward currency contracts	-
-	Futures	(2.3)
(76.8)		(2.3)
(76.8)	Total investment liabilities	(2.3)
14,936.5	Net investment assets	18,683.0

* All leasehold properties are held on long leases.

Segregated accounts are held separately from the main account by the global custodian and contain assets managed by some of the Fund's external managers.

The following investments represent more than 5% of the net assets of the Fund. All of these companies are registered in the UK.

31 March 2020			31 March 2021	
Market Value £m	% of total market value		Market Value £m	% of total market value
		Security		
1,835.1	12.3	LGPS Central Global Ex UK Passive Equity Fund	2,532.6	13.6
1,382.4	9.3	LGPS Central All World Equity Climate Multi Factor Fund	1,862.7	10.0
850.9	5.7	LGPS Central UK Passive Equity Fund	1,075.4	5.8
715.3	4.8	LGPS Central Global Equity Active Multi-Manager Fund	1,057.0	5.7
971.0	6.5	Legal & General - All Stocks Index-Linked Gilts Fund	961.9	5.1

The proportion of the market value of investment assets managed in the regional asset pool and by each external manager at the year-end is set out below.

31 March 2020			31 March 2021		
Market Value £m	% of total market value		Market Value £m	% of total market value	
Investments managed by LGPS Central Limited regional asset pool:					
4,366.3	29.2	Authorised Contractual Schemes (ACS) - global equities	6,010.1	32.2	
850.9	5.7	Authorised Contractual Schemes (ACS) - UK equities	1,075.4	5.8	
-	-	Authorised Contractual Schemes (ACS) - Fixed interest	584.8	3.1	
101.3	0.7	Non ACS private equity	198.9	1.1	
5,318.5	35.6		7,869.2	42.1	
Investments managed outside of LGPS Central Limited regional asset pool:					
2,142.9	14.3	In-house	2,120.7	11.4	
152.9	1.0	Managers: UK quoted	117.7	0.6	
1,042.1	7.0	Managers: emerging markets	1,448.3	7.8	
364.4	2.4	Managers: global equities	1,021.1	5.5	
3,148.9	21.1	Managers: fixed interest	3,422.0	18.3	
235.7	1.6	Managers: indirect property	310.3	1.7	
772.8	5.2	Managers: infrastructure funds	819.7	4.4	
573.5	3.8	Managers: absolute return	410.7	2.2	
1,102.0	7.4	Managers: private equity	1,116.6	6.0	
9,535.2	63.8		10,787.1	57.7	
82.8		Outstanding dividend entitlement and recoverable withholding tax	26.7		
14,936.5		Net investment assets	18,683.0		

Analysis of Derivatives

Objectives and policies for holding derivatives.

The Fund utilises derivative instruments in line with investment policy and investment management agreements in place with third party investment managers.

a) Futures

In 2018/19, the Fund made a decision to transition assets out of an internal global equity portfolio and into a new sustainable global equities mandate. Recognising that there would be some lead time in implementing this strategy, as and when the existing portfolio was realised, proceeds were invested in global equity futures pending transition to the sustainables mandate. During 2020/21, the Fund made a significant transition into the sustainables mandate and has reduced its exposure to futures accordingly.

The Fund has also invested in gilt futures to help align the weighting in this area with its strategic target and as a tool for risk management. The economic exposure represents the notional value of stock purchased under futures contracts and is therefore subject to market movements.

b) Forward foreign currency

To reduce the volatility associated with fluctuating currency rates, the Fund has a passive currency programme in place. The Fund commenced its currency hedging programme in September 2017 following approval by Committee to amend the Strategic Investment Allocation Benchmark to reflect the passive currency management programme. The Fund's hedging programme aims to protect returns in sterling terms and reduce currency risk. The neutral hedge ratio is considered to be 50% based on the strategic weight of each region but actual hedge ratios applied will vary from time to time with a rebalancing taking place on a monthly basis to reflect changing market values.

c) Open forward currency contracts

Settlement	Currency Bought	Local Value £m	Currency Sold	Local Value £m	Asset Value £m	Liability Value £m
One to six months	GBP	390.7	EUR	454.4	3.1	-
Open forward currency contracts at 31 March 2021					3.1	-
Net forward currency contracts at 31 March 2021					3.1	-
Prior year comparative						
Open forward currency contracts at 31 March 2020					-	(76.8)
Net forward currency contracts at 31 March 2020					-	(76.8)

d) Open exchange traded futures contracts

Type	Expires	Economic Exposure £m	Market Value 31 March 2020 £m	Economic Exposure £m	Market Value 31 March 2021 £m
Assets					
UK equity	Under one year	71.3	6.6	55.5	(0.4)
Overseas equity	Under one year	469.2	2.6	141.4	(0.1)
UK bond	Under one year	158.3	2.5	148.3	(1.8)
Total Assets			11.7		(2.3)

NOTE 16 - INVESTMENT MARKET VALUE MOVEMENTS ANALYSIS

	Value as at 31 March 2020 £m	Purchases at cost and derivative payments £m	Sales proceeds and derivative receipts £m	Investment Management Fees Deducted at Source £m	Change in Market Value £m	Value as at 31 March 2021 £m
Bonds	494.0	28.6	-	-	(14.2)	508.4
UK equities	28.9		-	-	(1.9)	27.0
Overseas equities	1,408.8	450.0	-	-	708.7	2,567.5
Pooled investment vehicles	10,869.9	1,314.9	(839.0)	(80.6)	2,375.6	13,640.8
Property	965.1	63.0	(18.3)	-	4.2	1,014.0
	13,766.7	1,856.5	(857.3)	(80.6)	3,072.4	17,757.7
Derivative Contracts						
Futures	11.7	-	(23.1)	-	9.1	(2.3)
Forward foreign exchange	(76.8)	-	37.6	-	42.3	3.1
	13,701.6	1,856.5	(842.8)	(80.6)	3,123.8	17,758.5
Broker balances	75.8					19.2
Outstanding dividend entitlement and recoverable with-holding tax	7.0					7.5
Foreign currency holdings	582.5					399.6
Cash deposits	569.6					498.2
Total Investments	14,936.5					18,683.0

The change in market value of investments comprises both increases and decreases in the market value of investments held at any time during the year and profits and losses realised on the sales of investments during the year.

Purchases also include transfers in of investments, take-over of shares etc. and invested income. Sales proceeds include all receipts from sales of investments, transfers out of investments, take-over proceeds etc. and reductions in cash deposits including profits or losses realised on the sale.

Transaction costs are included in the cost of purchases and sale proceeds. Transaction costs include costs charged directly to the Fund such as fees, commissions, stamp duty and other fees. Transaction costs during the year amounted to £22.6 million (2019/20: £14.2 million). In addition to the transaction costs disclosed below, indirect costs are incurred through the bid-offer spread of investments within pooled investment vehicles. The amount of indirect costs is not separately provided to the Fund.

The volatility of investment markets is an ever-present and longstanding feature of pension fund management and valuations may vary, either up or down, throughout each day when exchanges are open.

The change in the value of investments during 2019/20 is set out below:

	Value as at 31 March 2019	Transfer of assets from WMITA fund	Purchases at cost and derivative payments	Sales proceeds and derivative receipts	Investment Management Fees Deducted at Source	Change in Market Value	Value as at 31 March 2021
	£m	£m	£m	£m	£m	£m	£m
Bonds	339.8	-	99.6	-	-	54.6	494.0
UK equities	40.0	-	-	(11.5)	-	0.4	28.9
Overseas equities	1,301.3	-	353.3	(0.4)	-	(254.4)	1,408.8
Pooled investment vehicles	11,481.8	263.5	8,413.8	(8,684.6)	(66.9)	(537.7)	10,869.9
Property	980.7	-	18.5	(1.9)	-	(32.2)	965.1
	14,143.6	263.5	8,885.2	(8,698.4)	(66.9)	(760.3)	13,766.7
Derivative Contracts							
Futures	20.7	-	141.4	(200.7)	-	50.3	11.7
Forward foreign exchange	(1.8)	-	282.5	(322.4)	-	(35.1)	(76.8)
	14,162.5	263.5	9,309.1	(9,221.5)	(66.9)	(745.1)	13,701.6
Broker balances	51.8						75.8
Outstanding dividend entitlement and recoverable withholding tax	0.5						7.0
Amounts payable for purchases of investments	(152.1)						-
Foreign currency holdings	690.6						582.5
Cash deposits	821.8	3.9					569.6
Total Investments	15,575.1	267.4					14,936.5

16 i) Property Holdings

The Fund's investment property portfolio comprises a number of directly owned properties which are leased commercially to various tenants. Details of these directly owned properties are as follows:

2019/20 £m		2020/21 £m
980.7	Opening Balance	965.1
18.5	Additions	63.0
(1.9)	Disposals	(18.3)
(32.2)	Net change in market value	4.2
965.1	Closing balance	1,014.0

There are no restrictions on the realisability of the property or the remittance of income or proceeds on disposal and the Fund is not under any contractual obligation to purchase, construct or develop any of these properties nor does it have any responsibility for any repairs, maintenance or enhancements.

The future minimum lease payments receivable by the Fund are as follows:

31 March 2020 £000		31 March 2021 £000
43,025	Within one year	43,892
156,653	Between one and five years	152,740
174,138	Later than five years	179,918
373,816	Total future lease payments due under existing contracts	376,550

The receivables above have been reduced by a credit loss allowance of 1% per annum reflecting the Fund's expected loss from late or non-recovery of rents from tenants. This deduction is based on advice from the Fund's property letting agents.

The impact of COVID-19 has presented new challenges for valuation of illiquid assets. In their valuation report for the quarter to 31 March 2020, the independent property valuation agents were unable to rely fully on previous market experience to inform opinions on properties and their valuations were therefore reported on the basis of 'material valuation uncertainty'. There is no such valuation uncertainty clause in connection with the property valuation report as at 31 March 2021.

NOTE 17 - FAIR VALUE - BASIS OF VALUATION

The basis of the valuation of each class of investment assets is detailed below. There has not been any change in the valuation techniques used during the year. All assets have been valued using fair value techniques which represent the highest and best price available at the reporting date.

Asset type	Valuation level	Basis of valuation	Observable and unobservable inputs	Key sensitivity
Market quoted investments	1	Published bid market price ruling on 31 March 2021.	n/a	n/a
Quoted bonds	1	Market bid price based on current yields.	n/a	n/a
Futures	1	Published exchange prices at 31 March 2021.	n/a	n/a
Unquoted bonds	2	Average of broker prices.	Evaluated price feeds.	n/a
Pooled Investment Vehicles (PIV) - unit trusts and property funds	2	PIV are stated at the bid price quoted or the closing single market prices.	Net asset value (NAV) based pricing set on a forward pricing basis.	n/a
Forward foreign exchange derivatives	2	Market forward exchange rates at 31 March 2021.	Exchange rate risk.	n/a
Freehold and leasehold properties	3	Valued at fair value at the year-end using the investment valuation reports of Savills Plc. One third of the commercial property portfolio is valued fully in March each year, with the remaining two thirds being a 'desktop' valuation. Agricultural properties are valued by Browns at the year end.	Existing lease terms and rentals, independent market research, tenant covenant strength, estimated vacancy levels, estimated rental growth, discount rate.	Significant changes in rental growth, vacancy levels or discount rate could affect valuations

Asset type	Valuation level	Basis of valuation	Observable and unobservable inputs	Key sensitivity
Unquoted equity (includes Private Equity, Infrastructure and Absolute Return/Diversified Growth Funds)	3	Value is based on the latest investor reports and financial statements provided by the fund managers of the underlying funds, adjusted for transactions arising after the date of such reports.	Earnings before interest, tax, depreciation and amortisation (EBITDA) multiple, revenue multiple, discount for lack of marketability.	Could be affected by material events occurring between the date of the financial statements provided and the Fund's own reporting date, by changes to expected cashflows, and by any differences between audited and unaudited accounts.
Bulk annuity insurance buy-in	3	Provided by the Fund's Actuary based on a roll-forward of the value placed on the buy-in as part of the WMITA Fund 2019 triennial actuarial valuation, allowing for estimated level pensions paid and the change in the discount rate used to value the buy-in.	Key underlying inputs for the valuation are the discount rate and life expectancy. Discount rate has been set at 0.43% with reference to the 11 year point of the Bank of England nominal gilt yield curve, consistent with the 2019 valuation of the WMITA Fund.	Adjustments to discount rate and life expectancy.

Sensitivity of assets valued at level 3

The table below details the Fund's review of financial information as provided by independent advisors. The valuation methods detailed above are likely to be accurate to within the ranges and, as set out below, the consequent potential impact on the closing value of investments at 31 March 2021 and 31 March 2020.

Level 3 assets	Valuation range	Valuation at 31 March 2021	Valuation Increase	Valuation Decrease
	% (+/-)	£m	£m	£m
Freehold and Leasehold Property	11.8	1,014.0	1,134.0	894.1
Private Equity	31.7	1,269.8	1,672.6	867.0
Infrastructure	13.2	819.8	928.3	711.1
Absolute Return/Diversified Growth	14.1	410.8	468.6	353.0
Unit Trusts - UK Property	11.8	140.5	157.2	123.9
Fixed Interest	9.8	65.8	72.3	59.4
Total		3,720.7	4,433.0	3,008.5

Level 3 assets	Valuation range	Valuation at 31 March 2020	Valuation Increase	Valuation Decrease
	% (+/-)	£m	£m	£m
Freehold and Leasehold Property	11.7	965.1	1,078.0	852.2
Private Equity	26.2	1,203.3	1,518.6	888.0
Infrastructure	13.8	772.8	879.4	666.2
Absolute Return/Diversified Growth	12.8	528.2	595.8	460.6
Unit Trusts - UK Property	11.7	107.3	119.9	94.7
Total		3,576.7	4,191.7	2,961.7

The key underlying inputs for the annuity insurance buy-in level 3 valuation are the discount rate and life expectancy. The impact of changes as calculated by the Fund's Actuary is shown below:

Change in assumptions - year ended 31 March 2021	Adjustment	Valuation at 31 March 2021	Valuation Increase	Valuation Decrease
		£m	£m	£m
Adjustment to discount rate	(-/+) 0.5%	200.0	209.9	190.4
Adjustment to life expectancy assumptions	(+/-) 1 year	200.0	214.6	186.2

Change in assumptions - year ended 31 March 2020	Adjustment	Valuation at 31 March 2020	Valuation Increase	Valuation Decrease
		£m	£m	£m
Adjustment to discount rate	(-/+) 0.5%	229.4	240.8	218.5
Adjustment to life expectancy assumptions	(+/-) 1 year	229.4	244.5	215.2

17 i) Fair value hierarchy

The valuation of financial instruments has been classified into three levels according to the quality and reliability of information used to determine fair values. Criteria utilised in the instrument classifications are detailed below:

Level 1

Financial instruments at Level 1 are those where the fair values are derived from unadjusted quoted prices in active markets for identical assets or liabilities. Products classified as level 1 comprise quoted equities, quoted fixed interest securities, quoted index linked securities and unit trusts. Listed investments are shown at bid prices. The bid value of the investment is based on the bid market quotation of the relevant stock exchange.

Level 2

Financial instruments at Level 2 are those where quoted market prices are not available; for example, where an instrument is traded in a market that is not considered to be active, or where valuation techniques are used to determine fair value and where these techniques use inputs that are based significantly on observable market data.

Level 3

Financial instruments at Level 3 are those where at least one input that could have a significant effect on the instrument's valuation is not based on observable market data. Such instruments would include unquoted equity investments and hedge fund of funds, which are valued using various valuation techniques that require significant judgement in the determining appropriate assumptions.

The values of the investments in private equity, infrastructure and absolute return/diversified growth funds are based on the latest investor reports and financial statements provided by the fund managers of the underlying funds. Valuations are undertaken quarterly and an adjustment is made to roll forward the latest available valuation to 31 March as appropriate.

The values of the investments in hedge funds are based on the net asset value provided by the fund manager. Fund valuations are obtained through external experts with assurance provided via the audit opinion. The following table provides an analysis of the financial assets and liabilities of the pension fund grouped into levels 1 to 3, based on the level at which fair value is observable.

Value at 31 March 2021	Quoted market price	Using observable inputs	With significant unobservable inputs	Total
	Level 1	Level 2	Level 3	
	£m	£m	£m	£m
Financial assets				
Financial assets at fair value through profit and loss	9,755.7	4,284.4	2,706.7	16,746.8
Non- financial assets at fair value through profit and loss	-	-	1,014.0	1,014.0
Financial liabilities at fair value through profit and loss	(2.3)	-	-	(2.3)
	9,753.4	4,284.4	3,720.7	17,758.5
Bulk annuity insurance buy-in at fair value through profit and loss	9,753.4	-	200.0	200.0
Net financial assets	9,753.4	4,284.4	3,920.7	17,958.5

Value at 31 March 2020	Quoted market price	Using observable inputs	With significant unobservable inputs	Total
	Level 1	Level 2	Level 3	
	£m	£m	£m	£m
Financial assets				
Financial assets at fair value through profit and loss	6,705.0	3,496.7	2,611.6	12,813.3
Non- financial assets at fair value through profit and loss	-	-	965.1	965.1
Financial liabilities at fair value through profit and loss	-	(76.8)	-	(76.8)
	6,705.0	3,419.9	3,576.7	13,701.6
Bulk annuity insurance buy-in at fair value through profit and loss	-	-	229.4	229.4
Net financial assets	6,705.0	3,419.9	3,808.1	13,931.0

Note 17 ii) - Reconciliation of fair value measurements within level 3

Period 2020/21	Market value 1 April 2020 £m	Transfers into level 3 £m	Transfers out of level 3 £m	Purchases during the year £m	Sales during the year £m	Unrealised gains / losses £m	Realised gains/losses £m	Market value 31 March 2021 £m
Freehold and Leasehold Property	965.1	-	-	-	-	48.9	-	1,014.0
Private Equity	1,203.3	3.5	(29.5)	129.4	(241.1)	156.3	47.9	1,269.8
Infrastructure	772.8	-	-	146.6	(75.1)	(35.3)	10.8	819.8
Absolute Return/Diversified Growth	528.2	-	-	60.8	(199.4)	10.8	10.4	410.8
Unit Trusts - UK Property	107.3	-	-	40.7	(3.0)	(4.5)	-	140.5
Bonds	-	-	-	70.7	(1.0)	(3.9)	-	65.8
Total	3,576.7	3.5	(29.5)	448.2	(519.6)	172.3	69.1	3,720.7

(a) Transferred from level 1 to level 3 due to a reduction in observable market data arising from a lack of market activity.

(b) Transferred from level 3 to level 1 due to an improvement in observable market data arising from an increase in market activity for the instruments.

Bulk annuity insurance buy-in contract

The transfer of assets from the former WMITA Fund included a bulk annuity insurance buy-in contract with Prudential Retirement Income Limited. The insurance cover provides that the insurer underwrites the risk for meeting the liabilities of a specified group of pensioners on the WMITA pensions payroll as at 11 August 2011. The insurance provider will pay the cost of the monthly pension payments for this group whilst they or their dependants are entitled to a pension.

Benefits recharged to Prudential during the year have been credited to the Fund account and the value of the buy-in recalculated at year end by the Fund Actuary and recognised in the Net Assets Statement as follows:

31 March 2020 £m	31 March 2021 £m
- Bulk annuity insurance buy-in contract value at start of year	229.4
224.5 Bulk annuity insurance buy-in contract value transferred in 1 April 2019	-
Actuarial revaluation of insurance contract:	
2.8 Interest on buy-in	1.0
5.2 Change in demographic assumptions	(3.3)
18.1 Change in actuarial assumptions	(11.8)
(5.4) Actuarial experience	-
20.7	(14.1)
(15.8) Level pensions paid by insurer	(15.3)
229.4 Bulk annuity insurance buy-in contract value at end of year	200.0

The change in demographic assumptions results from updating mortality assumptions to use the latest CMI_2020 Model. The change in actuarial assumptions is a result of increasing the discount rate from 0.43% at 31 March 2020 to 1.02% at 31 March 2021 consistent with the rate used in the 2019 valuation of the former WMITA Fund.

NOTE 18 - INVESTMENT CAPITAL COMMITMENTS

Investment commitments at the end of the financial year in respect of future payments were:

31 March 2020 £m		31 March 2021 £m
1,146.6	Non-publicly quoted equities and infrastructure	948.8
85.4	Property	58.5
1,232.0	Total	1,007.3

These amounts relate to outstanding commitments due on funds held in the private equity, fixed interest, absolute return and alternative investment portfolios.

NOTE 19 - LONG TERM DEBTORS

31 March 2020 £m		31 March 2021 £m
11.6	Early retirement costs	6.4
2.9	Reimbursement of lifetime tax allowances	3.8
14.5	Total	10.2

The Fund has agreed for certain employers to defer payment of amounts due to meet early retirement costs and £6.4m is due after the following financial year (2019/20: £11.6m). The instalments due in 20/21 are reported in Current Assets.

NOTE 20 - CURRENT ASSETS

31 March 2020 £m		31 March 2021 £m
Receivables and prepayments		
Contributions Receivable		
12.8	Employers' future service	15.4
6.0	Employers' past service deficit	4.9
10.5	Members	10.0
103.1	Other Receivables	10.3
132.4	Total Receivables and Prepayments	40.6
-	Cash	1.9
132.4	Total Current Assets	42.5

NOTE 21 - CURRENT LIABILITIES

31 March 2020 £m	31 March 2021 £m
Payables and receipts in advance	
(3.7) Pensions and lump sum benefits	(4.3)
(5.2) Receipts in advance	(0.7)
(15.8) Other payables	(15.5)
(24.7) Total	(20.5)

NOTE 22 - ADDITIONAL VOLUNTARY CONTRIBUTIONS

As well as joining the Fund, scheme members can pay into an additional voluntary contribution (AVC) scheme run by two AVC providers. Contributions are paid directly from scheme members to the AVC providers.

The contributions are not included within the Fund accounts, in line with regulation 4 (2) (b) of the Pension Scheme (Management and Investment of Funds) Regulations 2009. The table below shows the activity for each AVC provider in the year.

31 March 2020		31 March 2021	
Utmost Life £m	Prudential £m	Utmost Life £m	Prudential* £m
1.6	37.6	1.8	37.6
Opening value of the fund			
0.1	0.6	-	-
WMITA Fund AVC balances consolidated following merger			
0.3	6.0	0.1	6.0
Income			
(0.1)	(5.6)	(0.2)	(6.6)
Expenditure			
(0.1)	(1.1)	-	0.2
Change in market value			
1.8	37.6	1.7	37.2
Closing value of the fund			

* At the time of publishing this Statement of Accounts in September 2021, Prudential Assurance Company was experiencing delays resulting from its ongoing migration to a new administration platform and was not able to provide annual AVC financial statements for 2020/21. The table above therefore contains estimates for movements in Prudential AVCs for the year to 31 March 2021.

NOTE 23 FINANCIAL INSTRUMENTS

Net gains and losses on financial instruments

31 March 2020 £m		31 March 2021 £m
	Financial assets	
(677.8)	Fair value through profit and loss	3,110.5
	Financial liabilities	
(35.1)	Fair value through profit and loss	9.1
(712.9)	Total	3,119.6

Classification of financial instruments

The following table analyses the carrying amounts of financial instruments by category. No financial instruments were reclassified during the accounting period.

31 March 2020			31 March 2021		
Fair value through profit and loss £m	Assets at amortised cost £m	Financial liabilities at amortised cost £m	Fair value through profit and loss £m	Assets at amortised cost £m	Financial liabilities at amortised cost £m
494.0			508.4		
28.9			27.0		
1,408.8			2,567.5		
10,869.9			13,640.8		
11.7			3.1		
229.4			200.0		
	1,152.1			899.7	
	82.8			26.7	
	146.9			50.8	
13,042.7	1,381.8		16,946.8	977.2	
(76.8)		(24.7)	(2.3)		(20.5)
12,965.9	1,381.8	(24.7)	16,944.5	977.2	(20.5)
14,323.0			17,901.2		

NOTE 24 - THE NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS**Risk management**

The main investment objective of the Fund is to optimise return whilst managing market risk exposure within an acceptable tolerance. This is achieved by investing assets across a diversified portfolio. The Fund also manages its liquidity risk to ensure there is sufficient liquidity to meet forecasted cash flows.

The Fund's activities expose it to a variety of financial risks including:

Investment risk	the possibility that the Fund will not receive the expected returns.
Counterparty and credit risk	the possibility that other parties might fail to pay amounts due to the Fund.
Liquidity risk	the possibility that the Fund might not have funds available to meet its commitments to make payments as they fall due.
Valuation risk	the possibility that the actual value realised upon the sale of an illiquid asset differs from the valuation placed on it based on a valuer's opinion.
Market risk	the possibility that financial loss might arise as a result of market movements. Currency risk, interest rate risk and other price risk are types of market risk:
Currency risk –	the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
Interest rate risk –	the risk that future cash flows will fluctuate because of changes in market interest rates.
Other price risk –	the risk that the value of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Investment risk

In order to achieve its statutory obligations to pay pensions, the Fund invests its assets, including employer and employee contributions, in a way that allows it to meet its liabilities as they fall due for payment. It does this by investing with regard to liabilities through the triennial actuarial valuation followed by an appropriate asset allocation which is monitored on an ongoing basis to ensure it remains appropriate.

Counterparty risk

In deciding to effect any transaction for the Fund, steps are taken to ensure that the respective counterparty is suitable and reliable, that the transaction is in line with the Fund's strategy and that the terms and circumstances of the transaction are the best available in the relevant market at the time. Comprehensive due diligence processes are in place to ensure that any potential counterparty is authorised and regulated, competent to deal in investments of the type and size contemplated and has appropriate administration arrangements with regard to independent auditors, robust administration and accounting, relevant legal structure and experienced staff.

Credit risk

The Fund's credit risk is largely associated with its Fixed Income investments. This risk stems from third parties potentially failing to meet interest payments or failing to return the Fund's principal at the end of the investment period. There is also credit/counterparty risk associated with derivative investments within the Fund's Alternatives investments and those used to hedge certain foreign currency exposures as well as with rental income earned within the Fund's property portfolios.

The Fund's surplus cash may be placed with an approved financial institution on a short-term basis and in accordance with the Cash Management Policy and restrictions set out in the Treasury Policy. The policy specifies the cash deposit limit with each approved counterparty as determined by a comprehensive scoring exercise undertaken by Fund officers using specialist rating and market research data which is reviewed on a regular basis. Due diligence is conducted on potential money market funds with criteria such as AAA rating, same day access and minimum assets under management being prerequisite.

The table below outlines the credit rating sensitivity of the Fund's money market and bank deposit holdings by long-term Fitch rating as at 31 March 2021:

Credit rating sensitivity analysis			
Fund/Account	Long term Fitch rating*	Value at 31 March 2020 £m	Value at 31 March 2021 £m
Money market funds			
HSBC GBP Liquidity Fund Class H	Aaa-mf	191.1	106.5
HSBC USD Liquidity Fund Class H	Aaa-mf	112.9	7.2
LGIM GBP Liquidity Fund	AAAmmf	132.8	134.7
Insight GBP Liquidity Fund	AAAmmf	26.9	142.5
Invesco GBP Liquidity Fund	AAAmmf	2.9	2.3
Custody and deposit accounts			
CBRE Client Account West Midlands Met Authority		13.1	21.1
HSBC GBP Cash	AA-	89.9	83.9
HSBC Non-GBP Cash	AA-	582.5	399.6
Total	82.6	1,152.1	897.8

* Moody's rating used if no Fitch rating available

Liquidity risk

Liquidity risk represents the risk that the Fund will not be able to meet its financial obligations as they fall due, especially pension payments to its members. The Fund therefore takes steps to ensure that it has adequate cash resources to meet its commitments. The appropriate strategic level of cash balances to be held forms part of the Fund's investment strategy and the Fund carries out cash flow planning in respect of contributions, benefit payments, investment income and capital calls/distributions on an ongoing basis.

The risk that the Fund will be unable to raise cash to meet its liabilities is considered low. Due to having cashflow management procedures in place, the Fund is able to invest in illiquid asset classes and take advantage of the illiquidity premium found in these investments where appropriate.

Valuation risk

Valuation risk represents the risk that the actual value realised upon the sale of an illiquid asset differs from the valuation placed on it based on a valuer's opinion. The valuation of assets, and thus the management of valuation risk, is delegated to the Fund's appointed investment managers.

IFRS 13, Fair Value Measurement, seeks to increase consistency and comparability in fair value measurements through a 'fair value hierarchy', which categorises the inputs used in valuation techniques into three levels. Level 1 assets are those for which fair value can be measured via quoted prices in active markets for identical assets (such as those traded on stock exchanges). Level 2 assets require inputs other than quoted market prices falling under level 1 for fair value assessment (such as prices quoted in inactive markets, interest rates or credit spreads, for example). Level 3 assets require unobservable (non-public) inputs for fair value assessment and in practical terms, are those considered to be the most illiquid and difficult to value.

The majority of the Fund's underlying investments are in liquid quoted assets, representing minimal valuation risk (falling under level 1 and 2 of IFRS 13's fair value hierarchy). The Fund has investments in Property, Infrastructure and certain other illiquid assets that are classified as level 3 assets with a fair value of £3,720.7m

as at 31 March 2021 (2020: £3,576.7m), which represents 21% of total assets (2020: 26%). The guidance of IFRS 13 includes additional disclosures for level 3 measurements that include the reconciliation of opening and closing balances and quantitative information about unobservable inputs and assumptions used. Valuation of the Fund's investments falling under the scope of this guidance is conducted by their respective appointed investment managers.

During the year to 31 March 2021, the impact of COVID-19 led to valuation challenges regarding certain illiquid assets. On 17 March 2020, the Royal Institute of Chartered Surveyors (RICS) recommended that surveyors use a material valuation uncertainty clause in property valuations due to the unprecedented circumstances caused by the pandemic and the corresponding absence of market evidence on which to base judgements. Throughout the year, such clauses applied to fewer and fewer assets as market uncertainty gradually receded and on 9 September 2020, RICS formally lifted its recommendation.

Market risk - currency risk

Currency risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund is exposed to currency risk on any financial instruments not denominated in GBP sterling, the functional currency of the Fund. The Fund holds both monetary and non-monetary assets denominated in currencies other than GBP. The table below indicates a measure of the sensitivity of the investment assets and cash balances within each asset class to currency market movements, based on the expected 1-year standard deviations of each of the underlying foreign currency exposures within the respective asset classes.

The calculations behind these potential market movements account for the diversification effects between currencies within each holding. However, the calculations do not account for the Fund's use of foreign currency forwards, which are held to hedge certain currency exposures for the sake of risk reduction. The extent of this hedging activity is subject to change over time.

Currency risk sensitivity analysis

Fund/Account	Asset value as at 31 March 2021 £m	Potential market movement £m	Value on Increase £m	Value on Decrease £m
Equities*	9,828.5	686.1	10,514.6	9,142.4
Property	1,376.5	11.3	1,387.8	1,365.2
Fixed Interest**	4,006.8	90.7	4,097.5	3,916.1
Private Equity	1,315.5	72.4	1,387.9	1,243.1
Alternatives***	1,230.4	41.7	1,272.1	1,188.7
Liquid Assets	924.5	35.6	960.1	888.9
Total****	18,682.2	937.8	19,620.0	17,744.4

Fund/Account	Asset value as at 31 March 2020 £m	Potential market movement £m	Value on Increase £m	Value on Decrease £m
Equities*	6,867.2	455.9	7,323.1	6,411.3
Property	1,200.9	14.2	1,215.1	1,186.7
Fixed Interest**	3,194.6	67.9	3,262.5	3,126.7
Private Equity	1,203.3	71.6	1,274.9	1,131.7
Alternatives***	1,300.6	43.4	1,344.0	1,257.2
Liquid Assets	1,234.9	60.9	1,295.8	1,174.0
Total****	15,001.5	713.9	15,715.4	14,287.6

* Currency exposures of the overseas equity holdings have been calculated using generic indices.

** Includes exposure to fixed interest gilts, index-linked gilts, overseas government bonds, US TIPS, corporate bonds, emerging market debt, multi-asset credit and private credit.

*** Includes exposure to absolute return and infrastructure investments.

**** Excludes exposure to futures and forwards.

Market risk - interest rate risk

The Fund recognises that movements in interest rates can affect both income to the Fund and the value of the Fund's assets, both of which affect the value of the assets available to pay benefits. The tables below estimate the impact on the Fund's main Fixed Income exposures of a 100 basis points (bps) interest rate movement, using the duration of the underlying positions in each asset class (which have been obtained from the fund managers), to approximate the sensitivity to interest rate movements. This analysis assumes that all other variables (such as exchange rate movements) are constant, assessing only the impact of interest rate movements in isolation.

Interest rate risk - sensitivity analysis

Asset Type	Carrying amount as at 31 March 2020 £m	Change in year in the net assets available to pay benefits	
		+100BPS £m	-100BPS £m
Index-linked Gilts	994.0	(214.7)	214.7
Gilts*	179.4	(21.3)	21.3
Gilt Future	(1.8)	(11.9)	11.9
Overseas Government Bonds	101.9	(8.1)	8.1
US TIPS	286.0	(33.3)	33.3
Corporate Bonds	1,179.6	(80.2)	80.2
Emerging Market Debt	750.1	(52.0)	52.0
Mult-Asset Credit	443.6	(6.5)	6.5
Private Credit**	65.8	(0.8)	0.8
Total	3,998.6	(428.8)	428.8

* The impact of a 100bps increase/decrease has been calculated using the exposure provided by the Future (£148.3m).

** Excludes legacy and immaterial positions (total: £6.3m).

Note: Durations are as at 31 March 2021.

Asset Type	Carrying amount as at 31 March 2021	Change in year in the net assets available to pay benefits	
	£m	+100BPS £m	-100BPS £m
Index-linked Gilts	940.5	(201.0)	201.0
Gilts*	189.9	(24.4)	24.4
Gilt Future	2.5	(13.6)	13.6
Overseas Government Bonds	113.4	(9.5)	9.5
US TIPS	307.5	(37.3)	37.3
Corporate Bonds	629.2	(56.6)	56.6
Emerging Market Debt	609.5	(42.0)	42.0
Mult-Asset Credit	348.4	(11.3)	11.3
Total	3,140.9	(395.7)	395.7

* The impact of a 100bps increase/decrease has been calculated using the exposure provided by the Future (£157.5m).

** Excludes legacy and immaterial positions (total: £10.6m).

Note: Durations are as at 31 March 2020.

Market risk - other price risk

The Fund is exposed to share and derivative price risk which arises from investments held by the Fund of which the future price is uncertain. The Fund aims to reduce the exposure to this price risk by ensuring appropriate levels of diversification in its asset allocation. The asset allocation is monitored on an ongoing basis to ensure it remains in line with the limits specified in the Fund's investment strategy.

The tables below indicate a measure of sensitivity of the returns of each major asset class in which the Fund is invested, based on the 1-year standard deviation of returns within the respective asset classes, excluding the effects of interest rate risk and currency risk which are disclosed separately above. The tables also show an estimate of the impact of this potential volatility on asset values.

Other price risk - sensitivity analysis

Asset Type	Asset value as at 31 March 2021	Assumed 1 Year Volatility of Asset Class	Value on Increase	Value on Decrease
	£m		£m	£m
UK equities	1,167.9	18.8%	1,387.5	948.3
Global equities (ex UK)	8,660.6	16.3%	10,072.3	7,248.9
Property	1,376.5	11.8%	1,538.9	1,214.1
Fixed interest*	4,006.8	4.2%	4,175.1	3,838.5
Private equity	1,315.5	31.7%	1,732.5	898.5
Alternatives**	1,230.4	13.1%	1,391.6	1,069.2
Total Fund*** (See note below)	17,757.7		20,297.9	15,217.5

* includes exposure to fixed interest gilts, index-linked gilts, overseas government bonds, US TIPS, corporate bonds, emerging market debt, multi-asset credit and private credit.

** includes exposure to absolute return and infrastructure investments.

*** excludes futures, forwards, cash deposits, foreign currency holdings, broker balances and the outstanding dividend entitlement.

The total Fund volatility taking into account the expected interactions between the different asset classes shown, based on the underlying volatilities and correlations of the assets, in line with mean variance portfolio theory is 12.4%. On this basis, the total value on increase is £19,959.6 million and the total value on decrease is £15,555.7 million. Due to the approach taken to determine the total Fund volatility (in which the beneficial impact of diversification is recognised), the monetary impact on the total Fund assets is determined using the total Fund volatility, which is lower than the sum of the monetary impact for each asset class.

Asset Type	Asset value as at 31 March 2020 £m	% Change	Value on Increase £m	Value on Decrease £m
UK equities	1,032.5	18.7%	1,225.6	839.4
Global equities (ex UK)	5,834.7	16.4%	6,791.6	4,877.8
Property	1,200.9	11.7%	1,341.4	1,060.4
Fixed interest*	3,194.6	4.7%	3,344.7	3,044.5
Private equity	1,203.3	26.2%	1,518.6	888.0
Alternatives**	1,300.6	13.9%	1,481.4	1,119.8
Total Fund*** (See note below)	13,766.6		15,703.3	11,829.9

* includes exposure to fixed interest gilts, index-linked gilts, overseas government bonds, US TIPS, corporate bonds, emerging market debt, multi-asset credit and private credit.

** includes exposure to absolute return and infrastructure investments.

*** excludes futures, forwards, cash deposits, foreign currency holdings, broker balances and the outstanding dividend entitlement.

The total Fund volatility taking into account the expected interactions between the different asset classes shown, based on the underlying volatilities and correlations of the assets, in line with mean variance portfolio theory is 12.2%. On this basis, the total value on increase is £15,442.7 million and the total value on decrease is £12,090.0 million. Due to the approach taken to determine the total Fund volatility (in which the beneficial impact of diversification is recognised), the monetary impact on the total Fund assets is determined using the total Fund volatility, which is lower than the sum of the monetary impact for each asset class.

Reputational risk

The Fund's prudent approach to the collective risks listed above and compliance with best practice in corporate governance ensures that reputational risk is kept to a minimum.

NOTE 25 - IMPAIRMENT FOR BAD AND DOUBTFUL DEBTS

The following additions and write offs of pension payments were reported in this financial year, in line with the Fund's policy:

Additions analysis 2020/21

Individual Value	Number	Total £
Less than £100	30	1,133
£100 - £500	10	1,494
Over £500	1	751
Total	41	3,378

Write off analysis 2020/21

Individual Value	Number	Total £
Less than £100	3	152
£100 - £500	82	16,267
Over £500	7	6,544
Total	92	22,963

NOTE 26 - RELATED PARTIES

Pensions administration and certain investment functions are performed by the City of Wolverhampton Council and the costs shown in Note P13 above are recharged to the Fund. Following the actuarial valuation as at 31 March 2019, the Council agreed with the Fund to pay all of its employer future service rate contributions for 2020/21 plus its past service deficit contributions for 2020/21, 2021/22 and 2022/23 by provisional advance lump sum payment of £41.9m on 30 April 2020. The advance payment is accounted for fully in 2020/21 and with the addition of employee contributions and a year end balancing payment for 2020/21 employer future service rate contributions, £49.8 million was receivable from the City of Wolverhampton Council for 2020/21 (2019/20: £9.1 million - City of Wolverhampton Council had paid its 2019/20 future service and past service deficit contributions in advance as part of a lump sum payment of £57.3m on 30 April 2018). Balances owed by and to the Council at the year end are shown in Notes P19, P20 and P21.

Pensions Committee

Eight members of the Pensions Committee are also members of the Fund as set out below:

Pensioner: Councillors: K Inston, M Jaspal, R Martin, P Page and J Tildesley.

Trade Union observers: M Cantello and M Clift

Deferred: Councillor: S Simkins

Each member of the Pensions Committee is required to declare any interests relevant to the matters being discussed at each meeting.

There are six employing bodies of the Fund in which a member of the Committee has declared an interest for 2020/21. Contributions from each of these employers are set out below:

Contributions receivable 2019/20 £000		Contributions receivable 2020/21 £000
10,412	Birmingham City University	-
147	Birmingham Museums Trust	345
9,106	City of Wolverhampton Council	-
82	Heath Park Academy - Central Learning Partnership Trust	534
18	Kingswood Trust	17
35,354	Sandwell MBC	0
12,616	University of Wolverhampton	12,672
-	West Midlands Combined Authority	11,727
5,017	Wolverhampton Homes	5,102

LGPS Central Limited

LGPS Central Limited has been established to manage investment assets on behalf of nine Local Government Pension Scheme (LGPS) funds across the Midlands. It is jointly owned in equal shares by the eight administering authorities participating in the LGPS Central Pool, of which City of Wolverhampton Council, as the administering authority for West Midlands Pension Fund, is one of the shareholders. Each authority has one Class A voting share in LGPS Central Limited.

The Fund has agreed a number of advisory agreements covering a range of asset classes within the fixed income portfolio and wider illiquid portfolios. LGPS Central Limited has also provided the Fund with execution only services in the management of forward currency hedging positions. The charges in respect of these services totalled £2.112m in 2020/21 (2019/20: £1.539m). The amount outstanding in respect of these services at 31 March 2021 was £0.516m (31 March 2020: £0.477m).

The Pension Fund was invoiced £2.706m in respect of Governance, Operator Running and Product Development costs by LGPS Central Limited for 2020/21 (2019/20: £2.496m). The amount outstanding in respect of these services at 31 March 2021 was £0.643m (31 March 2020: £0.950m).

LGPS Central Limited has let office space from City of Wolverhampton Council since 1 April 2018 on a sub leasing arrangement. The rental income and rates receivable by City of Wolverhampton Council from LGPS Central Limited in 2020/21 totalled £102,595 (2019/20: £147,469) and the reimbursement of associated utilities and maintenance charges for 2020/21 totalled £16,078 (2019/20: £30,695).

LGPS Central Limited is an admitted body and employs staff that are active members of the West Midlands Pension Fund. Normal contributions receivable from LGPS Central Limited for the year to 31 March 2021 were £518,500 (2019/20: £442,700).

City of Wolverhampton Council (via the Pension Fund) has invested £1.315m in LGPS Central Limited class B shares and £0.685m in class C shares in 2017/18 and these are both carried as balances in net investment assets at this year end.

Key management personnel

The Fund has identified the Director of Pensions, West Midlands Pension Fund and the Chief Executive, City of Wolverhampton Council as key management personnel with the authority and responsibility to control or exercise significant influence over the financial and reporting decisions of the Fund. The combined compensation for these officers attributable to West Midlands Pension Fund is shown in the table below:

2019/20 £000	2020/21 £000
136 Short-term benefits	143
28 Post-employment benefits	30
164	173

NOTE 27 - EVENTS AFTER THE REPORTING DATE

No post balance sheet events have occurred which impact upon the balances and transactions reported for the year.

The Fund remains alert to potential challenges from ongoing developments in relation to the COVID-19 global health pandemic. None of these developments have impacted the underlying assumptions on which the Statement of Accounts is based nor the recognition or measurement of balances and transactions therein. No adjustments in respect of post balance sheet events have therefore been made.

The “McCloud” Court Judgement will have significant impact for all public sector pension schemes. When reforms were introduced in 2014 and 2015, protections were put in place for older scheme members. In December 2018, the Court of Appeal ruled that younger members of the Judges and Firefighters Pension schemes were discriminated against because the protections did not apply to them also. In July 2020, the Government published a consultation on draft regulations to remove this age discrimination. The consultation closed on 8 October 2020 and Government is now undertaking a review of the responses to finalise a remedy and publish amended Regulations. There is therefore, some uncertainty over the costs of any potential changes that might be required and these cannot at this time be calculated and included in the Fund's Statement of Accounts.



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PENSION ADMINISTRATION STRATEGY 2019

1 Introduction and Regulatory Context

This is the Pension Administration Strategy (PAS) of West Midlands Pension Fund (the Fund) in relation to the Local Government Pension Scheme (LGPS), which is administered by the City of Wolverhampton Council (the administering authority).

The Pension Administration Strategy is kept under review and revised to reflect changes to LGPS regulations and Fund policies and working practices. This document sets out a framework outlining the policies and performance standards to be achieved by the Fund and employers and is developed through a consultation process, to enable provision of a cost-effective and high quality pension administration service.

The LGPS is a statutory scheme governed by regulations. The current regulations appertaining to administration are the LGPS Regulations 2013 (As Amended). In discharging their roles and responsibilities under these regulations, the Fund and employers are also required to comply with any pertinent overriding legislation and take appropriate recognition of any regulatory guidance or Code of Practice issued by The Pension Regulator.

In addition to the management and administration of pensions on behalf of the local authority employers within the West Midlands, the Fund also undertakes this role on behalf of the West Midlands Integrated Transport Authority (WMITA) by delegation under S101 of the Local Government Act 1972.

The roles, responsibilities and performance standards/measurements set out in this strategy apply equally to the WMITA employers and to the Fund's management of the WMITA fund.

An efficient and effective scheme administration service requires the following:

- Clear point of contact, roles and responsibility
- Timely exchange of information and payment of contributions
- Complete and accurate notifications and communications
- Early notification of material changes
- Clear and timely responses to requests and queries

This strategy outlines the performance expected and the monitoring in place to support service delivery.

2 Aims

In line with the Fund's objectives, the aim of the PAS is to partner with our employers to provide a high quality service to our members delivered through efficient working practices.

We do that through detailing the expected performance of the Fund and its employers in meeting both the legal and regulatory duty of scheme administration as set out in the Pension Regulator's Code of Practice.

The efficient delivery of the benefits of the scheme is reliant upon effective administrative procedures being in place between the Fund and scheme employers, most notably the timely exchange of accurate information in relation to scheme members.

The primary method of exchange is via the employer web portal providing a secure link which can be tracked for audit purposes.

This Pension Administration Strategy sets out the expected levels of performance of the Fund and the scheme employers. The strategy provides details about the monitoring of performance levels and the action(s) that could be taken where standards are not met by employers and/or when persistent non-compliance occurs.

The Pension Administration Strategy, of which this iteration is effective from April 2019, was introduced in April 2015, with revisions since that date captured in this document. The Fund will continue to keep the strategy and policy document under review and update as required to reflect changes in scheme regulations and Fund working practices.

3 Roles and Responsibilities

Overriding legislation dictates minimum standards that pension schemes should meet in providing certain pieces of information to the various parties associated with the LGPS.

In addition, regulatory guidance sets out a number of requirements for the Fund and scheme employers to provide information to each other, scheme members and prospective scheme members, dependants, other pension arrangements or other regulatory bodies.

PENSION ADMINISTRATION STRATEGY 2019

3.1 Scheme Employer

3.1.1 Duties and Responsibilities

Function/Task		Expectation
1	General information	
1.1	Confirm nominated representative(s) to receive information from the Fund via the submission of a completed contact form via employer web portal	By 30 April each year (to be submitted via employer web portal) or within 30 days of becoming a scheme employer
1.2	Appoint a person (the adjudicator) to consider disputes under stage 1 of the pension internal dispute process (IDRP) and provide full up-to-date contact details to the Fund	Notify Employer Services at the Fund within 30 days of becoming a scheme employer or following the resignation of the current adjudicator
1.3	Formulate, publish and keep under review policies in relation to all areas where the employer may exercise a discretion within the LGPS ¹	A copy of the policy document is to be submitted to the Employer Services team at the Fund within one month of the change in policy
1.4	Distribute any information provided by the Fund to scheme members/potential scheme members (eg, scheme benefits or benefit statement production)	In a timely manner, as required
1.5	Notify the Fund in advance of any employer initiatives, (eg, employer mergers) policy decisions or practices which could have an impact on LGPS member benefits to include, but not limited to, bulk transfer changes	As soon as possible once the decision has been made or initiative/practice has been finalised as a minimum Where possible, earlier contact is preferable to enable the Fund to discuss and understand the implications
2	Contributions	
2.1	Remit employer and employee contributions to the Fund due each month	By 19th of the following month
2.2	Implement changes to employer contribution rates as instructed by the Fund at the date specified by the Fund's actuary	In line with the Rates Adjustment Certificate issued by the actuary following each triennial valuation or following review in line with the LGPS regulations or on commencement as a scheme employer within the Fund as notified in writing
2.3	Provide a breakdown of monthly employer and AVC contributions for reconciliation against payment ²	By 19th of the following month
2.4	Ensure and arrange for the correct deduction of employee contributions from a member's pensionable pay and throughout their membership in the scheme (including any periods of leave)	As required, typically monthly
2.5	Manage the deduction of all additional contributions or amend such deductions, as appropriate	As required

¹ For further information on which regulations require a policy, please see Regulation 60 in The Local Government Regulations 2013 (www.lgpsregs.org)

² Breakdown needs to be provided on an individual employer basis where payment is made in respect of more than one participating employer, eg, where responsible for client payroll

PENSION ADMINISTRATION STRATEGY 2019

Function/Task		Expectation
3	Contracting out of service	
3.1	Notify the Fund of the contracting out of services which will involve a TUPE transfer of staff to another organisation so that information can be provided to assist in the decision	Where possible, three months prior but at latest the point of deciding to tender
3.2	Work with the Fund to arrange for an admission agreement or such other admission arrangement and documentation as required, to be put in place when contracting out a service, and assist in ensuring it is complied with	Three months in advance of the date of contract
3.3	Notify the Fund if the employer ceases to admit new scheme members or is considering membership of the Fund	As soon as the decision is made (early discussion with the terminating Fund is encouraged)
4	General administration and change notifications in relation to active members	
4.1	Provide the Fund with the following member information on one monthly file (via employer web portal): <ul style="list-style-type: none"> • New joiners • Changes in employees' circumstances which may impact Fund benefits (eg, movement in and out of the 50/50 scheme, marital or civil partnership status, maternity, paternity, career break, etc.) • Employee and employer contributions and earnings 	On a monthly basis, by the 19th of the following month, as part of the monthly submission upload via the employer web portal
	Employer must ask the member for a statement in writing listing all the person's previous periods of employment	Members must be issued with a form A1 within three months from the date the person becomes a member
4.2	Notify the Fund (via employer web portal) when a member is due to retire including an accurate assessment of final pay details and authorisation of the reason for retirement	<ul style="list-style-type: none"> • Notify the Fund when a member is due to retire: <ul style="list-style-type: none"> - up to one month following the date of retirement if the date of retirement is before normal pension age (NPA) or; - ASAP once final earnings are known, typically three weeks before and no later than one week after the date of leaving, if the member's benefits are payable on or after their normal pension age (NPA)¹ <p>S4 retirement/death in service form (S4RB) to be submitted via employer web portal²</p>
4.3	Notify the Fund (via employer web portal) when a member leaves employment including an accurate assessment of final pay details	<p>Within 30 days of month end of date of leaving</p> <p>S4 early leaver form (S4EL/OPT) to be submitted via employer web portal²</p>

¹ Notification should not be given prior to the final earnings being known to avoid recalculation of member benefits

² On receipt of the appropriate S4 notification, where data is incomplete or inaccurate this may lead to delays in processing by the Fund should queries need to be raised

PENSION ADMINISTRATION STRATEGY 2019

Function/Task		Expectation
4	General administration and change notifications in relation to active members	
4.4	Notify the Fund (via employer web portal) of the death of a scheme member	As soon as practicable, but within a maximum of ten days of the employer being notified S4 retirement/death in service form (S4RB) to be submitted via employer web portal ²
4.5	Review payment of Tier 3 ill-health benefits	After benefits have been in payment for 18 months

3.1.2 Performance Measurements

The table below sets out the areas that employer performance will be routinely measured.

The Fund will periodically review other employer responsibilities to ensure performance is in line with the expectations detailed in this strategy.

Performance area		Measurement (working days where applicable)
1	Contributions	
1.1	Remit employer and employee contributions to the Fund in full by the 19th of the following month	Payment of monthly employee and employer contributions Under the Pensions Act 2004 and the Public Service Pensions (Record Keeping and Miscellaneous Amendments) Regulations 2014, The Pensions Regulator may be notified if the above requirement is not met
1.2	Provision of breakdown of employee, employer and AVC contributions for reconciliation against payment	Receipt of breakdown by 19th of the following month
2	General administration and change notifications in relation to active members	
2.1	Submission of a monthly data file and web remittance advice via employer web portal which includes the following in month data: <ul style="list-style-type: none"> • New joiners • Changes in employees' circumstances which may impact Fund benefits (eg, movement in and out of the 50/50 scheme, marital or civil partnership status, maternity, paternity, career break, etc.) • Employee and employer contributions and earnings paid within that period 	By the 19th of the following month
2.2	To ensure optimum accuracy of monthly data files received.	Less than 5% of the active member count as at 1 April to error on import into the pension administration system
2.3	The rectification of an accurate monthly data file where it has been necessary to return the file due to data inaccuracies	Within 20 days of receipt of file

PENSION ADMINISTRATION STRATEGY 2019

Performance area		Measurement (working days where applicable)
2	General administration and change notifications in relation to active members	
2.4	Notify the Fund when a member is due to retire including an accurate assessment of final pay details and authorisation of the reason for retirement	<ul style="list-style-type: none"> Notify the Fund when a member is due to retire: <ul style="list-style-type: none"> up to one month following the date of retirement if the date of retirement is before normal pension age (NPA) or; ASAP once final earnings are known, typically three weeks before and no later than one week after the date of leaving, if the member's benefits are payable on or after their normal pension age (NPA) <p>S4 form to be submitted via employer web portal</p>
2.5	Notify the Fund when a member leaves membership including an accurate assessment of final pay details using the method stipulated by the Fund web portal	<p>Within 30 days of month end of date of leaving</p> <p>S4 form to be submitted via employer</p>
2.6	Respond to enquiries from the Fund in regards to member notifications and submitted forms (ie, S15, N15 etc)	Within ten days from receipt of enquiry

In line with The Pension Regulator's Code of Practice, the Fund in conjunction with its employers has implemented a two-stage process for dealing with pension disputes when a member is unhappy with the first instance decision.

The table below details the expected timeframe for managing this internal dispute resolution process. Further details can be found in the Fund's Internal Dispute Resolution Procedure.

Performance area		Measurement (working days where applicable)
3	IDRP	
3.1	Notify the Fund's compliance team of the receipt of a complaint under the IDRP process	Within two days of receiving the complaint
3.2	Notify the Fund's compliance team that the first-stage decision has been issued	Within five days of issuing the decision
3.3	Timeframe for resolution of IDRP	Two months
	Notifying if timeframe is not going to be met	Immediately when known not going to meet original timeframe
3.4	Responding to Fund enquiries when Fund dealing with Stage 2	Within five days

PENSION ADMINISTRATION STRATEGY 2019

3.2 West Midlands Pension Fund

3.2.1 Duties and Responsibilities

In setting the expectation of employers, the Fund recognises that the relationship and delivery of services, is also reliant on the Fund's performance and duties to its employers.

The table below outlines the key responsibilities of the Fund, what actions it will take and the timescales of its own performance in delivering the service to members and employers. It is focused on the key activities which scheme employers and scheme members are involved in and should not be viewed as an exhaustive list.

Function/Task		Expectation
1	General information	
1.1	Regularly review the Fund's pensions administration strategy and consult with all scheme employers	In advance of the policy being adopted and following consultation taking place during the revision
1.2	Regularly review the Fund's funding strategy statement as required, not least with each triennial valuation, following consultation with scheme employers and the Fund's actuary	Publish by 31 March following the valuation date or as required
1.3	Regularly review the Fund's Communication Policy Statement	Annual review and publish within 30 days of the policy being agreed by the Pensions Committee
1.4	Regularly review the Fund's termination policy statement and publish as appended to the Funding Strategy Statement	Within 30 days of any changes being made to the policy
1.5	Review and communicate the Fund's publications listed below: <ul style="list-style-type: none"> • Annual report • Annual statement of accounts • Governance and compliance statement 	By 31 October following the year-end
2	Contribution requirements	
2.1	Consult with employers on the outcomes of the triennial valuation rates	At least three months in advance of the signing of the final rates and adjustment certificate
2.2	Notify employers of contribution requirements for three years effective from the April following the actuarial valuation date	At least six weeks before the actuary signs off the rates and adjustment certificate
2.3	Notify new scheme employers of their contribution requirements	The latter of within six weeks of receipt of the notification of admission application or commencement as a scheme employer

PENSION ADMINISTRATION STRATEGY 2019

Function/Task		Expectation
3	Support for employers	
3.1	Provide support for employers through: <ul style="list-style-type: none"> • A dedicated helpline • Employer coaching • Employer Peer Group • Employer newsletters • Online support guides • Feedback on data quality • Face-to-face meetings (one-to-one where appropriate) • Employer web portal query support • Email support before each session for relevance • Member Services presentations and roadshows 	<ul style="list-style-type: none"> • Dedicated helpline Monday - Thursday 8.30am - 5.00pm, Friday 8.30am - 4.30pm • Employer Forums to be held twice per annum (usually May/June and November/December) • Written communication as per the Fund's communication policy • Newsletters to be issued quarterly • Online support to be reviewed and updated regularly • Employer coaching and peer group benefit content to be and reviewed. Sessions to be held quarterly for each
3.2	Organise and provide coaching sessions on the roles and responsibilities of an employer in the Fund	Quarterly and upon request or as required for scheme employers
3.3	Notify scheme employers and scheme members of changes to the scheme rules	As per disclosure requirements with inclusion of an overview in the Employer Brief
3.4	Provide a facility (via employer web portal) for employers to calculate estimates and early retirement costs for active members	On an ongoing basis
3.5	Production and maintenance of an IDRP employer guide	On an ongoing basis
4	General administration and member communications	
4.1	Produce annual benefit statements for active members as at 31 March and deferred members as at pensions increase date in April	By 31 August following the year-end
4.2	Produce and issue pension savings statements each year to members who have exceeded their annual allowance	By 6 October (provided receipt of all relevant information from scheme employer) following the year-end
4.3	Publish and keep up to date all forms required for completion by scheme members or employers	Within 30 days from any revision
4.4	Provide feedback on errors contained in monthly data submission files	Within 20 working days of the later of the 19th of each month or the date the file is received by the Fund

PENSION ADMINISTRATION STRATEGY 2019

3.2.2 Performance Measurements

The Fund routinely reviews performance across all areas including the Pension Administration Strategy, which is monitored and reviewed by the Pensions Committee and Local Pensions Board. Regular reporting is undertaken, and performance is also reported annually in the Fund's annual report and accounts. The table below sets out the Fund's key performance indicators in relation to processing scheme member records and benefits.

Function/Task		Expectation
1	New joiners	
1.1	Set up a new starter and provide statutory notification to the member	Within 20 days of receipt of correct data file from a scheme employer
2	Transfers	
2.1	Transfer in quotations processed required information	Within ten days of receipt of all the required information
2.2	Transfer notification of transferred in membership to be notified to the scheme member	Within ten days of receipt of payment
2.3	Transfer out quotations processed	Within 20 days
2.4	Transfer out payments processed	Within ten days
3	Additional contributions	
3.1	Notify the scheme employer of any scheme member's election to pay additional pension contributions (APCs), including required information to enable deductions to commence	Within ten days of receipt of election from a scheme member
3.2	Process scheme member requests to pay/amend/cease additional voluntary scheme member contributions (AVCs)	Within five days of receipt of request from member
4	Leavers	
4.1	Deferred benefits calculated and confirmed to member	Within 15 days of receipt of all necessary information
	Refund details calculated and issued	Within ten days of receipt of all necessary information
4.2	Refund payments	Within five days of receipt of all necessary information from member
5	Deferred into payment	
5.1	Provision of deferred retirement options to member	Within 30 days of the member's eligible payment date or receipt of request from a member
5.2	Deferred retirement benefits processed for payment following receipt of election	Lump sum payment within five days of receipt of all necessary documentation (First pension payment on next available payroll run)

PENSION ADMINISTRATION STRATEGY 2019

Function/Task		Expectation
6	Retirements	
6.1	Provision of retirement options to members	Within 15 days of receipt of all necessary information
6.2	New retirement benefits processed for payment following receipt of election	Lump-sum payment within five days of receipt of all necessary documentation First pension payment on next available payroll run
7	Deaths	
7.1	Acknowledgement of a death	Within five days of receiving the notification.
7.2	Notification of benefits payable to dependents	Within five days of receiving the required information
7.3	Payment of death lump-sum will be made	Within ten days of receipt of all the required information
8	Customer service	
8.1	>85% of calls received to the customer helpline to be answered	>85%
8.2	>85% of calls received to the employer helpline to be answered	>85%
8.3	Provide an answer or acknowledgement to an enquiry from a scheme members/scheme employers/ personal representatives/dependents and other authorised persons	Within ten days from receipt of enquiry
8.4	Acknowledge member complaints on initial receipt	Within five days of receipt
8.5	Issue full response to member complaints	Within 20 days of receipt
8.6	Monitor IDRP cases and target completion of stage 1 and stage 2 reviews	Within two months. For further information, please see the Fund's IDRP policy

PENSION ADMINISTRATION STRATEGY 2019

4 Monitoring Performance

4.1 Working with our Employers

The Fund recognises that engagement is key to helping us understand our employers' individual circumstances, their challenges and their outcomes. Engaging with employers helps to build positive working relationships and ensures processes create efficiencies and better outcomes for the Fund, our members, and employers. The consistent application of standards across all employers enables fair and value for money service.

The Fund will seek to work closely with employers when identifying areas of poor performance.

At the earliest opportunity, the Fund will provide training and development to aid improvement of service levels in the future. Where performance issues are identified, in the first instance, the Fund will work to resolve the issues informally. However, where this is not possible and persistent sub-standards occur (with no measurable improvement demonstrated by the employer), additional steps may be taken by the Fund in line with its powers under the LGPS Regulations 2013.

The Fund aims to meet the training and development needs of its employers using (but not limited to) employer coaching, quarterly bulletins, website guidance and through day-to-day contact via email and telephone. There is also an open invite to visit the Fund's office to meet with a member of the Employer Services team, subject to notice, to discuss any aspect of co-operation, expectations and responsibilities.

4.2 Approach to Managing Performance

Ensuring compliance with the LGPS regulations and this administration strategy is the responsibility of the Fund and scheme employers. This section describes the ways in which performance and compliance will be monitored.

The Fund and scheme employers are to ensure that all functions and tasks are carried out to the agreed quality standards. On a regular basis, the Fund will monitor, measure and report on both the Fund's and scheme employers' compliance with the agreed service standards outlined in this document.

The Fund will undertake a formal review of performance against the pension administration strategy on an annual basis and liaise with employers in relation to any concerns on performance.

The Fund monitors its own performance against key performance indicators. Monitoring occurs on a monthly basis and is reported to the Fund's Pensions Committee on a quarterly basis.

The performance of scheme employers against the standards set out in this document are incorporated into the reporting to the Committee, as appropriate, to include data quality.

The Fund will also report back to employers about their individual performance, identifying any areas for improvement including outstanding data items.

Where persistent and ongoing failure occurs in relation to administration requirements and no improvement is demonstrated by an employer, and/or willingness is shown by the employer

to resolve the identified issue(s), the following sets out the steps that will be taken in dealing with this situation:

- Write to the scheme employer, setting out area(s) of non-compliance with performance standards and offer support and, where applicable, request attendance at a training/coaching session.
- Where no improvement has been demonstrated by the employer, or where there has been a failure to take agreed action by the scheme employer, or no response is received to the initial letter, the scheme employer will be asked to attend a conference call/meeting with representatives of the Fund to discuss area(s) of non-compliance with performance standards and to agree an action plan to address them. Where appropriate, the originating employer will be informed and expected to work with the Fund to resolve the issues.
- If no improvement is seen within one month or a scheme employer is unwilling to attend a meeting to resolve the issue, the Fund will issue a formal written notice, setting out:
 - the area(s) of non-compliance with performance standards that have been identified;
 - the steps taken to resolve those area(s); and
 - provide notice that the additional costs will now be reclaimed.
- An invoice will be issued detailing the additional cost incurred, taking account of time and resources in resolving the specific area(s) of poor performance and in accordance with the charging

PENSION ADMINISTRATION STRATEGY 2019

scale set out in this document.

A report will be presented annually to the Pensions Committee detailing charges levied against scheme employers and outstanding payments.

- If poor performance continues and impacts the Fund's ability to perform statutory functions and/or measures are not being taken by the employer to address this, the Fund may need to report the employer to The Pensions Regulator.

4.3 Policy on Charging Employers for Poor Performance

The LGPS regulations provide pension funds with the ability to recover from a scheme employer any additional costs associated with the administration of the scheme incurred as a result of the poor level of performance of that scheme employer. Where any such additional costs are to be recovered by the Fund, written notice will be provided stating:

- the reasons that the scheme employer's poor performance contributed to the additional cost;
- the amount of the additional cost incurred;
- the basis for calculation of the additional cost; and
- the provisions of the administration strategy relevant to the decision to give notice.

It is the policy of the Fund to recover additional costs incurred in the administration of the scheme as a direct result of the poor performance of any scheme employer (including the administering authority). With the objective of ensuring fairness across employers in avoiding other employers paying more to cover the higher administration costs incurred by others.

Please note that where an employer fails to pay any amount due to the Fund (other than monthly contributions) within 30 days, interest for late payment will be charged accordingly. This includes charges and recharges levied under this policy.

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4.4 Penalties for Sub-Standard Performance

4.4.1 Provision of Information

Item	Input/Penalties
Failure to make payment of monthly contributions and/or provision of breakdown of contributions for reconciliation against payment	The Fund will be unable to prepare cashflow information to facilitate the provision of annual accounting standards (FRS102, AS19) by the Fund actuary or any other actuarial firm.

4.4.2 Charging Scales for Administration

The table below sets out the charges which the Fund will levy on a scheme employer who fails to meet the standards required. Each item is referred to in the 'Scheme Employer Performance Measurement' section of this document.

Function/Task	Expectation
1 Payment of future service contributions Failure to make payment of monthly employee and employer contributions ¹ in full by the 19th of the following month (but by the 22nd of the month where payment is made electronically)	£100 per occasion plus interest ²
2 Monthly data collection Failure to comply with the following requirements: <ul style="list-style-type: none"> • Submission of the member data file by 22nd of the following month • Submission of the web remittance advice by 22nd of the following month 	£50 for each month the data file and/or web remittance advice is received after 22nd (ie, both items must be received so as to incur no penalty). There after for each monthly data file the charge will increase as follows: <ul style="list-style-type: none"> • 5p per member³ per working day late for the first month following the deadline • 10p per member³ per working day late for the second month following the deadline • 15p per member³ per working day late for the third month following the deadline and every month thereafter A minimum daily rate will be set at: <ul style="list-style-type: none"> • £5 per day for the first 30 days following the deadline • £10 per day for the second 30 days following the deadline • £15 per day for the third 30 days and thereafter following the deadline Assessment of the overall charge will be made in aggregate at year-end of 31 March (final monthly file to be received by 19 April) to include any charges in (3) below. Invoices will subsequently be issued where a charge is applicable

¹ Future service contributions including additional contributions, eg, APP and APCs

² Interest will be charged in accordance with Regulation 44 of the LGPS administration regulations, which states interest should be charged at Bank of England base rate plus one per cent

³ For the purposes of monitoring and the application of charges the active member count will be set as at 1 April of the monitoring period (ie, based on the monthly data file

PENSION ADMINISTRATION STRATEGY 2019

Function/Task	Expectation
3 Monthly data quality review⁴ Quality of the information provided to be below the acceptable tolerance level set at 5% of the employer officer hourly rates, active member count ³ (tolerance level will be assessed in aggregate until year-end date of the monitoring period)	The Fund will recover costs for the work involved to resolve these errors. Costs will be based on but will be determined based on the resources required to address errors above the tolerance in aggregate over a 12-month period) incurred as a result of (2) above and will be levied to include any charges
4 Quality and timeliness of the provision of data To provide the Fund with accurate data (as detailed in the regulations) in a timely manner as specified in strategy	The Fund will recover costs for the additional work involved to resolve these issues, in the context of this persistent poor performance. Costs will be based on officer hourly rates and will be determined based on the resources required
5 Bulk member record amendments Correction or amendments of member records en masse as a result of employer initiatives, policy decisions or prior incorrect notifications	The Fund will recover the cost for the work involved. Costs will be based on officer hourly rates

4.5 Feedback From Employers

Employers who wish to provide feedback on the performance of the Fund against the standards in this administration strategy should email comments (noting PAS feedback in the email subject) to wmpfemployerliaison2@wolverhampton.gov.uk

⁴ A file will be rejected for one or more of the following reasons:

- Incorrect file layout
- Data formatting issues, eg, mandatory fields not populated, inclusion of incorrect characters, ie, speech marks, etc.
- The key financials in the data file do not balance with the final statement

FUNDING STRATEGY STATEMENT 2021

1 INTRODUCTION

1.1 Local Government Pension Scheme (LGPS) regulations require administering authorities to prepare and maintain a Funding Strategy Statement (FSS) having regard to the guidance produced by The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Fund's Investment Strategy Statement (ISS). This FSS has been prepared by the West Midlands Pension Fund based on the latest CIPFA guidance in accordance with the regulations issued in September 2016 and following consultation with appropriate persons. In line with the regulations administering authorities are required to ensure contributions are set at a level to achieve Fund solvency and long-term cost efficiency.

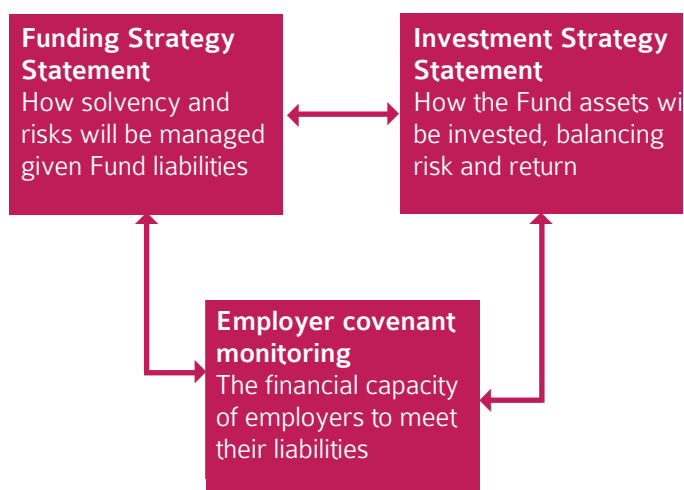
This FSS was initially developed for the West Midlands Pension Fund in conjunction with the 2019 actuarial valuation and with further revision following the introduction of 'Employer Flexibility' legislation on 23 September 2020. This latest FSS is effective from (June 2021).

This statement updates and replaces the April 2020 FSS and all previous statements and policies on funding. The statement and principles contained within reflect an evidence-based review of West Midlands' membership and employers in the context of regulations and guidance in force at the time.

Integrated Funding Framework

1.2 The FSS is supported by the Investment Strategy Statement (ISS) and the Fund's employer covenant monitoring framework. Together these ensure an integrated approach to funding strategy and risk management supporting the Fund in meeting the regulatory funding requirements.

1.3 The statements and framework relate as follows:



1.4 The purpose of the FSS is to summarise the Fund's approach to ensuring contributions are sufficient to meet pension liabilities. The parameters set within determine:

- the rates and adjustments certificate (confirming employer contribution rates for the period to the next triennial valuation);
- funding requirement on employer admissions and cessations; and
- actuarial factors for valuing bulk transfers, early retirement costs and the costs of additional benefits to members (for example, on purchase of added years' service).

1.5 The benefits payable under the LGPS are guaranteed by statute. The scheme is a defined benefit arrangement with a final salary element for service accrued prior to 1 April 2014 and career average revalued earnings ('CARE') benefits accruing on and after this date. There is also a '50:50' option under which members can elect to pay 50% of the contribution rate to accrue 50% of the benefits.

1.6 The FSS reflects the statutory nature of the Local Government Pension Scheme (LGPS), particularly the defined benefits payable and the benefit guarantee. The FSS sets out how benefits will be funded over the long term through an accountable, transparent process with full disclosure of valuation methodology and assumptions.

Employer Contribution Requirements

1.7 The required levels of employee contributions are specified in the regulations. Employer contributions are determined in accordance with the LGPS regulations, following an actuarial valuation completed every three years by the actuary. The valuation is carried out based on the Administering Authority's funding strategy statement and leads to production of a rates and adjustments actuarial certificate, specifying the 'primary' and 'secondary' rate of the employer's contribution; these are defined below

FUNDING STRATEGY STATEMENT 2021

Primary Rate

The 'primary rate' for an employer is the contribution rate required to meet the cost of the future accrual of benefits, allowing for employer membership profile. The primary rate for the whole fund is the weighted average (by pensionable payroll) of the individual employer's primary rates.

The Fund, like many other similar public and private sector funded schemes, had a gap between its assets and pension liabilities (a funding shortfall) on review at 31 March 2019. Although funding levels had improved since the previous review in 2016, a number of factors have contributed to the development of the funding gap over time, most notably:

- increases in life expectancy and pensions longevity; and
- falling long-term interest rates and the expectations for future investment returns.

As funding level varies over time and between employers, employers may have a funding shortfall or surplus on review at the triennial valuation.

The FSS addresses the recovery of the funding shortfall for those employers in deficit and outlines how contribution requirements are considered where a surplus exists at the valuation date. This is captured within the secondary rate.

Secondary Rate

The 'secondary rate' is an adjustment to the primary rate to arrive at the total rate of contribution each employer is required to pay. The secondary rate may be expressed as a percentage adjustment to the primary rate, and/or a cash adjustment in each of the three years beginning 1 April in the year following the actuarial valuation. In line with previous valuations, each employer within the West Midlands Pension Fund will have a cash adjustment to the primary rate to reflect their funding level. In certain circumstances secondary contributions may be expressed as a percentage of payroll as determined by the Fund.

The secondary rate for the whole Fund in each of the three years is the total monetary adjustment through individual employer secondary rates.

Funding Risks

The FSS faces a number of risks in meeting its aim of ensuring Fund solvency and long-term cost efficiency, most notably:

- funding deterioration on lower than anticipated investment returns;
- increasing benefit costs from higher rates of price inflation and increasing life expectancy;

- contribution shortfall following deterioration in employer covenant;
- employer restructuring leading to changing membership profile, maturity and/or covenant;
- changing scheme regulations and guidance which affect benefits or require a change in funding policy.

- 1.8 Following the McCloud/Sargeant ruling and in line with the requirements set out by the Department for Levelling Up, Housing and Communities (DLUHC) in August 2019, the Fund has made an allowance for the potential impact upon scheme benefits which may occur following associated remedial action.

Merger of the West Midlands LGPS Pension Funds

- 1.9 Following a process of public consultation undertaken by the Department for Levelling Up, Housing and Communities (DLUHC), Regulations were laid before parliament providing for the merger of the former West Midlands Integrated Transport Authority (WMITA) pension fund into that of the main West Midlands Pension Fund. Those regulations came into force on 8 November 2019 and apply retrospectively to effect merger from 1 April 2019.

In conjunction with the merger, former employers of the WMITA pension fund now participate in the main West Midlands Pension Fund with associated assets and liabilities transferred to two separate Admission Body Funds (ABF). For the purposes of the 2019 actuarial valuation (and thereafter) the associated funding strategy statements for the new separate ABF are included as appendices to this FSS (appendices 2 and 3).

Future Review

- 1.10 This policy statement will next be reviewed in detail ahead of completion of the next triennial valuation due 31 March 2022. Key funding principles will be reviewed and monitored on an annual basis and updated following consultation and as a matter of course in the event of significant change in scheme regulation and guidance.

2 AIMS AND PURPOSES OF THE FUND

- 2.1 The aims and purpose of a pension fund operating within the Local Government Pension Scheme (LGPS) are set out in the LGPS Regulations and the Public Service Pension Act 2013. With regard to funding, they can be summarised as follows.

FUNDING STRATEGY STATEMENT 2021

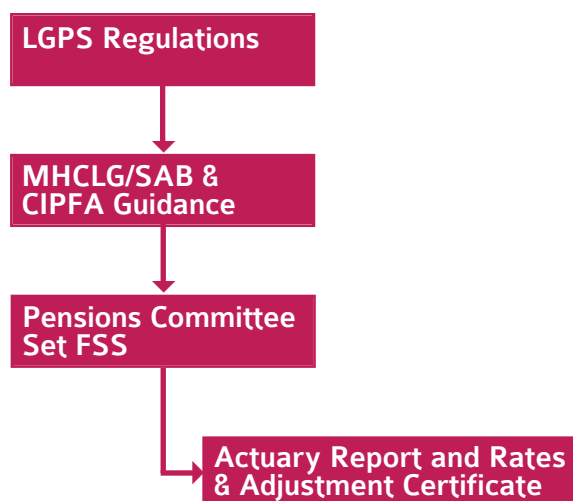
2.2 The aims of the Fund are to:

- manage employers' liabilities effectively and ensure that sufficient resources are available to meet all liabilities as they fall due;
- enable primary and total contribution rates to be kept as nearly constant as possible; and
- seek returns on investment within reasonable risk parameters.

2.3 The purpose of the Fund is to:

- receive and invest monies in respect of contributions, transfer values and investment income; and
- pay out monies in respect of Fund benefits, transfer values, costs, charges and expenses, as defined in the LGPS regulations and as required in the LGPS (Management and Investment of Funds) Regulations 2016.

2.4 The regulatory and governance framework in place to manage funding policy includes:



- to establish a clear and transparent fund-specific strategy which will identify how employers' liabilities are met going forward;
- to take a prudent long-term view of funding those liabilities;
- to ensure that the regulatory requirements to set contributions to meet the future liability to provide scheme member benefits in a way that ensures the solvency and long-term cost efficiency of the Fund are met; and
- to support the desirability of maintaining as nearly constant a primary contribution rate as possible, as defined in Regulation 62(5) of the LGPS Regulations 2013.

3.2 In line with the aims and purpose of the Fund, the funding policy objectives are:

- to ensure that pension benefits can be paid as and when they fall due over the lifetime of the Fund;
- to ensure the solvency of the Fund;
- to set levels of employer contribution rates to target a 100% funding level over an appropriate time period and using appropriate actuarial assumptions, while taking into account the different characteristics of participating employers;
- to build up the required assets in such a way that employer contribution rates are kept as stable as possible, with consideration of the long-term cost efficiency objective; and
- to adopt appropriate measures and approaches to reduce the risk, as far as possible, to the Fund, other employers and ultimately the taxpayer from an employer defaulting on its pension obligations.

3.3 The FSS and wider integrated funding risk framework are designed to ensure the funding strategy is both cohesive and comprehensive for the Fund as a whole, recognising that there will be conflicting stakeholder objectives that need to be balanced and reconciled. Whilst the funding strategy applicable to individual employers is reflected in the FSS, its focus at all times are on those actions that are in the best long-term interests of the Fund. Consequently, the FSS is a single all-employer strategy for the Administering Authority to implement and maintain, with approaches for different employer category and admission body fund contained within.

3 PURPOSE OF THE FUNDING STRATEGY STATEMENT

3.1 The FSS focuses on how employer liabilities are measured, the pace at which these liabilities are funded, together with how employers pay contributions to ensure their own liabilities are fully funded. The purpose of this FSS is:

FUNDING STRATEGY STATEMENT 2021

3.4 This statement and appendices set out how the Administering Authority balances the potential conflicting areas of stability and affordability of contributions, transparency of process and prudence of funding. The Fund policies on funding in respect of the following are contained within:

- interim review;
- new employer admissions to the Fund;
- employers leaving the Fund (on cessation at termination);
- bulk transfers; and
- management of funding surplus.

Consultation Process

3.5 LGPS regulations require the Administering Authority to consult with such persons it considers appropriate in the maintenance and review of the FSS. CIPFA provides further guidance that this must include meaningful dialogue at officer and elected member level, with council tax raising authorities and with corresponding representatives of participating employers.

In determining the funding and contribution strategy contained within the FSS, the Administering Authority has had regard to:

- the responses made to the FSS consultation with employers, representatives and other interested parties;
- relevant guidance issued by the CIPFA Pensions Panel;
- the need to balance a desire to attain the funding target as soon as possible against the short-term cash constraints of participating employers; and
- the Administering Authority's views on the relative strength of the participating employers' covenants, supported by independent advisers as required.

As part of the 2019 valuation, the Fund undertook a number of employer briefing sessions (five in July 2019 and ten in November 2019) and outlined funding strategy at its 2019 AGM. Both covered key changes to the FSS from the prior version dated April 2019. A copy of the FSS was issued to each employer, the Fund's Pensions Committee (elected members), Local Pensions Board (including member and employer representatives), actuary, investment and risk advisers and other interested parties including the Fund employer peer group in January 2020. The Fund also hosted one-to-one consultation meetings with

employers, on request. More recently, as part of the consultation on changes introduced aligned to employer flexibilities within the LGPS Regulations, the Fund's Pensions Committee, Local Pensions Board and Employer Peer Group were engaged, preceding circulation of the amended FSS to all participating employers.

Where an employer has a guarantee from a statutory body participating in the Fund, or from another organisation approved for that purpose by the Administering Authority, the Administering Authority will recognise the requirement for the guarantor to be kept informed of the funding position of the relevant employer, and share funding information with the guarantor on request, unless the employer indicates otherwise in writing to the Fund.

4 RESPONSIBILITIES OF THE KEY PARTIES

4.1 Sound and effective management of funding strategies relies on key parties exercising their statutory responsibilities.

4.2 The Administering Authority is required to:

- operate the Fund in line with scheme regulations;
- collect employer and employee contributions, investment income and other amounts due to the Fund as stipulated in scheme regulations;
- pay from the Fund the relevant entitlements as stipulated in the scheme regulations;
- invest the Fund's assets in accordance with the Fund's ISS and the scheme regulations;
- ensure that cash is available to meet liabilities as and when they fall due;
- take measures as set out in the regulations to safeguard the Fund against the consequences of employer default;
- manage the valuation process in conjunction with the Fund's actuary;
- prepare and maintain an FSS and an ISS, both after proper consultation with interested parties;
- to include policies to manage and mitigate employer risk within the FSS in line with MHCLG guidance.
- monitor all aspects of the Fund's performance and funding and amend the FSS/ISS accordingly; and
- Effectively manage any potential conflicts of interest.

FUNDING STRATEGY STATEMENT 2021

4.3 The individual employer is required to:

- calculate and deduct contributions from employees' pay correctly;
- pay all ongoing contributions to the Administering Authority, including employer contributions determined by the Fund actuary and set out in the rates and adjustments certificate, promptly by the due date;
- develop a policy on certain discretions and exercise those discretions as permitted within the regulatory framework;
- make additional contributions in accordance with agreed arrangements in respect of, for example, augmentation of Fund benefits and early retirement strain;
- notify the Administering Authority promptly of any new scheme members and any other changes to membership which may affect future funding requirements; and pay any exit payments on ceasing participation in the Fund;
- comply with all aspects of the Pensions Administration Strategy, within the context of the FSS, relating to funding or payment of contributions, for example (but not limited to):
 - provision of supporting documentation and breakdowns with payment of contributions;
 - maintain optimum data quality to include timely and accurate notification to enable accurate calculations; and
 - notify the Fund in advance of any employer initiatives (e.g. mergers, restructures), policy decisions or practices which could impact on LGPS member benefits.

4.4 Active scheme members are required to make contributions into the Fund as set by MHCLG.

4.5 The Fund actuary should:

- prepare valuations including the setting of employers' contribution rates at a level to ensure Fund solvency and long-term cost efficiency having regard to the administering authority FSS and the LGPS regulations;
- prepare advice and calculations in connection with bulk transfers and the funding aspects of individual benefit-related matters such as pension strain costs, ill-health retirement costs, compensatory costs, etc.

- provide advice and valuations on the exiting of employers from the Fund;
- provide advice and valuations relating to new employers, including recommending the level of bonds or other forms of security against the financial effect on the Fund of employer default;
- assist the Administering Authority in assessing whether employer contributions need to be revised between valuations as permitted or required by the regulations;
- ensure that the Administering Authority is aware of any professional guidance or other professional requirements which may be of relevance to his or her role in advising the Fund; and
- advise on other actuarial matters affecting the financial position of the Fund.

4.6 Fund officers undertake to:

- monitor, review and manage performance against the Fund's integrated risk management (IRM) framework, to include funding, covenant and investment developments; and
- provide regular reporting, as required (but at least on an annual basis) to Pensions Committee and the Local Pensions Board to enable their review of the effectiveness of strategies involved, including specific development arising from the IRM.

5 general funding and solvency considerations

5.1 The Fund must be able to meet all benefit payments as and when they fall due. These payments will be met by contributions (resulting from the funding strategy) or asset returns (resulting from the investment strategy). To the extent that investment returns may be lower than expected, then higher contributions may be required from employers, and vice versa. Hence, the funding and investment strategy are inextricably linked.

5.2 The cost of benefits payable from the scheme in the future depends on a number of factors which are unknown in advance. Funding policy determines the pace at which contributions are collected from employers to ensure the Fund has sufficient money to pay future pensions promised to members. In consideration of the pace of funding, a further review may be required in between statutory actuarial valuations if an employer is exiting the fund or on a journey towards exit, or if there is a material change impacting employer liabilities and/or their ability to pay the contributions due.

FUNDING STRATEGY STATEMENT 2021

- 5.3 LGPS regulations require each Administering Authority to achieve Fund solvency and long-term cost efficiency by means of employer contribution rates established by triennial valuation. LGPS administering authorities prudentially seek to achieve an appropriate balance between the income stream from contributions and investments and maintaining the ability to pay pension benefits as and when they fall due over the life of the Fund.
- 5.4 Securing solvency and long-term cost efficiency is a regulatory requirement and maintaining a constant as possible a primary contribution rate is a desirable outcome. Over time and given stable market conditions, administering authorities are expected to reduce deficit recovery periods.

Solvency

- 5.5 The notes to the Public Service Pensions Act 2013 state that solvency means that the rate of employer contributions should be set at "such a level as to ensure that the scheme's liabilities can be met as they arise".

It is not regarded that this means that the pension fund should be 100% funded at all times. Rather, and for the purposes of Section 13 of the Public Service Pensions Act 2013, the rate of employer contributions shall be deemed to have been set at an appropriate level to ensure solvency if the rates of employer contributions are set to target a funding level (assets divided by liabilities) for the whole fund of 100% over appropriate time periods and using appropriate actuarial assumptions.

If the conditions above are met, then it is expected that the Fund will be able to pay scheme benefits as they fall due.

The Fund's actuary is required to report on the solvency of the Funds and recommend future employer contribution rates every three years. In assessing the solvency and employer contribution rates, the actuary must make a number of financial and demographic assumptions. Both the assessment of solvency and the employer contribution rates can be very sensitive to these assumptions.

The regulations specify the principles which must be used in the funding strategies. However, it is the responsibility of the Administering Authority, acting on the advice of the Fund's actuary, to determine the precise approach and the financial and demographic assumptions to be used in the actuarial valuation.

A significant factor in ensuring solvency of the Fund is the payment of contributions by employers, recovery of funding deficits and employer covenant to be able to continue to make payments required by the Fund.

The Fund carries out regular employer covenant reviews based on a range of key financial and non-financial information to monitor financial strength and ability to pay contributions. This is informed by details of funding sources and annual financial strength. In addition, membership numbers are regularly reviewed to monitor membership maturity. The results of the covenant review are used to categorise employers on risk level, with details being provided to the Fund's actuary to inform the actuarial valuation.

As required under Section 13(4)(c) of the Public Service Pensions Act, the Department for Levelling Up, Housing and Communities (DLUHC) has appointed GAD to report on whether the rate of employer contributions to the Fund is set at an appropriate level to ensure the solvency of the Fund and the long-term cost efficiency of the Local Government Pension Scheme, so far as relating to the Fund. Such reports must be made following each triennial valuation of the Fund.

Long-Term Cost Efficiency

- 5.6 The notes to the Public Service Pensions Act 2013 state "Long-term cost-efficiency implies that the rate must not be set at a level that gives rise to additional costs. For example, deferring costs to the future would be likely to result in those costs being greater overall than if they were provided for at the time".

The rate of employer contributions shall be deemed to have been set at an appropriate level to ensure long-term cost efficiency if the rate of employer contributions is sufficient to make provision for the cost of current benefit accrual, with an appropriate adjustment to that rate for any surplus or deficit in the Fund.

In assessing whether the above condition is met, the review under Section 13(4)(c) may have regard to the following considerations:

- the implied average deficit recovery period
- the investment return required to achieve full funding over different periods, e.g. the recovery period
- if there is no deficit, the extent to which contributions payable are likely to lead to a deficit arising in the future

FUNDING STRATEGY STATEMENT 2021

- the extent to which the required investment return is less than the administering authority's view of the expected future return being targeted by a fund's investment strategy, taking into account changes in maturity/strategy as appropriate.

Target Funding and Contributions Policy

5.7 The LGPS regulations require the long-term funding objectives to achieve and maintain assets sufficient to cover 100% of the projected accrued liabilities. The level of assets necessary to meet this 100% funding objective is known as the funding target. The role of the actuary in performing the necessary calculations and advising on assumptions used, is an important feature in determining the funding requirements.

5.8 The Fund recognises the different characteristics of the variety of participating employer organisations, and will set funding strategy (including funding target and deficit recovery contributions) appropriately having regard to factors such as:

- strength of covenant, and security of future income streams;
- support or guarantee arrangements from scheme employers; and
- prospective period of participation in the Fund, and specifically the implications if the employer has closed membership of the Fund to new employees.

5.9 The approach to the actuarial valuation process and key assumptions used at each triennial valuation are consulted upon and the associated employer contribution outcomes form part of the consultation undertaken with the FSS.

5.10 In developing the target funding level and associated contribution requirements, the Administering Authority has had regard to the subsequent GAD review under Section 13(4)(c) and oversight of the Scheme Advisory Board in England and Wales.

5.11 The principal method and assumptions to be used in the calculation of the funding target and employer contributions are set out in Appendix 1, which also includes further detail on employer categorisation and the integration of the Main Fund funding strategy with the employer covenant monitoring framework. For employers within the separate Admission Body Funds, these are set out in Appendices 2 and 3.

5.12 Underlying the method and assumptions there are two tenets:

- that the scheme is expected to continue for the foreseeable future; and
- favourable investment returns can play a valuable role in achieving adequate funding over the longer term.

This allows the Fund to take a longer term view when assessing the contribution requirements for certain employers.

5.13 As part of each valuation, separate employer contribution rates are assessed by the actuary for each participating employer. These rates are assessed taking into account the experience and circumstances of each employer, following, in general, a principle of no cross-subsidy between the various employers in the Fund except where there are explicit exceptions set out and rationale for pooling funding and risks.

5.14 The extent to which the financial health and capacity of employers impacts on their ability to withstand funding risk and increase contributions in the future is taken into account in setting the funding target as is the nature and expected future participation of non-local authority employers in the Fund.

5.15 The period over which an employer's past service deficit is to be recovered (or surplus released) will be dependent on a number of factors, including the type and nature of the employer, any supporting guarantee or other forms of security, such as a charge on assets, where these can be provided.

5.16 The Fund does not believe it appropriate for the total level of contributions by an employer to the Fund to reduce where substantial deficits remain unless there is a compelling reason to do so.

5.17 Phasing of contribution increases may be considered at the discretion of the Administering Authority where an employer has evidenced affordability limits.

5.18 Any employing body with a surplus of assets over liabilities, sufficient covenant strength, and a local or central government guarantee (to include a defined link back to a local or central government body, such as wholly-owned or arms-length management organisations) may have a reduction in contributions to reflect an emerging and sustained surplus. Organisations without sufficient covenant strength i.e. category 3 employers or without a local or central government guarantee will not see a reduction in contributions unless a surplus exists on a minimum risk basis.

FUNDING STRATEGY STATEMENT 2021

- 5.19 Employers are required to meet all costs of early retirement strain (non ill-health) by immediate capital payment to the Fund.

In all cases, the Administering Authority reserves the right to apply a different approach as its sole discretion, taking into account the risk associated with an employer in proportion to the Fund as a whole.

Where the Administering Authority does agree to an alternative contribution plan for a particular employer, this will represent an employer-specific funding plan, and will be documented separately, together with any conditions surrounding this agreement.

On the cessation of an employer's participation in the Fund, the actuary will be asked to make a termination assessment unless the ceasing employer is a pass-through employer. Any deficit in the Fund in respect of the employer will be due to the Fund as a termination contribution, unless it is agreed by the Administering Authority and the other parties involved that the assets and liabilities relating to the employer will transfer within the Fund to another participating employer. Details of the approach to be adopted for such an assessment on termination are set out in the Termination Policy.

Links to Investment Policy Set Out in the Investment Strategy Statement (ISS)

- 5.20 The key financial assumption in calculating the solvency and contribution rates is the rate of return which will be achieved on the Funds' investments.

The Fund's investment strategy has been considered and reviewed in conjunction with the 2019 valuation and the FSS. In particular, the future return expectations of the main asset classes in which the Fund invests have been considered in determining the prudent allowance for future investment returns and extent of reliance on these by employers is outlined in this FSS.

The discount rate(s) adopted in the actuarial valuation is derived by considering the expected rate of investment return which is anticipated to be achieved by the underlying investment strategy.

Future employer contributions levels will be determined, in part, by the extent to which investment returns are delivered in line with the assumptions set in the funding strategy.

As part of the investment strategy review, the future benefit cashflows are considered together with expected contribution income to access the broad mix of assets required to deliver the return required to meet benefit costs whilst balancing risk which could lead to

greater future contribution volatility.

The strategic asset allocation and investment risk strategy are documented in the Fund's ISS.

- 5.21 **The Fund's policy for the review of contributions in between actuarial valuations is set out in addendum 3 of this document.**

Key Changes Since 2016

- 5.22 The following key policy changes have been made since the 2016 actuarial valuation, in light of evolving regulation and ongoing dialogue with stakeholders.

2020 FSS

- Pooling arrangements for all individual academies within a multi-academy trust (MAT) such that a single primary contribution rate is paid by the MAT.
- Exit credits (from April 2019) – clarification of funding assessment for individual employees upon exit from the Fund. Changes reflected in the Termination Policy (incorporated within Addendum 2) in more detail.
- Ill-health strain cost insurance – at the 2016 actuarial valuation the Fund implemented insurance via a third-party provider for employers on a voluntary basis to insure against the employer strain costs which can arise from a member receiving ill-health early retirement benefits. For the 2019 actuarial valuation, effective from 1 April 2020, the Fund has implemented a captive insurance arrangement, with an "ill-health reserve" retained within the Fund to cover such strain costs. This arrangement involves all participating employers with active members of 1,000 or less.
- Allowances for the potential impact of remedy applicable to benefits payable from the LGPS as a result of the McCloud ruling.
- Inclusion of the potential to review contributions in between statutory actuarial valuations in line with enabling "Employer Flexibilities" introduced to the LGPS Regulations (2013) with effect from 23 September 2020.

2021 FSS

- Mechanism to consider the establishment of individual employer arrangements to assist with the spreading of exit debt payments due to the Fund (Debt Spreading Arrangement (DSA) and Deferred Debt Arrangement (DDA)) in line with the revision to LGPS Regulations effective 23 September 2020.

FUNDING STRATEGY STATEMENT 2021

6 IDENTIFICATION AND MANAGEMENT OF RISKS

6.1 Evaluating risks that may impact on the funding strategy and expectations of future solvency is crucial to determining the appropriate measures to mitigate

those risks. The FSS identifies key risks specific to the Fund and the management or controls made to mitigate those risks.

Risk	Management / Control
<p>Investment risk – Assets do not deliver the return required to meet the cost of benefits payable from the Fund; potential drivers</p> <ul style="list-style-type: none"> • Inappropriate asset allocation and risk • Investment market failure • Manager underperformance 	<ul style="list-style-type: none"> • Investment strategy considered in context of Fund liabilities and return requirement set within the funding strategy statement • Asset liability modelling and stress testing to set strategic benchmarks within Investment Strategy Statement (ISS), with annual review • Regular monitoring of strategy asset allocation and returns relative to benchmark • Regular monitoring of manager performance
<p>Increasing maturity and benefit cashflow requirement; potential drivers</p> <ul style="list-style-type: none"> • Falling contribution income and increasing total benefit payments as more members start to draw their benefits • Declining active membership due to change in local authority service delivery models • Increasing reliance on income-generating assets 	<ul style="list-style-type: none"> • Investment strategy review develop based on future benefit cashflow projection • Modelling of investment strategy and future asset income streams • Regular monitoring of membership movements and liability profile
<p>Increasing future benefit costs; potential drivers</p> <ul style="list-style-type: none"> • Rising levels of future inflation • Increasing life expectancy beyond the level expected for Fund members 	<ul style="list-style-type: none"> • Regular monitoring of funding level • Review of scheme membership experience vs expectations as part of each triennial actuarial valuation, with fund-specific review of mortality experience • Ongoing review and cleanse of member data records to enable accurate and up to date assessment at each triennial valuation
<p>Employer covenant – Employers are unable to meet the cost of pension obligations and contributions to the Fund; potential drivers</p> <ul style="list-style-type: none"> • Competing pressure and/or reduction in employer's own funding and available financial resources • Service outsourcing or restructuring shifting responsibility for pension obligations, some of which may be delayed in notification to the Fund • Increasing scheme costs 	<ul style="list-style-type: none"> • Regular monitoring of employer financial capacity through employer risk management framework • Notification requirements with the Fund Pensions Administration Strategy and monitoring through the annual employer "health check" • Employer covenant assessment and categorisation to inform funding strategy and the actuarial valuation • Review of guarantee arrangements and exit at each triennial valuation • Up to date admission and termination policies, linked to funding strategy • Review and use of liability pooling arrangements where these may support greater stability in employer contributions • Contingent security arrangements to support cash contributions to the Fund

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Risk	Management / Control
<p>Changing employer structure within the LGPS – impacting employer covenant and guarantor backing for groups of employers within the scheme; potential drivers</p> <ul style="list-style-type: none"> • Further increase in academisation and/or change in DfE guarantee to the LGPS • Further outsourcing of services to employers with no local government backing • Uncertainty and change in ability of LGPS funds to recover funding shortfalls in the event of insolvency 	<ul style="list-style-type: none"> • Ongoing monitoring of employer movement and change in status within the scheme • Participation in scheme-wide consultation and review on sectors within the LGPS (academy and tier 3 employers) • Monitoring of regulatory change which may impact the priority of payments to the LGPS, including regular engagement with employers
<p>Changing scheme regulations and guidance – impacting scheme benefits, funding strategy, actuarial valuations, investment strategy; potential drivers include</p> <ul style="list-style-type: none"> • Changes to scheme benefits from the LGPS cost management process • Changes to the approach for setting actuarial factors (for example on early retirement) 	<ul style="list-style-type: none"> • Ongoing horizon scanning and consideration on the Fund risk register • Review and response to consultations on changes to the LGPS regulations and guidance which may impact scheme funding • Participation in national review and consideration of emerging issues within the LGPS
<p>Changing scheme regulations and guidance – impacting scheme benefits, funding strategy, actuarial valuations, investment strategy; potential drivers include</p> <ul style="list-style-type: none"> • Changes to scheme benefits from the LGPS cost management process • Changes to the approach for setting actuarial factors (for example on early retirement) • Remedy of benefits paid as a result of emerging cases such as McCloud • GMP reconciliation and equalisation approach for the LGPS • Changing regulations and guidance for administering authorities within the LGPS • Building in an allowance in the funding valuation results 	<ul style="list-style-type: none"> • Ongoing horizon scanning and consideration on the Fund risk register • Review and response to consultations on changes to the LGPS regulations and guidance which may impact scheme funding • Participation in national review and consideration of emerging issues within the LGPS

6.2 At the time of preparing the FSS applicable for the 2019 actuarial valuation, specific regulatory risks of particular interest to the LGPS are in relation to the McCloud/Sargeant judgements, the timing of future funding valuations consultation and GMP equalisation. These are outlined in the sections below.

- McCloud/Sargeant judgements

These judgements surrounds transitional protection arrangements in the Judicial and Firefighters schemes deemed age discriminatory.

A remedy is still to be either imposed by the Employment Tribunal or negotiated and applied to all public service schemes, so it is not yet clear how this judgement may affect LGPS members' past or future service benefits.

At the time of drafting this FSS, it is not yet known what the effect on the current and future LGPS benefits will be, nor the timing of such remedial action.

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- Local Government Pension Scheme changes to the local valuation cycle and management of employer risk, including:
 - amendments to the local fund valuations from the current three-year (triennial) to a four-year (quadrennial) cycle;
 - proposals for flexibility on exit payments;
 - proposals for further policy changes to exit credits; and
 - proposals for changes to the employers required to offer LGPS membership.

- GMP Equalisation

Lloyd's Banking Group Pensions Trustees Ltd vs Lloyds Bank Plc & Ors judgement on how their Guaranteed Minimum Pensions (GMPs) should be equalised.

6.3 As outlined in the Fund's employer risk management framework, a risk assessment of the sustainability of all employers has been undertaken seeking to establish the risk of an employer failing to meet their pension liabilities. This has been used to determine an appropriate pace of funding. In determining the actual recovery period to apply for any particular employer or employer grouping, the Administering Authority may take into account some or all of the following factors:

- the size of the funding shortfall;
- the business plans of the employer;
- the assessment of the financial covenant of the employer; and the security of future income streams
- any contingent security available to the Fund or offered by the employer such as guarantor or bond arrangements, charge over assets, etc; and
- length of expected period of participation in the Fund.

A number of organisations have significant financial challenges due to falling revenues and/or income streams. The Fund will work with these bodies to ensure all interests are considered and an acceptable funding strategy for the pension liabilities is achieved that does not put the Fund's position at an increased risk. In respect of bodies that have fixed-term funding, the aim is that a fully funded position should be achieved with a high degree of certainty by the end of the funding period.

6.4 Insurance of Certain Benefits

The Fund has explored arrangements to help mitigate employer financial implications of unexpected additional ill-health costs, with the primary advantage being the protection of employers with weaker covenants or smaller workforce against the significant strain costs that can arise following an ill-health early retirement. During the 2019/20 consultation, the Fund considered options for risk mitigation and potential to support employer contribution stability across the Fund as a whole. As a result, effective from 1 April 2020, the Fund has implemented a captive self-insurance mechanism achieved through a reserve based on the existing implicit assumption for ill-health liability exposure adopted by the Fund actuary. This captive arrangement is subject to review at subsequent actuarial valuations (unless in the instances where an employer exits the Fund, to include a debt spreading arrangement (DSA) or a deferred debt arrangement (DDA) and has been part of the captive, in which case an automatic review will be carried out) and operates as follows:

- The captive ill-health arrangement applies to all employers (both existing and new) with less than 1,000 active members as at the valuation date.
- A defined percentage of contributions or "premiums" are paid by the eligible employers into the captive arrangement which is tracked separately by the Fund actuary in the valuation calculations.
- These premiums are included in the employer's primary rate. The premium for 2020/21 to 2022/23 is less than 1% p.a. and is already included within employer contribution rates.
- The captive arrangement is then used to meet strain costs (over and above the premium paid) emerging from Tier 1 & 2 ill-health retirements in respect of active members - i.e. so there is no initial impact on the deficit position for employers within the captive.
- In the instances where a Tier 3 ill-health retirement is revised to Tiers 1 or 2 following a subsequent review, the associated strain costs will then be covered by the captive arrangement.

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- The premiums are set with the expectation that they will be sufficient to cover the costs in the three years following the valuation date. If any excess premiums over costs are built up in the captive, these will be used to offset future adverse experience and/or lower premiums at the discretion of the Administering Authority based on the advice of the actuary and analysis of experience.
- In the event of poor experience over a valuation period any shortfall in the captive fund is effectively underwritten by the other employers within the arrangement.

However, the future premiums will be adjusted to recover any shortfall over a reasonable period with a view to keeping premiums as stable as possible for employers. Over time the captive arrangement is therefore intended to be self-funding and smooth out fluctuations in the contribution requirements for those employers in the captive arrangement.

- Premiums payable are subject to review at each valuation depending on experience and the expected ill-health trends. They will also be adjusted for any changes in the LGPS benefits. They will be included in employer rates at each valuation or on commencement of participation for new employers.

The Fund reserves the right to preclude the use of the ill-health captive self-insurance reserve where there is evidence to suggest a higher than anticipated experience for an individual employer. The Fund also reserves the right to enforce Regulation 36(3) of the Regulations as appropriate.

- 6.5 The Fund has implemented and maintains an internal control framework with regular risk monitoring. This includes advice from appointed advisors and quarterly reporting to Pensions Committee for review.

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APPENDIX 1: MAIN FUND – METHOD AND ASSUMPTIONS AS AT 31 MARCH 2019

Actuarial Methodology

The actuarial method to be used in the calculation of the funding target is the 'projected unit' method, under which the salary increases assumed for each member are projected until that member is assumed to leave active service by death, retirement or withdrawal from service.

This method implicitly allows for new entrants to the Fund on the basis that the overall age profile of the active membership will remain stable. Assets are taken into account at their market value. As a result, for those employers which are closed to new entrants, an alternative method is adopted (the 'attained age' method), which makes advance allowance for the anticipated future ageing and decline of the current closed membership group in order to maintain a stable rate of contributions.

Employer Asset Share

The Fund is a multi-employer pension fund that is not formally unitised and so individual employer asset shares are calculated at each actuarial valuation. This means it is necessary to make some approximations in the timing of cashflows and allocation of investment returns when deriving the employer asset share.

In attributing the overall investment performance obtained on the assets of the Fund to each employer a pro-rata principle is

adopted. This approach is effectively one of applying a notional individual employer investment strategy identical to that adopted for the Fund as a whole unless agreed otherwise between the employer and the Fund at the sole discretion of the Administering Authority.

At each review, cashflows into and out of the Fund relating to each employer, any movement of members between employers within the Fund, along with investment return earned on the asset share, are allowed for when calculating asset shares at each valuation.

Other adjustments are also made on account of the funding positions of orphan bodies which fail to be met by all other active employers in the Fund.

Pooling of Employers for Funding Purposes

The policy of the Fund is that each individual employer should be responsible for the costs of providing pensions for its own employees who participate in the Fund. Accordingly, contribution rates are typically set for individual employers reflecting their own liabilities and particular circumstances.

However, from 2019 certain groups of individual employers are pooled for the purposes of determining contribution rates to recognise common ownership and organisational structures, and to assist in managing employer exposure to individual member liability risks.

The funding pools adopted for the Fund at the 2019 valuation are summarised in the table below:

Pool	Type of pooling	Notes
Individual academies within a multi-academy trust	Primary rate contributions	Individual secondary contributions aggregated where possible
All participating employers with less than 1,000 active members	Ill-health risk only	Pooling of ill-health risk/experience via captive insurance reserve

The main purpose of pooling is to produce more stable employer contribution levels, and assist employer budgeting. The pooling arrangement will continue to be kept under review at each triennial valuation.

McCloud Provisions

The Local Government Pension Scheme (England and Wales) (LGPS) introduced a new CARE benefit structure with effect from 1 April 2014 ('the 2014 scheme'). For members who were 10 years or less from normal retirement age on 1 April 2012 (ie aged 55 or above), an underpin was provided based on the existing final salary scheme ('the 2008 scheme'). In December 2018, the Court of Appeal found that similar

transitional provisions in the pension schemes for firefighters and the judiciary resulted in unlawful age discrimination. The Government have confirmed that there will need to be a remedy applied to the Local Government Pension Scheme. The actuary has estimated that the cost of remedy for the West Midlands Pension Fund could be in the region of 1.5% of total liabilities. Whilst remedy for the LGPS is yet to be agreed and the impact on individual member benefits and employer costs are unknown at this stage, allowance has been made in considering funding levels and contribution requirements following the 2019 valuation by way of a past service asset reserve of 1.5%.

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Financial Assumptions

- **Investment Return (Discount Rate)**

One of the key valuation assumptions is the discount rate. The actuary estimates the future benefit cashflows which will be made to and from the Fund in the future. These cashflows are then discounted to a present day value using the discount rate. This value is essentially the estimated amount of money which, if invested now would be sufficient together with the income and growth in the accumulating assets to make these payments in future, using a prudent assumption about future investment returns.

The discount rate assumption of 4.6% pa has been derived using the Fund's current investment strategy assuming investment returns, adjusted to allow for expenses and prudence. Underlying investment return assumptions are based on asset class characteristics and devised based on market yields smoothed six months straddling the valuation date.

It may be appropriate for an alternative discount rate approach to be taken to reflect an individual employer's situation. This may be, for example, to reflect an employer targeting a cessation event or to reflect the Administering Authority's views on the level of risk that an employer poses to the Fund. The Administering Authority will incorporate any such adjustments after consultation with the employer and Fund actuary.

A lower discount rate assumption of 2.6% pa has been used to value orphan liabilities (those no longer linked to an active employer) which are backed by a lower risk investment sub fund.

- **Volatility Reserve**

A past service volatility reserve is included for those employers in category 2 or 3 (see Employer Categorisation below). This limits reliance on future investment return and represents an addition to the funding target (5% or 10% of liabilities) for those employers who are typically either less able to withstand funding risk; are not directly government-backed; or are on a path to exiting the Fund. In practice, this increases the pace of funding and may in future act as a cushion against future periods of lower than expected investment returns.

- **Inflation (Consumer Prices Index - CPI)**

The starting point used for future inflation is the expected future level of price inflation over a period commensurate with the duration of the liabilities, as

measured by the Retail Price Index (RPI). This is derived using the 20-year point on the Bank of England implied Retail Price Index (RPI) inflation curve, with consideration of the market conditions over the six months straddling the valuation date. The 20-year point on the curve is taken as 20 years is consistent with the average duration of an LGPS Fund.

Scheme pension increases are linked to changes in the level of the Consumer Price Index (CPI) rather than RPI. Inflation as measured by the CPI has historically been less than RPI due mainly to different calculation methods, and as such a deduction is made to the RPI assumption due to the different ways that the indices are calculated which the Fund actuary has estimated to be 1.0% pa. This results in a CPI inflation assumption of 2.6% pa.

- **Salary Increases**

The assumption for long-term real salary increases (salary increases in excess of price inflation) makes an allowance of 1.0% pa over the CPI inflation assumption described above. This is assumed to capture both the impact of general and promotional increases and will be kept under review or each valuation based on Fund-wide experience.

- **Pension Increases**

Increases to pensions are assumed to be in line with the CPI inflation assumption described above.

Demographic Assumptions

- **Mortality/Life Expectancy**

The mortality in retirement assumptions are based on the most up-to-date information in relation to self-administered pension schemes published by the Continuous Mortality Investigation (CMI), making allowance for future improvements in longevity. The mortality tables used are adjusted to reflect the Fund specific experience analysis undertaken to inform current life expectancy. For all members, it is assumed that the accelerated trend in longevity seen in recent years will continue in the longer term and as such, the assumptions build in a minimum level of longevity 'improvement' year on year in the future in line with the CMI projections subject to a minimum rate of improvement of 1.5% pa.

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Commutation

It has been assumed that, on average, members will take 50% of the additional tax-free cash available to them, as well as their accrued lump-sum entitlement. The option which members have to commute part of their pension at retirement in return for a lump-sum is a rate of £12 cash for each £1 pa of pension given up.

Other Demographics

Following an analysis of Fund experience carried out by the Fund actuary and national LGPS carried out by GAD, the allowances for withdrawals and early retirements have been updated to the latest tables published by GAD. The proportions married/civil partnership assumption has remained the same since the previous valuation. No allowance will be made for the future take-up of the 50:50 option. Where any member has actually opted for the 50:50 scheme, this will be allowed for in the assessment of the rate for the next three years.

Expenses

Expenses are met out the Fund, in accordance with the regulations. For the 2019 valuation, administration expenses and investment expenses have been allowed for implicitly in determining the discount rates.

Discretionary Benefits

The costs of any discretion exercised by an employer in order to enhance benefits for a member through the Fund will be subject to additional contributions from the employer as required by the regulations as and when the event occurs. As a result, no allowance for such discretionary benefits has been made in the valuation.

A summary of the headline financial and demographic assumptions adopted at 2019 and in 2016 is included below. Further details may be found in the Fund Actuary's Valuation Report published on the Fund's website.

Comparison of Key Financial Assumptions – 2019 and 2016 Actuarial Valuations

Assumption	2019	2016
Discount rate (for non-orphan liabilities)	4.6% per annum	4.7% per annum
Discount rate (for orphan liabilities)	2.6% per annum	3.3% per annum
Volatility reserve	5.0%/10.0% loading on past service liability for 'Category 2' or 'Category 3' employers	5.0%/10.0% loading on past service liability for 'Category 2' or 'Category 3' employers
Inflation/pension increases (CPI)	2.6% pa	2.4% pa
Salary increases		
- Short term	n/a	1.0% pa for three years
- Long term	3.6% pa (CPI plus 1.0% pa)	3.9% pa (CPI plus 1.5% pa)
- Salary increments	n/a	Age-related allowance
Past service asset reserve (potential McCloud remedy)	1.5% of assets	n/a

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Mortality

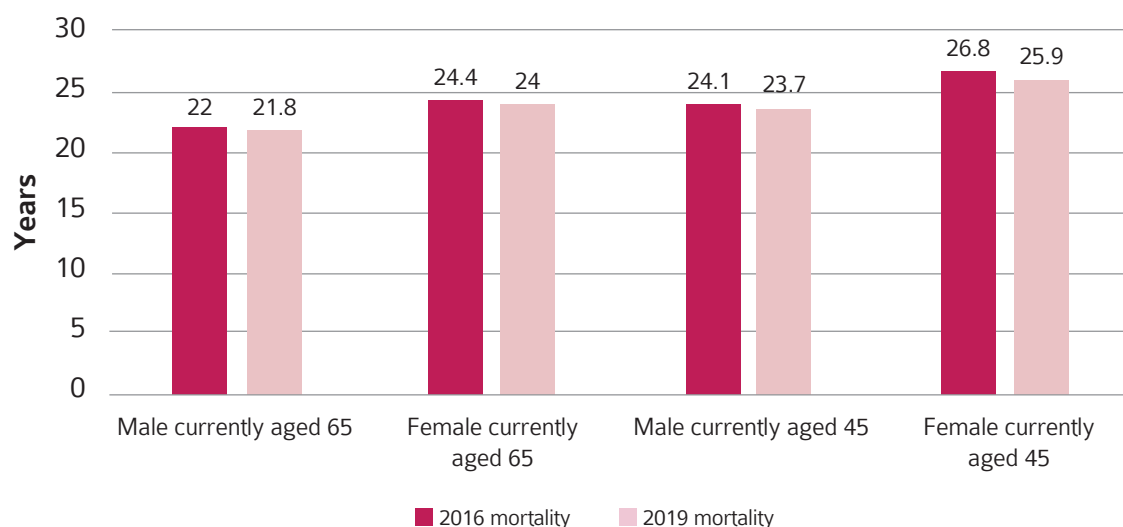
Assumptions

	2019	2016																								
Pre-retirement mortality - base table	GAD 2016 tables with a rating of 115% for males and 125% for females.	GAD 2013 tables with a rating of 120% for males and 135% for females.																								
Post-retirement mortality - base table	CMI self-administered pension schemes (SAPS) tables with scheme-specific adjustments as appropriate following analysis by Barnett Waddingham's longevity table.																									
	<table> <tr> <th>Type</th><th>Base table</th><th>Adjustments (M/F)</th></tr> <tr> <td>Normal health</td><td>S3PA Heavy</td><td>85%/95%</td></tr> <tr> <td>Ill health</td><td>S3PA Heavy</td><td>85%/95%</td></tr> <tr> <td>Dependants</td><td>S3DMA/ S3DFA</td><td>110%/125%</td></tr> </table>	Type	Base table	Adjustments (M/F)	Normal health	S3PA Heavy	85%/95%	Ill health	S3PA Heavy	85%/95%	Dependants	S3DMA/ S3DFA	110%/125%	<table> <tr> <th>Type</th><th>Base table</th><th>Adjustments (M/F)</th></tr> <tr> <td>Normal health</td><td>S2PA</td><td>110%/105%</td></tr> <tr> <td>Ill health</td><td>S2PA</td><td>110%/105%</td></tr> <tr> <td>Dependants</td><td>S2PMA/ S2DFA</td><td>140%/110%</td></tr> </table>	Type	Base table	Adjustments (M/F)	Normal health	S2PA	110%/105%	Ill health	S2PA	110%/105%	Dependants	S2PMA/ S2DFA	140%/110%
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Ill health	S2PA	110%/105%																								
Dependants	S2PMA/ S2DFA	140%/110%																								
Allowances for improvements in life expectancy	2018 CMI model with a long-term rate of improvement of 1.5% p.a., a smoothing parameter of 7.5 and an initial addition to improvements of 0.5% p.a.	2015 CMI model with a long-term rate of improvement of 1.5% p.a.																								

The mortality assumptions above, and in particular the allowances for improvements in life expectancy, can be further illustrated by the chart below which is based upon a

refresh of the Fund's own mortality experience together with observed changes to improvement rates over the last few years.

Life Expectancy



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Other Demographic Assumptions

Partner age difference	Males are three years older than females
Proportion married	75% of males and 70% of females have an eligible dependant at retirement or early death
Allowance for withdrawals	GAD 2016 table
Allowance for cash commutation	Members will take an additional 50% of the remaining maximum tax-free cash available after members have taken the standard 3/80ths cash sum for pre-April 2008 service
Allowance for early retirements (non-ill-health)	Each member retires at their weighted average 'tranche retirement age', i.e. for each tranche of benefit, the earliest age they could retire with unreduced benefits
Allowance for 50:50 membership	We have assumed that existing members will continue to participate in their current section

Management of Funding Deficits and Surpluses

- i) Employer contributions will be expressed and certified as two separate elements:
 - the primary rate: a percentage of pensionable payroll in respect of the cost of the future accrual of benefits
 - the secondary rate: a schedule of annual lump-sum amounts, payable over the three years to 2022/23 increasing annually in line with the valuation funding assumption for long-term pay growth (unless otherwise noted), in respect of deficit recovery or surplus release.

Both elements are subject to review from April 2023 based on the results of the 2022 actuarial valuation.
- ii) In general, a maximum deficit recovery period of 17 years will apply, reduced from 22 years in 2013 and 20 years in 2016. Employers can elect a shorter period if they prefer and all contributions paid will be allocated to their individual asset share on future funding review. A shorter period may be applied in respect of particular employers where the Administering Authority considers this to be warranted (see Employer Categorisation below).
- iii) Where significant increases in employer contributions were required from April 2020, and an employer provided evidence to the Fund that these were not affordable, the increase from the contributions payable in the year 2019/20 may be implemented in steps, at the discretion of the Administering Authority and as agreed with individual employers prior to April 2020, noting that rates will need to be increased to cover the amount due to

the Fund to cover the cost of benefits accrual over the inter-valuation period to 2022/23

- iv) In the event of the funding level showing a material and sustained surplus, this should be spread over a period with due consideration of both prudence and the desirability of maintaining as nearly constant employer contribution rates as possible.

Organisations with sufficient covenant strength and suitable government guarantee may, as part of the 2019 actuarial valuation have surplus released over 30 years.

- v) Organisations without sufficient covenant strength i.e. category 3 employers or without a local or central government guarantee will not see a reduction in contributions unless a surplus exists on a minimum risk (cessation) basis.

Employer Categorisation

The Fund employer covenant monitoring framework (established and maintained since 2010), takes into account a number of financial, funding and structural factors needed to rate employer covenant and allocate each individual employer to a risk banding (RAG rated). More information can be found in the Fund's 'Employer Risk Management Framework' located on the Fund website.

For the purpose of the triennial actuarial valuation, the Fund covenant risk ratings are used, together with employer characteristics (type of body, membership profile, level of government backing or other security) to allocate employers within the Fund into three categories to assist in determining an appropriate funding strategy.

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Employers in different categories will have differential contribution plans determined by their funding target and pace of recovery of any deficit. Typically, those employers with weaker covenant would have a faster pace of recovery to mitigate overall funding risk and the impact of default on other employers.

Outlined below are the categories and what these mean in terms of deficit recovery period and funding strategy, in general:

Allocated Category ¹	Fund Covenant Risk Rating	General Features
Category 1	Green	Government-backed/guarantee for Government-backed organisation and over 100% funded
Category 2	Green/Amber	Guarantee/Strong balance sheet relative to pension liability
Category 3	Red/Critical (Black)	Exiting/Weak balance sheet relative to pension liability

- **Category 1**
 - Maximum recovery period of 17 years
- **Category 2**
 - Maximum recovery period of 12 years
 - Volatility reserve of 5% loading on past service liabilities
- **Category 3**
 - Maximum recovery period of 7 years
 - Volatility reserve of 10% loading on past service liabilities

Transferee Admission Bodies

For transferee admission bodies where admission to the LGPS is via a contract or other arrangement, the maximum recovery period will be aligned to the contract length, capped at the maximum recovery period for category of employer or the maximum recovery period of 17 years (whichever is lower), or as otherwise agreed with the ceding local authority.

For transferee admission bodies where closed to new entrants, the maximum recovery period will be aligned to the future working lifetime of its membership, if less than the contract length, capped at the maximum recovery period for category of employer or the maximum recovery period of 17 years (whichever is lower), or as otherwise agreed with the ceding local authority.

Community Admission Bodies

For community admission bodies, where closed to new entrants (or deemed to be so based on membership activity over previous six years), the maximum recovery period will

be aligned to the future working lifetime of its membership, capped at the maximum recovery period for category of employer or the maximum recovery period of 17 years (whichever is lower), or such other period agreed by the employer and approved by the Administering Authority.

Academies

Academies will be treated in accordance with the factors and legislation that lead to their creation. In July 2013, the Department for Education (DfE) provided a guarantee that in the event of the closure of an academy trust, any outstanding liabilities, where not met from the trust's assets on closure, would be met by the DfE in full. However, the DfE has the right to withdraw the guarantee at any time and grounds for withdrawing the guarantee include if the contingent liability levels set by the DfE are exceeded or if projected costs are no longer affordable from within the DfE's existing budget or are not approved by Treasury. The Treasury also reserves the right to re-assess the approval of the guarantee at a later date due to spending considerations or policy developments.

¹Note that within the preliminary results issued to employers the category's were labelled 'low', 'medium' and 'high', these correspond to category 1, 2 and 3 respectively in the table above.

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Therefore, to reflect the DfE guarantee, to include the potential for it to be withdrawn or amended, all academies will be considered to have the same covenant strength and placed in the employer category 2. However, so as to distinguish the unique nature of academies in terms of the Fund's employer base and reflecting the additional level of security the guarantee provides when compared to bodies with no guarantee, the Fund will adopt a 17-year recovery for all academies. This treatment is consistent with the recovery period applied to the local authorities from which the academies convert.

Further Education Colleges

- In 2019 a college insolvency regime came into effect for further education colleges (2017 Technical and Further Education Act). This regime means:
 - normal commercial insolvency law will apply to colleges. Where a college is in severe financial distress and there is no other solution, new statutory insolvency procedures can apply;

- the college itself or its creditors can ask the court to apply a normal commercial insolvency processes. These processes include a company voluntary arrangement, administration, creditor's voluntary winding up, court-directed winding up or receivership;
- in the case of an insolvency, the Department for Education ('DfE') can appoint an education administrator who will have wider duties. These duties will include the avoidance and minimisation of disruption to the studies or existing students as well as to secure the best outcome for learners; and
- statutory insolvency is considered a backstop. The DfE has indicated that it will use a non-statutory route in the first instance, including the commissioning of an Independent Business Review.

The Fund continues to monitor developments in this area as colleges enter into administration under this new regime and in particular the degree of risk for the Fund and its participating employers.

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APPENDIX 2: ADMISSION BODY SEPARATE FUND – WEST MIDLANDS TRAVEL LIMITED (WMTL)

a) Introduction

- As noted in section 1.8, following a process of public consultation undertaken by the Department for Levelling Up, Housing and Communities (DLUHC), Regulations were laid before parliament providing for the merger of the former West Midlands Integrated Transport Authority (WMITA) Fund into that of the main West Midlands Pension Fund. Those regulations came into force on 8 November 2019 and were backdated to 1 April 2020 confirming the merger.
- As a separate admission body fund, WMTL complies with all areas of this Funding Strategy Statement, save for the matters covered within this appendix.

b) Assessment of Contributions

- As part of each valuation, separate employer contribution rates are assessed by the actuary for WMTL. These rates are assessed taking into account the experience and circumstances of WMTL, following a

d) Key Assumptions

Discount rate (non buy-in pensioners)	3.2% per annum
Allowance for potential McCloud remedy (incorporated within discount rate above)	0.05% per annum
Discount rate (buy-in pensioners)	1.1% per annum
Discount rate (buy-in asset valuation)	1.1% per annum
Salary increases	2.7% per annum
Inflation/pension increases (CPI)	2.7% per annum (16-year duration)

e) Management of Funding Deficit

- Employer contributions will be expressed and certified as two separate elements:
 - the primary rate: a percentage of pensionable payroll in respect of the cost of the future accrual of benefits.
 - the secondary rate: a schedule of annual lump sum amounts, payable over the three years to 2022/23 increasing annually in line with the valuation funding assumption for long-term pay growth in respect of deficit recovery.

Both elements are subject to review from April 2023 based on the results of the 2022 actuarial valuation.
- A deficit recovery period was set for WMTL commensurate with the risk profile and current funding position of the employer.

principle of no cross-subsidy with any other Fund employer.

- In line with the status of being a separate admission body fund, WMTL has its own individual investment strategy and as such investment performance is directly attributable to the assets of the employer.
- Links to Investment Policy Set Out in the Investment Strategy Statement (ISS)
 - WMTL has its own Investment Strategy Statement (ISS).
 - The Fund uses an asset liability study and stochastic modelling in order to assist the process of formulating a strategic asset allocation. The outcomes are reflected in WMTL's ISS.
 - WMTL's investment strategy has been considered and reviewed in conjunction with the 2019 valuation and the FSS. In particular, the future return expectations of the main asset classes in which the Fund invests have been considered in determining the prudent allowance for future investment returns and extent of reliance on these by WMTL.

f) Employer Covenant

The Fund undertook a detailed assessment of WMTL to include a review of the UK bus market and the guarantee arrangements currently in place. The outcome of this assessment and the potential likelihood and scale of employer default was used in the context of the funding strategy review.

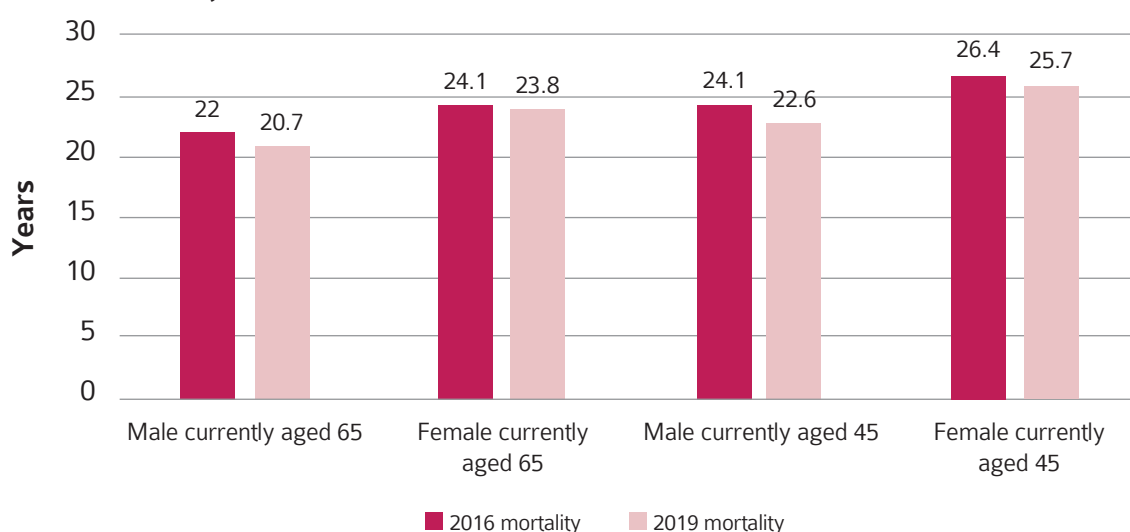
FUNDING STRATEGY STATEMENT 2021

Mortality Assumptions

Post-retirement mortality - base table	S3PA Heavy tables with a multiplier of 97% for all pensioner types
Allowances for improvements in life expectancy	2018 CMI model with a long-term rate of improvement of 1.5% p.a., a smoothing parameter of 7.5 and an initial addition to improvements of 0.5% p.a.

The mortality assumptions above, and in particular the allowances for improvements in life expectancy, can be further illustrated by the chart below which is based upon a refresh of the Fund's own mortality experience together with observed changes to improvement rates over the last few years.

Life Expectancy



FUNDING STRATEGY STATEMENT 2021

Other Demographic Assumptions

Partner age difference	Males are three years older than females
Proportion married	85% of members have an eligible dependant at retirement or early death
Promotional salary scale	Included implicitly within the financial salary increase assumption
Allowance for withdrawals	GAD 2016 table
Allowance for cash commutation	Members will take an additional 50% of the remaining maximum tax-free cash available after members have taken the standard 3/80ths cash sum for pre-April 2008 service
Allowance for early retirements (non-ill-health)	Each member retires at their weighted average 'tranche retirement age', plus three years for active members of WMTL and plus two years for deferred members of WMTL. The future service rate has been calculated using the retirement assumption above plus one year rather than three years for active members
Allowance for 50:50 membership	We have assumed that existing members will continue to participate in their current section

McCloud/Sargeant Ruling

At the time of drafting this FSS, it is still unclear how the McCloud/Sargeant judgements will affect current and future LGPS benefits. As part of the Fund's 2019 valuation, in order to mitigate the risk of member benefits being uplifted and becoming more expensive, the potential impact of McCloud

was covered by the prudence allowance included in the discount rate assumption. As the remedy is still to be agreed the cost cannot be calculated with any certainty; however, the Fund actuary expects it is likely to be less than the impact of reducing the discount rate assumption by 0.05%.

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Appendix 3: Admission Body Separate Fund – Preston Bus Limited (PBL)

a) Introduction

- As noted in section 1.8, following a process of public consultation undertaken by the Department for Levelling Up, Housing and Communities (DLUHC), Regulations were laid before parliament providing for the merger of the former West Midlands Integrated Transport Authority (WMITA) Fund into that of the main West Midlands Pension Fund. Those regulations came into force on 8 November 2019 and were backdated to 1 April 2020 confirming the merger.
- As a separate admission body fund, PBL complies with all areas of this Funding Strategy Statement, save for the matters covered within this appendix.

b) Assessment of Contributions

- As part of each valuation, separate employer contribution rates are assessed by the actuary for PBL. These rates are assessed taking into account the experience and circumstances of PBL, following a principle of no cross-subsidy with any other Fund employer.

- In line with the status of being a separate admission body fund, PBL has its own individual investment strategy and as such investment performance is directly attributable to the assets of the employer.

c) Links to Investment Policy Set Out in the Investment Strategy Statement (ISS)

- PBL has its own Investment Strategy Statement (ISS).
- The Fund uses an asset liability study and stochastic modelling in order to assist the process of formulating a strategic asset allocation. The outcomes are reflected in PBL's ISS.
- PBL's investment strategy has been considered and reviewed in conjunction with the 2019 valuation and the FSS. In particular, the future return expectations of the main asset classes in which the Fund invests have been considered in determining the prudent allowance for future investment returns and extent of reliance on these by PBL.

Key Assumptions

Discount rate	2.1% per annum
Inflation/pension increases (CPI)	2.7% per annum (16-year duration)

e) Employer Covenant

The Fund undertook a detailed assessment of PBL to include a review of the UK bus market and the guarantee

arrangements currently in place. The outcome of this assessment and the potential likelihood x scale of employer default was used in the context of the funding strategy review.

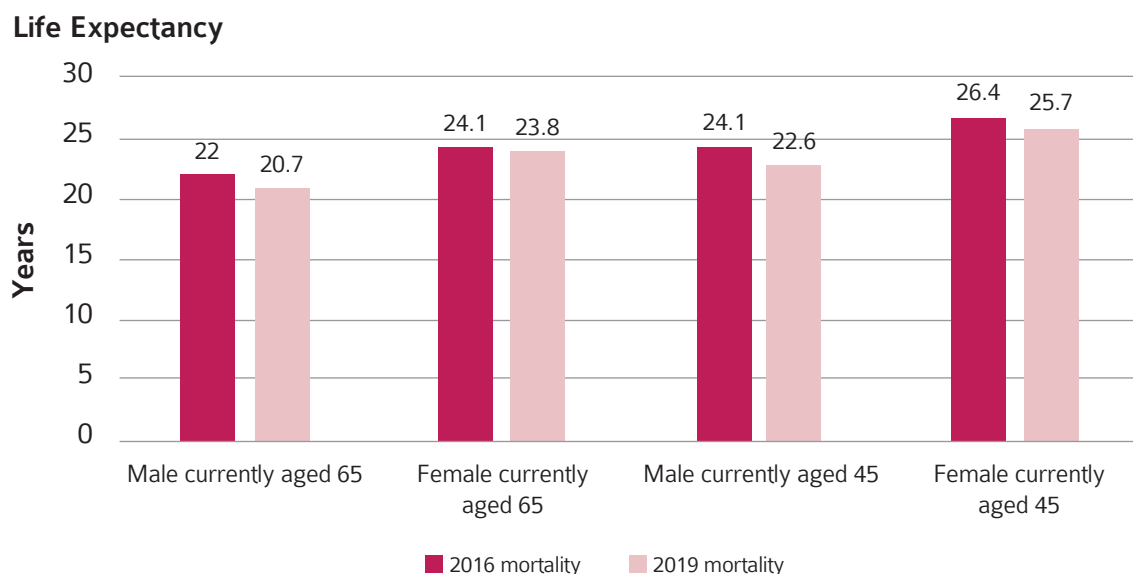
Mortality Assumptions

Post-retirement mortality - base table	S3PA Heavy tables with a multiplier of 97% for all pensioner types
Allowances for improvements in life expectancy	2018 CMI model with a long-term rate of improvement of 1.5% p.a., a smoothing parameter of 7.5 and an initial addition to improvements of 0.5% p.a.

The mortality assumptions above, and in particular the allowances for improvements in life expectancy, can be further illustrated by the chart below which is based upon a refresh of

the Fund's own mortality experience together with observed changes to improvement rates over the last few years.

FUNDING STRATEGY STATEMENT 2021



Other Demographic Assumptions

Partner age difference	Males are three years older than females
Proportion married	85% of members have an eligible dependant at retirement or early death
Allowance for cash commutation	Members will take an additional 50% of the remaining maximum tax-free cash available after members have taken the standard 3/80ths cash sum for pre-April 2008 service
Allowance for early retirements (non-ill-health)	Each member retires at their weighted average 'tranche retirement age', i.e. for each tranche of benefit, the earliest age they could retire with unreduced benefits

McCloud/Sargeant Ruling

At the time of drafting this FSS, it is still unclear how the McCloud/Sargeant judgements will affect current and future LGPS benefits. However, given that the last active member of Preston Bus left service in 2006 (many years before the 2015

public service pension reforms), the Fund Actuary expects the impact on the Preston Bus liabilities to be negligible. Hence no allowance was made within the 2019 valuation of the Preston Bus liabilities for additional costs arising from the impact of these judgements.

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GLOSSARY

50/50 Scheme

In the LGPS, active members are given the option of earning half of the standard LGPS benefits and paying half the standard member contribution rates.

Actuarial Valuation

An assessment by an actuary into the ability of a pension fund to meet its liabilities. At the actuarial valuation, the Fund's actuary will assess the funding level of each participating employer and agree contribution rates with the Administering Authority to fund the cost of new benefits and make good any existing deficits.

Administering Authority

A body listed in Part 1 of Schedule 3 of the LGPS Regulations, who maintains a fund within the LGPS. Administering Authorities are typically councils based in England and Wales. The Fund's Administering Authority is the City of Wolverhampton Council.

Admission Body

An admission body is an employer admitted to the LGPS by way of an admission agreement. Admission bodies arise from contracts or outsourcing of services from local government.

Assets

Based on the assessments undertaken by the Fund actuary at each actuarial valuation, a level of contributions (primary and secondary) will be set for each participating employer within the Fund, payable in accordance with the Rates and Adjustment Certificate. Member contributions are set out in statute and collected and paid to the Fund by participating employers. The contributions received by the Fund are invested in accordance with the Fund's investment strategy and strategic asset allocation. Examples of invested assets include equities, bonds, cash and alternatives.

Asset Allocation

The breakdown of the Fund's assets in different asset classes.

Career Average Revalued Earnings ('CARE') Scheme

With effect from 1 April 2014, benefits accrued by members in the LGPS take the form of CARE benefits. Every year members will accrue a pension benefit equivalent to 1/49th of their pensionable pay in that year. Each annual pension accrued receives inflationary increases (in line with the annual change in the Consumer Prices Index) over the period to retirement.

Consumer Prices Index ('CPI')

CPI is an abbreviation standing for 'Consumer Prices Index'. CPI is a measure of inflation with a basket of goods that is assessed on an annual basis. Pension increases in the LGPS are linked to the annual change in CPI.

Deficit

An employer has a deficit when its actuary calculates that it does not currently have enough assets to pay all future commitments. Deficits are typically corrected over periods of time by the payment of additional contributions by employers.

Discount Rate

The rate of interest used to estimate the amount of money needed to be held now to meet a benefit payment occurring in the future.

Employer Covenant

The degree which an employer participating in the LGPS is able to meet the funding requirements of the scheme, both now and in the future.

Employer's Future Service Contribution Rate ('Primary Rate')

The contribution rate payable by an employer, expressed as a% of pensionable pay, as being sufficient to meet the cost of new benefits being accrued by active members in the future. The cost will be net of employee contributions and will include an allowance for the expected level of administrative expenses and investment expenses.

Funding Level

The ratio of a fund's assets to the estimated value of its past service liabilities. This is expressed as a percentage. If a fund has a funding level of 100% then the value of its assets are equal to those of its liabilities.

Funding Strategy Statement (FSS)

This is a key governance document that outlines how the Administering Authority will determine employers' contributions to the Fund and manage its funding risks.

Funding Target

An assessment of the assets required to be held now in order to meet the benefits to be paid in the future. The desired funding target is to achieve a funding level of a 100% i.e. assets equal to the past service liabilities assessed using appropriate actuarial assumptions.

FUNDING STRATEGY STATEMENT 2021

Government Actuary's Department ('GAD')

The GAD is responsible for providing actuarial advice to public sector clients. GAD is a non-ministerial department of HM Treasury.

Investment Strategy

The long-term distribution of assets among various asset classes; it takes into account the Fund's objectives and attitude to risk.

Liabilities

The estimated value, using actuarial methods and assumptions, placed on the obligations of a pension scheme. These obligations include the present value of future pension benefits and contingent benefits and may include the expected value of future expenses.

Local Government Pension Scheme ('LGPS')

An occupational pension scheme for Local Government workers and other related workers made up of 88 individual funds located across England and Wales. West Midlands Pension Fund is one of the 88 individual funds.

Prudent Assumption

An assumption where the outcome has a greater than 50% chance of being achieved. Legislation requires the assumptions (when considered collectively) adopted for an actuarial valuation to be prudent.

Rates and Adjustment Certificate

In accordance with the LGPS regulations, the Administering Authority must obtain this document from an actuary which sets out the contributions payable by each employer.

Real Return or Real Discount Rate

A rate of return or discount rate net of inflation.

Scheme Employer

A Scheme Employer is an employer that is legally obliged to take part in the LGPS by virtue of the LGPS Regulations. This includes councils of all types, academy schools and certain other public sector bodies.

Section 13 Valuation

Section 13 of the Public Service Pensions Act 2013 requires that all public service pension schemes, like the LGPS, undertake an actuarial valuation that ensures their solvency and their long-term cost-efficiency.

FUNDING STRATEGY STATEMENT 2021

ADDENDUM 1: NEW EMPLOYERS JOINING THE FUND

When a new employer joins the Fund, the Fund Actuary is required to set the contribution rates payable by the new employer and allocate a share of Fund assets to the new employer as appropriate. The most common types of new employers joining the Fund are admission bodies and new academies. These are considered in more detail below.

Admission bodies

New admission bodies in the Fund are commonly a result of a transfer of staff from an existing employer in the Fund to another body (for example as part of a transfer of services from a council or academy to an external provider under Schedule 2 Part 3 of the Regulations). Typically these transfers will be for a limited period (the contract length), over which the new admission body employer is required to pay contributions into the Fund in respect of the transferred members.

Risk-Sharing

Although a full risk transfer (as set out below) was previously the most common approach, the default approach for new admission bodies from 1 April 2019 will be for all or part of the pensions risk remains with the letting authority.

Although pensions risk may be shared, it is common for the new admission body to remain responsible for pensions costs that arise from:

- above average pay increases, including the effect on service accrued prior to contract commencement; and
- redundancy and early retirement decisions.

The Administering Authority may consider risk-sharing arrangements as long as the approach is clearly documented in the admission agreement, the transfer agreement or any other side agreement. The arrangement also should not lead to any undue risk to the other employers in the Fund. Legal and actuarial advice in relation to risk-sharing arrangements should be sought where required.

Funding at Start of Contract

Noting that the Fund's default approach is a risk-sharing basis outlines above the option remains for a new admission body upon joining the Fund, they too become responsible for all the pensions risk associated with the benefits accrued by transferring members and the benefits to be accrued over the contract length. This is known as a full risk transfer. In these cases, it may be appropriate that the new admission body is allocated a share of Fund assets equal to the value of the benefits transferred, i.e. the new admission body starts off on

a fully funded basis. This is calculated on the relevant funding basis and the opening position may be different when calculated on an alternative basis (e.g. on an accounting basis).

However, there may be special arrangements made as part of the contract such that a full risk transfer approach is not adopted. In these cases, the initial assets allocated to the new admission body will reflect the level of risk transferred and may therefore not be on a fully funded basis or may not reflect the full value of the benefits attributable to the transferring members.

Contribution Rate

The contribution rate may be set on an open or a closed basis. Where the funding at the start of the contract is on a fully funded basis then the contribution rate will represent the primary rate only; where there is a deficit allocated to the new admission body then the contribution rate will also incorporate a secondary rate with the aim of recovering the deficit over an appropriate recovery period (based on the employer categorisation set out earlier in this document).

Depending on the details of the arrangement, for example based on the Fund's default position and if any risk sharing arrangements are in place, then additional adjustments may be made to determine the contribution rate payable by the new admission body. In general, the approach for these cases will be for the contribution rate to be in line with the letting authority; however, there may be cases which will be bespoke to the individual arrangement.

Security

To mitigate the risk to the Fund that a new admission body will not be able to meet its obligations to the Fund in the future, the new admission body may be required to put in place a bond in accordance with Schedule 2 Part 3 of the Regulations, if required by the letting authority and Administering Authority.

If, for any reason, it is not desirable for a new admission body to enter into a bond, the new admission body may provide an alternative form of security which is satisfactory to the Administering Authority.

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New Academies

When a school converts to academy status, the new academy (or the sponsoring multi-academy trust) becomes a scheme employer in its own right.

Contribution rates for academies will be calculated to meet the broad intentions of ensuring they are in a similar financial position in respect of pension liabilities pre- and post-transfer to academy status at inception. The policy applied to academies will be reviewed from time to time and as and when any further guidance emerges.

Funding at Start

On conversion to academy status, the new academy will be allocated assets based on the active cover of the relevant local authority at the conversion date. The active cover approach is based on the funding level of the local authority's active liabilities, after fully funding the local authority's deferred and pensioner liabilities.

New free schools will be allocated zero assets as they are not formed through conversion from a pre-existing school. Any liabilities that are transferred to the free school by individual members will have associated transfer of assets on an individual basis.

Contribution Rate

Where an academy joins an existing multi-academy trust in the Fund, they will pay the same primary rate as the other academies in the multi-academy trust and any additional secondary contributions will be certified for the multi-academy trust in respect of the academy.

Bulk Transfers

Bulk transfers of staff into or out of the Fund can take place from other LGPS funds or non-LGPS funds. In either case, the Fund actuary for both funds will be required to negotiate the terms for the bulk transfer – specifically terms by which the value of assets to be paid from the Fund to the other is calculated.

The agreement will be specific to the situation surrounding each bulk transfer, but in general the Fund will look to receive the bulk transfer on no less than a fully funded transfer (i.e. the assets paid from the ceding fund are sufficient to cover the value of the liabilities on the agreed basis).

A bulk transfer may be required by an issued Directions Order. This is generally in relation to an employer merger, where all the assets and liabilities attributable to the transferring employer in the original fund are transferred to the receiving fund.

FUNDING STRATEGY STATEMENT 2021

ADDENDUM 2: POLICY ON TERMINATION FUNDING FOR EMPLOYERS

1 Introduction

- 1.1 This addendum covers the key elements of the Fund's 'Termination Policy' written within the context of the FSS. For further details, please refer to the Fund's Termination Policy as held on our website.

2 Principles

2.1 Termination of an Employer's Participation

An employer's participation within the Fund ceases when they no longer have any active members within the Fund. This could happen for a number of reasons, typically:

- The last active member participating in the Fund leaves, retires or transfers to another employer and ceases to be a member of the Fund and the employer does not wish to admit any more employees to that admission agreement.
- For admission bodies, the contract to which the admission agreement relates, comes to an end or is terminated prematurely.
- The employer ceases to exist, for example it goes into liquidation or is taken over by/merged with another organisation.

When an employer's participation comes to an end, or is prematurely terminated for any reason, employees may transfer to another employer, either within the Fund or elsewhere. If this is not the case, the employees will retain pension rights within the Fund, i.e. either deferred benefits or immediate retirement benefits.

In addition to any liabilities for current employees, the Fund will also retain liability for payment of benefits to former employees, i.e. to existing deferred and pensioner members except where this is a complete transfer of responsibility to another Fund with a different Administering Authority.

Where an admission agreement is open (or for scheme employers) and the last active member ceases membership of the scheme, the Fund will approach the relevant employer with regards to its intentions for bringing in new active members. Where an intention to allow new active members to join the scheme is identified, the Fund's policy is to allow the employer six months from the date the active member left to admit such members. During this six-month period, the Fund will require payment of a lump-sum amount broadly

equivalent to the percentage of contributions calculated by the Fund actuary, based upon the pensionable payroll used in the previous actuarial valuation. It is advised this lump-sum is paid on a monthly basis, or where the period is known until the next active member joins the scheme, a prorated payment can be calculated.

In the event an employer with an open admission agreement, or a scheme employer exceeds the six-month period without any active members having joined the scheme under that agreement, the Fund will enforce termination of the employer's participation in the scheme.

2.2 Pre-Funding for Termination

An employing body may choose to pre-fund for termination, i.e. planning for potential exit to amend their funding approach to a least-risk methodology and assumptions. This will substantially reduce the risk of an uncertain and potentially large debt being due to the Fund at termination. However, it is also likely to give rise to a substantial increase in contribution requirements, when assessed on the minimum-risk basis.

For any employing bodies funding on such a minimum-risk strategy, a notional investment strategy may be assumed as a match to the liabilities. In particular, the employing body's notional asset share of the Fund may be credited with an investment return in line with the minimum-risk funding assumptions adopted rather than the actual (largely equity related) investment return generated by the actual asset portfolio of the Fund. The Fund reserves the right to modify this approach in any case, whether it might materially affect the finances of the scheme, or depending on any case specific circumstances.

2.3 Exiting the Fund

When an employer's participation in the Fund terminates and the employer becomes an 'exiting employer', the LGPS Regulations require that a termination valuation is carried out. The purpose of this valuation is to determine the level of any surplus or deficit in an exiting employer's share of the Fund as at the exit date and whether the exiting employer is liable to pay an exit payment or is entitled to receive an exit credit in such circumstances.

A deficit upon termination of an employer's participation might arise in the following scenarios (please note that this list is not exhaustive):

- a) Non-payment of contributions to the Fund by an employing body prior to closure.

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- b) Premature termination of an employing body's participation where market values are depressed relative to the liabilities in respect of the employing body.
- c) The actual experience is less favourable than the assumptions used in setting contribution rates for that employer – for instance, higher than expected rates of early retirement on favourable terms or pay increases.
- d) Additional liabilities created as a result of the employing body closing, in particular the possible payment of immediate retirement benefits to all those over age 55 at that time.

The method used to calculate the termination valuation will ultimately depend on the characteristics of the exiting employer and in particular whether there is another scheme employer within the Fund that is prepared to act as a guarantor or succession employer for any residual liabilities and also in the context of the materiality of any impact on other participating scheme employers' contributions.

Where liabilities are "orphaned" without sufficient assets to cover the liabilities all remaining scheme employers that have active members in the Fund will have to cover any deficit arising from these liabilities via their own employer contributions, as assessed at each actuarial valuation (as required under Regulation 62 of the LGPS Regulations) or sooner if the liability profile of the employer is materially changed.

2.4 a) Policy for Employers With a Guarantor Participating in the Fund

Where the exiting employer has either:

- a guarantee from a scheme employer participating in the Fund with tax-raising powers;
- a guarantee from a central government department;
- or a guarantee from a scheme employer participating in the Fund, which benefits from a central government guarantee

then the default policy of the Fund is for the exit funding position to be based on a least risk basis, with the discount rate based upon government gilt yields of appropriate duration to the liabilities. In this instance, the scheme employer providing the guarantee will subsume all assets and liabilities from the exiting employer. No exit credit will be paid to, or any exit debt required from, the exiting scheme employer, unless the exiting employer is in

surplus on the least risk valuation basis. The assets and liabilities will be subsumed within those of the guarantor employer, with future contribution requirements reassessed at each actuarial valuation.

However, for Schedule 2, Part 3 employers, where the service or contract is due to be transferred to another scheme employer participating in the Fund, subject to agreement from the guarantor, the Fund will consider the transfer of active member liabilities to the new employer based on the funding level of the previous exiting employer, as assessed in line with the assumptions consistent with the most recent actuarial valuation basis (ie, partially-funded upon commencement). This is based on the premise that the new employer has a reasonable prospect of retaining contributing employees and/or there is likely to be a succession employer to inherit liabilities.

In this instance the exiting employer will not be required to pay any exit debt and the scheme employer providing the guarantee subsumes all deferred and pensioner liabilities in respect of the exiting employer. In line with the "pass-through" arrangements outlined below, the new employer will pay the same contribution rate (primary rate only) as the scheme employer providing the guarantee scheme employer until next review.

b) Policy for Employers Without a Guarantor Participating in the Fund

Where the exiting employer does not have a guarantee as outlined in (a.) above this means that there may not be any future scheme employer or guarantor to make good any shortfall between assets and liabilities. In order to protect other scheme employers from having to meet these liabilities in the future the Fund will need to ensure that there are enough assets in the Fund that are unlikely to fall in value and provide certainty to pay benefits. This is on the basis that, upon cessation, employers in this category are no longer subject to ongoing funding but have instead exited the Fund and do not have a scheme employer to subsume their assets and liabilities. Accordingly, the policy of the Fund is for assessment of the exit funding position to be based on a least risk basis, with the discount rate based upon government gilt yields of appropriate duration to the liabilities.

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2.5 Pass-Through Arrangements

The Fund's policy from April 2019 is for the default arrangement to be for all new Schedule 2, Part 3 employers to pay the same primary contribution rate as the guarantor employer. The Fund will not obtain an actuarial assessment upon termination, instead the scheme employer providing the guarantee employer must accept full responsibility for the Schedule 2 Part 3 scheme employer's ("contractor's") assets and liabilities in the Fund, and will correspondingly be entitled to benefit from any surplus within the Fund relating to those liabilities. This arrangement is known as a pass-through arrangement.

The contribution rates for all employers will be reviewed at each subsequent actuarial valuation in line with Regulation 62 of the LGPS Regulations.

The Fund's policy is for these pass-through arrangements to be documented in the service contract between the guarantor employer and the Schedule 2, Part 3 scheme employer, but where not agreed, the default will be for these arrangements to be included in the Fund's tripartite admission agreement.

As an alternative to the pass-through arrangement, if the guarantor employer and contractor agree to a standard admission agreement and notify the Fund within one month of the contract commencement date, the Fund may, at its discretion, implement such an admission agreement without reference to pass-through.

The Administering Authority reserves the right to modify this approach on a case-by-case basis, at its sole discretion, if the circumstances warrant it based on the advice of the Fund actuary and taking into account the risk associated with an employer in the context of the Fund as a whole. For instance, in the highly unlikely event that parties insisted upon access to the Fund through a statutory route, but did not wish to participate on a pass-through arrangement then the Fund would need to consider funding the new employer on a least risk basis.

2.6 Policy in Relation to Flexibility for Exit Debt Payments and Deferred Debt

The Fund's policy for termination payment plans is as follows:

- 1) The default position is for exit payments to be paid immediately in full unless under the specific circumstances outlined in section 2.4.
- 2) At the discretion of the administering authority, Debt Spreading Arrangements (DSA) over an agreed

period or a Deferred Debt Agreement (DDA) may be agreed subject to the policy in relation to any flexibility in recovering exit payments.

Debt Spreading Arrangement (DSA) - Allows the Fund and the employer to enter into agreement which spreads the payment of the final exit debt calculated by the Fund actuary over an agreed period of time (the amounts and frequency of the payments in the payment plan will be agreed at the outset along with any early payment terms).

Deferred Debt Arrangement (DDA) - Allows the employer to defer its obligation to make an exit payment and continue to make past service deficit (secondary rate) contributions to the Fund. Contribution requirements will continue to be reviewed as part of each actuarial valuation under this option, which is essentially an employer continuing ongoing participation, but with no contributing members.

The default position for exit payments is that they are paid in full at the point of exit (adjusted for interest where appropriate). If an employer requests that an exit debt payment is recovered over a fixed period of time or that they wish to enter into a Deferred Debt/debt spreading arrangement with the Fund, they must make a request in writing covering the reasons for such a request. Any deviation from this position will be based on the Administering Authority's assessment of whether the full exit debt is affordable and whether it is in the interests of other participating employers and in accordance with the Administering Authority's fiduciary duty to adopt either of the approaches. In making this assessment the Administering Authority will consider the covenant of the employer and also whether any measures to strengthen covenant are required and available to support the arrangements.

Any costs (including necessary actuarial, legal and covenant advice) associated with assessing this will be borne by the employer and will be charged up front as a default, but may be included in the contribution plan or exit debt payment at the sole discretion of the Administering Authority. This policy and processes has been established in line with the principles set out in the statutory guidance issued by the Department for Levelling Up, Housing and Communities (DLUHC) and more detailed guidance prepared by the LGPS Scheme Advisory Board.

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Process for Consideration of Timing of Exit Payments

The following process will determine whether an employer is eligible to spread their exit payment over a defined period. Employers with a Debt Spreading Arrangement (DSA) are deemed to be exiting the fund and such arrangements may be appropriate for an employer with no active members, no intention of returning to active employer status in the future and they wish to crystallise any debt to the fund. Employers have an obligation to make good on the payments due under the DSA, which when completed will finalise their exit.

Policy for Spreading Exit Payments

The following process will determine whether an employer is eligible to spread their exit payment over a defined period. Employers with a Debt Spreading Arrangement (DSA) are deemed to be exiting the fund and such arrangements may be appropriate for an employer with no active members, no intention of returning to active employer status in the future and they wish to crystallise any debt to the fund. Employers have an obligation to make good on the payments due under the DSA, which when completed will finalise their exit.

- 1) The Administering Authority will request updated covenant information from the employer including (but not exclusively) management accounts and financial forecasts. If this information is not provided then the default policy of immediate payment may be adopted.
- 2) Once this information has been provided, the Administering Authority (in conjunction with the Fund Actuary, covenant and legal advisors where necessary) will review the covenant of the employer to consider the appropriateness of allowing the employer to spread the exit debt over a period of time. Depending on the length of the period and also the size of the outstanding debt, the Fund may request security to support the payment plan before entering into an agreement to spread the exit payments.
- 3) The form of the Debt Spreading Arrangement will be determined by the Fund in discussion with the employer. The payments required will include allowance for interest to reflect later payment.
- 4) The initial process to determine whether an exit debt should be spread may take up to three months from the later of date of exit or receipt of required information, therefore it is important that employers who request to spread exit debt payments notify the Fund early. There is also an expectation that any

agreement to spread exit debt payments and the supporting legal documentation will be completed within twelve months of the date of exit, with a default of immediate payment falling due where arrangements are not concluded within this timeframe.

- 5) If it is agreed that the exit payments can be spread then the Administering Authority will engage with the employer regarding the following:
 - a) The spreading period that will be adopted (note in general it is expected that the spreading period for a DSA will be shorter than that of a DDA).
 - b) The initial and annual payments due and how these will change over the period.
 - c) The interest rates applicable and the costs associated with the payment plan.
 - d) The level of security required to support the payment plan (if any) and the form of that security e.g. bond, escrow account etc.
 - e) The responsibilities of the employer during the exit spreading period including the supply of relevant information and events which would trigger a review of the situation.
 - f) The covenant information that will be required on a regular basis to allow the payment plan to continue.
 - g) The circumstances under which the payment plan may be reviewed or terminated to potentially include immediate payment of outstanding debt (e.g. where there has been a significant change in covenant or circumstances).
- 6) Once the Administering Authority has reached its decision, the arrangement will be legally documented and any supporting agreements will be included.

In the event that the Administering Authority believes that the exiting employer may be at increased risk of being able to honour remaining payments, the Administering Authority will initiate a review and may terminate the DSA to ensure arrangement remain appropriate for the Fund and do not adversely impact the other participating employers.

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The exiting employer may also request to terminate the DSA early, in which case an immediate payment of the outstanding debt, as set out in the schedule to the DSA will be payable.

Once the exit debt payment has been made in full, the exiting employer has no further obligation to the Fund.

Employers Participating With No Contributing Members

As opposed to triggering and paying an immediate exit debt an employer may request to participate in the Fund with no contributing members and utilise a “Deferred Debt Agreement” (DDA) at the sole discretion of the Administering Authority. This would be at the request of the employer in writing to the Administering Authority ahead of exit. These arrangements may be appropriate for an employer which, although they have no active members, may return to active employer status at some point. Alternatively, a DDA can be used for employers who do wish to exit, but do not wish to crystallise their debts to the Fund. In this instance the employer would continue to have exposure to funding risk for the duration of the DDA.

The following process will determine whether the Fund and employer will enter into such an arrangement:

- 1) The Administering Authority will request updated covenant information from the employer including (but not exclusively) management accounts and financial forecasts. If this information is not provided then a DDA may not be entered into by the Administering Authority
- 2) Once this information has been provided, the Administering Authority will firstly consider whether it would be in the best interests of the Fund and participating employers to enter into such an arrangement with the employer. This decision will be informed by review of covenant, affordability and potential funding risk to the employer and other employers within the fund (based on advice from the Actuary, covenant and legal advisor where necessary).
- 3) The initial process to determine whether a Deferred Debt Agreement could apply may take up to three months from receipt of the required information. Any employer considering a DDA request to the Administering Authority must inform the Fund in advance of the exit (or potential exit) date.

- 4) Noting the steps above, if the Administering Authority deems that a Deferred Debt Agreement is appropriate it will base discussions with the employer about the potential format of the agreement upon the principles set out in the LGPS Scheme Advisory Board’s guidance, issued March 2021. As part of this, the following will be considered and where relevant, recorded within the legal agreement:

- Any security the employer can offer whilst the employer is participating within the Fund. As a general principle, the Administering Authority will not enter into such an agreement unless they are confident that the employer can support the arrangement over the duration of the agreement.
- The categorisation that would be applied to the employer for funding purposes
- Any upfront cash payment payable to the Fund at the outset to reduce the outstanding debt.
- The updated secondary rate of contributions (payment plan) required up to the next valuation.
- The financial information that will be required on a regular basis to allow the employer to remain in the Fund and online monitoring that will be undertaken by the Fund.
- The advice of the Fund actuary, covenant, legal and any other specialists necessary.
- The responsibilities that would apply to the employer while they remain in the Fund.
- Conditions that may trigger the implementation of a review of the DDA and revised payment plan.
- Potential triggers might include the removal or loss of any security or a significant change in covenant assessed as part of the regular monitoring.
- The circumstances under which the employer may be able to vary the arrangement e.g. a further cash payment or change in security underpinning the agreement.

The Administering Authority make a final decision on whether it is in the best interests of the Fund and other participating employers to enter into a Deferred Debt Agreement with the employer and confirm the terms that are required.

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- 5) For employers who enter into a Deferred Debt Arrangement, contribution requirements will continue to be reviewed as part of each actuarial valuation or in line with the Deferred Debt Agreement in the interim if any of the agreed triggers are met.
- 6) The costs associated with the advice sought and drafting of the Deferred Debt Agreement will be passed onto the employer as part of the arrangements and contribution requirements.

Unless otherwise agreed, a DDA will terminate on the first of the following events:

- the deferred employer enrolls new active members;
- the duration of the agreement has elapsed;
- the take-over, amalgamation, insolvency, winding up or liquidation of the deferred employer;
- having monitored the employer's ongoing ability to support its obligations, the Administering Authority is satisfied that the DDA may cease with no further obligation from the employer

The deferred employer can also choose to terminate the DDA at any point. Notice should be given to the administering authority at the earliest opportunity.

Termination clauses will be included in the formal DDA legal agreement.

Once a termination of the DDA has been triggered, the deferred employer becomes an exiting employer under Regulation 64(1). The administering authority will obtain from the Fund Actuary an exit valuation calculated at the date the DDA terminates, and advise the employer of any further payments due.

Once the exit debt payment has been made in full, the exiting employer has no further obligation to the Fund.

If the termination has been triggered because the deferred employer has enrolled new active members then the deferred employer becomes an active employer in the Fund and an immediate exit payment may not be required; this may instead be incorporated in the revised rates and adjustments certificate that will be provided in respect of the active employer. The employer remains responsible for all previously accrued liabilities and the revised contributions required from the active employer will be calculated in line with the Fund's FSS.

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ADDENDUM 3: POLICY ON CONTRIBUTION REVIEWS INTER-VALUATION

Introduction

In line with the Regulations that came into force on 23rd September 2020, the Administering Authority has the ability to review employer contributions between valuations. The Administering Authority and employers now have the following flexibilities:

- 1) The Administering Authority may review the contributions of an employer where there has been, or where there is likely to be, a significant change to the liabilities of an employer.
- 2) The Administering Authority may review the contributions of an employer where there has been a significant change in the employer's covenant.
- 3) An employer may request a review of contributions from the Administering Authority if they feel that either point 1 or point 2 applies to them and that employer would be required to pay the costs of any review.

Where the funding position for an employer significantly changes solely due to a change in assets (and changes in actuarial assumptions), the Regulations do not allow employer contributions to be reviewed outside of a full valuation. However, changes in assets may be taken into account when considering an employer's ability to support its obligations to the Fund after a significant covenant change (see 2. above).

The Administering Authority undertakes to consult with the employer prior to undertaking a review of their contributions including setting out the reason for triggering the review.

For the avoidance of doubt, any review of contributions may result in no change and a continuation of contributions as per the latest actuarial valuation assessment. In the normal course of events, a rate review would not be undertaken close to the implementation of the rates from the latest actuarial valuation, unless there are exceptional circumstances.

Circumstances Whereby Contributions May be Reviewed

Contributions may be reviewed if the Administering Authority becomes aware of any of the following scenarios. Employers will be notified if this is the case.

Employers may also request a review as a result of the following scenarios and subject to required contribution payments and monthly membership data being up to date, as well as ensuring there are no significant historical data gaps in

accordance with the employer obligations outlined within the Pensions Administration Strategy.

1) Significant Changes in the Employer's Liabilities

This includes but is not limited to the following scenarios:

- a) Significant changes to the employer's membership which will have a material impact on their liabilities, such as:
 - i) Restructuring of an employer (for instance, which results in a material change in the purpose, nature or scale of the organisation)
 - ii) A significant outsourcing or transfer of staff to another employer in the Fund
 - iii) A bulk transfer into or out of the employer
 - iv) Other significant changes to the membership for example due to redundancies, significant salary awards, ill health retirements, large number of withdrawals
- b) Two or more employers merging including insourcing and transferring of services
- c) The separation of an employer into two or more individual employers

In terms of assessing the triggers under a) above, the Administering Authority will only consider a review if there is a demonstrated and evidenced expectation of a significant change in liabilities. In some cases this may mean there is also a change in the covenant of the employer.

Any review of the contributions will consider the effect of the new active membership profile on the primary rate of contributions and the impact of the change in liabilities on the secondary contributions.

1) Significant Changes in the Employer's Covenant

This includes, but is not limited to the following scenarios:

- a) Provision of, or removal of, or impairment of, security, bond, guarantee or some other form of indemnity by an employer against their obligations in the Fund. For the avoidance of doubt, this includes provision of security to any other creditor which may impair the security provided to the Fund.
- b) Material change in an employer's immediate financial strength or longer-term financial outlook (evidence should be available to justify this)
- c) Change in potential outcome and recovery by the Fund, where an employer exhibits behavior that suggests a change in their ability and/or willingness to pay contributions to the Fund.

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In some instances, a change in the liabilities will also result in a change in an employer's ability to meet these obligations.

Whilst in most cases the regular covenant updates requested by the Administering Authority will identify some of these changes, employers will be required to notify the Administering Authority of any material events. The Administering Authority will set out notifiable events requirements in the Pensions Administration Strategy.

Additional information will be sought from the employer in order to determine whether a contribution review is appropriate. This may include annual accounts, budgets, forecasts and any specific details of restructure plans. As part of the review, the Administering Authority will take advice from the Fund Actuary, covenant, legal and any other specialist adviser, as deemed appropriate.

In this instance, any review of the contribution rate would include consideration of the updated funding position both on an ongoing and termination basis (if applicable).

Process and Potential Outcomes of a Contribution Review

Where review is triggered, the Administering Authority will notify the employer of the intention to review contributions. Ultimately, the decision to review contributions as a result of the above events rests with the Administering Authority after, if necessary, taking advice from their Actuary, legal or a covenant specialist advisors.

This also applies where an employer notifies the Administering Authority of the event and requests a review of the contributions. The employer will be required to confirm payment of the costs associated with the review and outline the rationale and case for the review through a suitable exchange of information prior to consideration by the Administering Authority. The Administering Authority will determine any information it requires from the employer, in addition to the information held or provided with the request for review.

Consideration will be given to the impact of change in an employer's contributions may have on the other employers and on the Fund as a whole, when deciding whether to proceed with a contribution review.

The most recent actuarial valuation data will be used as a starting point for the review, with amendments made where required to reflect any significant changes in the employer's membership profile. The Administering Authority will

consider whether it is appropriate to use updated membership data within the review, for example where the level of manual amendments required to the valuation data would require a disproportionate level of work or if there has been a significant change in an employer's membership.

The approach to setting assumptions will be in line with that adopted for the most recent actuarial valuation, and in line with that set out in the Fund's Funding Strategy Statement. The market conditions and demographic assumptions used will be in line with those at the most recent actuarial valuation unless an update is deemed more appropriate by the Fund Actuary.

As well as revisiting the employer's contribution plan, as part of the review it is possible that other parts of the funding strategy will also be reviewed where the covenant of the employer has changed, for example the Fund will consider:

- The Employer Categorisation and in particular whether the employer's risk rating (as outlined on page 25) remains appropriate or whether they should move to a different category.
- As a consequence of the point above, whether the secondary contributions should be adjusted either as a result of the amending the recovery period and/or the volatility reserve for that employer.
- Whether the Primary contribution rate should be adjusted to allow for membership profile change.

Any change to an employer's contributions will be implemented at a date agreed between the employer and the Fund. The Schedule to the Rates and Adjustment Certificate at the last valuation will be updated for any contribution changes.

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1 INTRODUCTION

Local Government Pension Scheme (LGPS) regulations require administering authorities to prepare and maintain an Investment Strategy Statement ('ISS'). This ISS has been prepared by the West Midlands Pension Fund (the Fund) in accordance with regulation 7 of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (the 'Regulations') and associated guidance. In preparing the ISS, the Pensions Committee has consulted with such persons as it considered appropriate. This statement updates and replaces the March 2020 ISS for both the WMPF main fund and the previously

separate West Midlands Integrated Transport Authority Pension Fund (WMITAPF) Investment Strategy Statements. This statement was approved by Pensions Committee on 24 March 2021.

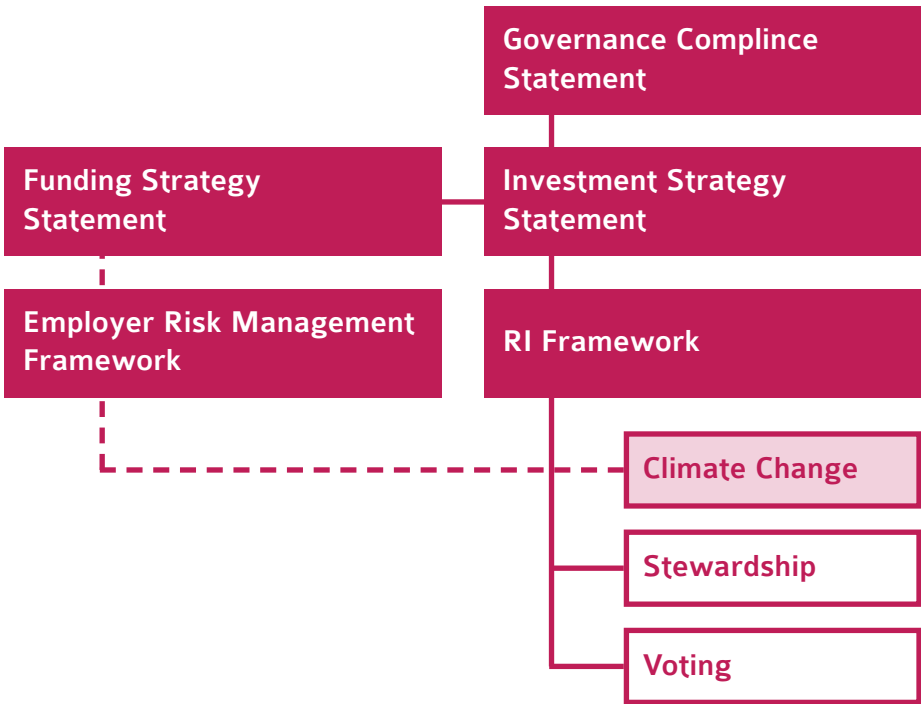
The ISS outlines the Fund's investments objectives and investment beliefs, identifies the risks the Fund faces and outlines how these risks are controlled/mitigated. In defining the implementation of the Fund's investment strategy, the ISS sets out the Strategic Investment Allocation Benchmark (SIAB) including the permitted ranges for different investment asset types.

The ISS also outlines the Fund's views on Responsible Investment (RI) and

how RI is integrated into the investment decision making process and the role it plays in the way the Fund selects and stewards its assets.

The ISS is supported by the Funding Strategy Statement (FSS) and the Fund's employer covenant monitoring framework. Together these ensure an integrated approach to funding and investment strategy and risk management supporting the Fund in meeting the regulatory funding requirements.

The statements and framework relate as follows and are supported by a broader framework of policies in investments, most notably those relating to Responsible Investment:



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Investment Governance Framework

The City of Wolverhampton Council is the administering authority for the Fund under the regulations. The City of Wolverhampton Council delegates responsibility for the administration and management of the Fund to the Pensions Committee who, in turn, delegates certain responsibilities to the Director of Pensions. The Investment Advisory Panel advises the Director of Pensions on investment issues relating to the Fund.

The Pensions Committee has oversight of the implementation of the management arrangements for the Fund's assets and comprises representatives from the seven district councils and three local trade unions. The Fund has a statutory Local Pensions Board whose role is to assist in the good governance of the scheme by ensuring compliance with statutory and regulatory duty.

The Investment Advisory Panel includes two external advisers alongside the Director of Pensions, Assistant Director and Head of Investments. Neither the Local Pensions Board nor the Investment Advisory Panel have any decision-making powers. Roles and responsibilities are set out in more detail in Appendix A.

The Committee's investment objectives are represented by the Strategic Investment Allocation Benchmark (SIAB) included as Appendix B. This reflects the Committee's views on the appropriate balance between generating long-term investment return and taking account of market volatility and the risk and nature of the Fund liabilities.

ISS Review

The ISS is subject to fundamental review at least every three years and

from time to time on any material changes to any aspects of the Fund, its liabilities, finances and its attitude to risk which are judged to have a bearing on the stated investment policy. In line with other Fund policies, the ISS is reviewed annually. In preparing the ISS, the Committee has considered advice from the Fund's investment and risk consultants.

Following a process of public consultation undertaken by the Department for Levelling Up, Housing and Communities (DLUHC), Regulations were laid before parliament providing for the merger of the former West Midlands Integrated Transport Authority (WMITA) pension fund into that of the main West Midlands Pension Fund. Those regulations came into force on 8 November 2019 and apply retrospectively to effect merger from 1 April 2019.

In conjunction with the merger, former employers of the WMITA pension fund now participate in the main West Midlands Pension Fund with associated assets and liabilities transferred to two separate admission body funds (ABF). For the purposes of the 2021 Investment Strategy Statement (and thereafter) the associated investment strategy statements for the new separate ABFs are included as appendices to this ISS (appendices D and E).

The Fund has undertaken a consultation process with key stakeholders which have included group consultation meetings on the valuation and high-level investment strategy. Employers have been issued with a copy of the draft ISS and the draft has been published on the Fund's website pending approval by Pensions Committee. The two employers covered by the ABFs have also been

consulted on their individual investment strategies, where applicable, which are incorporated in the appendices to the ISS.

2 PURPOSE OF THE ISS

The aims and purpose of a pension fund operating within the Local Government Pension Scheme (LGPS) are set out in the LGPS Regulations and the Public Service Pension Act 2013. With regard to funding, they can be summarised as follows.

The aims of the Fund are to:

- manage employers' liabilities effectively and ensure that sufficient resources are available to meet all liabilities as they fall due;
- enable primary and total contribution rates to be kept as nearly constant as possible; and
- seek returns on investment within reasonable risk parameters.

The purpose of the Fund is to:

- receive and invest monies in respect of contributions, transfer values and investment income; and
- pay out monies in respect of Fund benefits, transfer values, costs, charges and expenses, as defined in the GPS regulations and as requirement in the LGPS (Management and Investment of Funds) Regulations 2016.

The purpose of the ISS is:

- To set out the governance arrangements for investment
- To set out the Fund's investment objectives
- To define the Fund's investment beliefs

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- How the Fund will manage investment-related risks
- How the Fund incorporates responsible investment
- To set out the Fund's strategic investment asset benchmark (SIAB) and ranges allowed to provide flexibility

3 INVESTMENT OBJECTIVES

The primary objective of the Fund is to ensure that the Fund is able to meet the pension promises (liabilities) made to scheme members as they fall due. To meet this objective the Fund sets the investment strategy so that the target level of return is achieved over the longer-term and that sufficient cashflow is generated so that its liabilities can be met.

The Fund has a range of other objectives which include considering the needs of all key stakeholders which are supplementary to the aims of the Fund.

The funding objectives are set out in the Funding Strategy Statement.

4 INVESTMENT BELIEFS

The Fund's Statement of Investment Beliefs are set out in Appendix C which underpin the Fund's approach to investment strategy and how it is implemented. These beliefs underpin the ISS and cover:

- Financial market beliefs – The Fund adopts a long-term approach to investing as its liabilities stretch far into the future but in so doing seeks to also take a proactive approach to the management of assets taking into account the risk/return profile of different investment opportunities over a range of time periods
- Governance beliefs – The Fund believes having effective governance structures and policies will enable rigorous and tested decision making and will add value to the Fund over the longer term. Transparency and cost effectiveness provide key tenets of being a well governed Fund.
- Investment strategy – The Fund's investment strategy will encompass its approach to risk management, risk tolerance, liquidity and levels of return required to meet its strategic objectives. The Fund will set its strategic asset allocation to deliver the long-term returns required to meet its funding needs taking into account diversification, the requirement to remain agile, risk and cost of implementation, recognising that risk should be viewed both qualitatively and quantitatively.
- Responsible investment – As long-term owners of capital (assets), the Fund believes that investing responsibly is key to ensuring the long-term value of the assets in which it invests is protected and where possible, enhanced. Investing responsibly and engaging as long-term owners reduces risk over time and has been proven to positively impact investment returns. The Fund is integrating responsible investment into the way it selects and stewards all assets.
- Climate change – The Fund adopts an evidence-based approach to climate change and believes there is overwhelming evidence to support that climate changes poses both risks and opportunities to the Fund's investments. The Fund will consider the impact of climate change in both its asset

allocation and individual investments when making decisions.

5 IDENTIFICATION AND MANAGEMENT OF RISKS

Evaluation of risks that may impact on the investment strategy of the fund and expectation of future returns is crucial in determining the appropriate measures to mitigate those risks. The ISS identifies key risks specific to the Fund and the management or controls made to mitigate those risks:

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Financial Risks	Management / Control
<p>Investment risk – Assets do not deliver the return required to meet the cost of benefits payable from the Fund; potential drivers:</p> <ul style="list-style-type: none"> • Inappropriate asset allocation and risk management • Investment market performance/volatility • Manager underperformance • The possibility that inflation is higher than expected increasing the Fund's liabilities and/or that the assets held deliver a level of return lower than inflation other objectives which include considering the needs of all key stakeholders which are supplementary to the primary objective 	<p>Investment strategy considered in context of Fund liabilities and return requirement set within the Funding Strategy Statement</p> <ul style="list-style-type: none"> • Asset liability modelling and stress testing to set strategic benchmarks within Investment Strategy Statement (ISS), with annual review • Regular monitoring of strategic asset allocation and returns relative to benchmark • Regular monitoring of manager performance • Diversified portfolio with exposure to a wide range of asset classes, portfolio holdings and different management styles • Mitigates inflation risk through holding a diversified portfolio of growth and inflation-linked assets. Inflation risk is considered annually in the review of the SIAB and triennially as part of the actuarial valuation
<p>Increasing maturity and benefit cashflow requirement; potential drivers:</p> <ul style="list-style-type: none"> • Falling contribution income and increasing total benefit payments as more members start to draw their benefits • Declining active membership due to change in local authority service delivery models • Increasing reliance on income-generating assets 	<p>Investment strategy review develop based on future benefit cashflow projection</p> <ul style="list-style-type: none"> • Modelling of investment strategy and future asset income streams • Regular monitoring of membership movements and liability profile
<p>Changing scheme regulations and guidance – impacting scheme benefits, funding strategy, actuarial valuations, investment strategy; potential drivers include:</p> <ul style="list-style-type: none"> • Changes to scheme benefits from the LGPS cost management process • Changes to the approach for setting actuarial factors (for example on early retirement) • Changing regulations and guidance for administering authorities within the LGPS 	<p>Ongoing horizon scanning and consideration on the Fund risk register</p> <ul style="list-style-type: none"> • Review and response to consultations on changes to the LGPS regulations and guidance which may impact scheme funding • Participation in national review and consideration of emerging issues within the LGPS

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Financial Risks	Management / Control
<p>Asset risks (the portfolio versus the SIAB)</p> <ul style="list-style-type: none"> Concentration risk that a significant allocation to any single asset category and its underperformance relative to expectation would result in difficulties in achieving funding objectives. Illiquidity risk that the Fund cannot meet its immediate liabilities because it has insufficient liquid assets. Currency risk that the currency of the Fund's assets underperforms relative to the SIAB. Manager underperformance when the Fund managers fail to achieve the rate of investment return assumed in setting their mandates. 	<p>Asset risks at the fund level are mitigated by the setting and review of the SIAB. At the asset class level asset risks are mitigated by risk controls within individual asset mandates.</p> <ul style="list-style-type: none"> Constraining how far Fund investments deviate from the SIAB by setting diversification guidelines and the SIAB strategic ranges; Investing in a range of investment asset mandates, each of which has a defined objective, performance benchmark, eligibility criteria and permitted ranges for individual securities which, taken in aggregate, constrain risk within the Fund's expected parameters; Investing across a range of liquid assets, including quoted equities and bonds. This recognises the Fund's need for some access to liquidity in the short term; Robust financial planning and clear operating procedures for all significant activities including regular review and monitoring manager performance against their mandate and investment process; Appointing several investment managers. In doing so the Fund has considered the risk of underperformance by any single investment manager
<p>Responsible investment (RI) risks that are not given due consideration by the Fund or its investment managers.</p>	<ul style="list-style-type: none"> The Fund actively addresses environmental, social and governance risks through implementation of its Responsible Investment (RI) Framework and its Compliance with the UK Stewardship Code for Institutional Investors. Key elements include selection, stewardship and disclosure.
<p>Climate change - The Fund adopts an evidence-based approach to climate change and believes there is overwhelming evidence to support that climate changes poses both risks and opportunities to the Fund's investments. The Fund will consider the impact of climate change in both its asset allocation and individual investments when making decisions.</p>	<ul style="list-style-type: none"> Establishment of a separate climate change framework and strategy setting out its approach to this risk Monitoring and measuring the impact of climate change risks

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Operational Risks	Management / Control
<p>Investment pooling:</p> <ul style="list-style-type: none"> Expected benefits and cost savings do not emerge over the long-term 	<ul style="list-style-type: none"> Investment Pool Risk Register Collaboration on product development – protocol in place Monitoring and management of costs
<p>Transactional:</p> <ul style="list-style-type: none"> Transition risks – unexpected costs or losses arising from transition of assets Custody – risk of losing economic rights to Fund assets when in custody or being traded Credit or counterparty – potential default of counterparty Financial recording of assets is inaccurate 	<p>Professional advice from specialist transition managers, due diligence and oversight on transitions</p> <ul style="list-style-type: none"> Use of global custodian for directly held assets, contractual management and accounting records Due diligence prior to appointment, review of credit ratings, internal controls reporting and compliance monitoring Reconciliation of assets, internal and external audit

6 INVESTMENT STRATEGY

The Committee has translated its objectives into a suitable strategic investment allocation benchmark (SIAB) and structure for the Fund (set out in Appendix B) taking into account both the liability structure and the Fund's objectives. The Fund benchmark is consistent with the Committee's views on the appropriate balance between generating a satisfactory long-term return on investments whilst taking account of market volatility and risk and the nature of the Fund's liabilities. The investment beliefs in Appendix C also help in formulating the investment strategy.

The Committee monitors investment strategy relative to the agreed asset allocation benchmark and strategic ranges.

The Fund will be diversified across multiple asset classes with different risk return expectations and correlations to deliver the targeted return of the Fund. Appendix B shows the Strategic Investment Allocation Benchmark (SIAB) and strategic ranges.

The Fund will use risk attribution provided by independent advisors to assess diversification benefits.

7 DAY-TO-DAY MANAGEMENT OF THE ASSETS

Investment Management Structure

The Pensions Committee retains responsibility for the investment strategy of the Fund but has delegated oversight of its implementation to the Director of Pensions, advised by the Investment Advisory Panel.

The day-to-day management of the Fund's investments is led by the Assistant Directors, supported by an internal team, investment consultant and external managers including the pool company, LGPS Central Limited. Further details are set out in Appendix A.

The Internal Investment Committee (IIC) is responsible for the day-to-day management and oversight of the assets including implementation of the strategic asset allocation within the benchmark ranges set out in the SIAB. This is supported by the Investment Advisory Panel and advice from the

appointed investment consultants.

External Investment Managers

The Fund has appointed a number of external investment managers all of whom are authorised under the Financial Services and Markets Act 2000 to undertake investment business.

The investment managers are required to comply with LGPS investment regulations and operate within investment mandates set by the Fund. External managers are also expected to comply with the Fund's requirements on cost transparency.

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Investment Pooling

A significant amount of investment is implemented through LGPS Central Limited following the setting up of a local authority shareholder owned FCA-regulated company, alongside seven Partner Funds and launched in April 2018. This comprises a mix of directly managed sub-funds along with a number of advisory mandates which the Fund has in place to assist with the day-to-day management of the assets. Both the individual sub-funds and the advisory portfolios are set a clear investment mandate with an accompanied investment process.

Oversight of performance is the responsibility of the IIC.

Expected Return on the Investments

Over the long-term, it is expected that the investment returns will be at least in line with the assumptions underlying the actuarial valuation (the discount rate). The individual mandates are expected to match or exceed the specific targets set for each portfolio over time.

Suitable Investments

Subject to the LGPS regulations on allowable investments the fund may invest in a wide range of assets and strategies including quoted equity, government and non-government bonds, currencies, money markets, commodities, traded options, financial futures and derivatives, alternative strategies (including insurance linked securities and loans), private equity and debt markets, infrastructure and property. Investment may be made in-house, in segregated mandates, indirectly (via pooled funds or partnership agreements), in physical assets or using derivatives. The Fund will also use external managers to carry out stock lending ensuring suitable controls/risk parameters are put in place to prevent losses.

The Fund may make use of derivatives either directly or in pooled funds when investing in these products, for the purpose of efficient portfolio management or to hedge specific risks.

The Fund, after seeking appropriate investment advice, has agreed specific benchmarks with each manager so that, in aggregate, they are consistent with the overall asset allocation for the Fund. The Fund's investment managers will hold a mix of investments which reflects their views relative to their respective benchmarks. Within each major market and asset class, the managers will maintain diversified portfolios through direct investment or pooled vehicles and a mix of asset types across a range of geographies in order to provide diversification of returns.

Additional Assets

Assets in respect of members' additional voluntary contributions are held separately from the main Fund assets. These assets are held with Utmost Life (from January 1st 2020) and the Prudential Assurance Company Limited. Members have the option to invest in with-profits funds, unit-linked funds and deposit funds.

The Fund monitors, from time to time, the suitability and performance of these vehicles.

Realisation of Investments

The Fund's liquidity characteristics are monitored on a regular basis and the majority of the Fund's investments may be realised quickly, if required. The Fund will ensure that the liquidity of the investments is suitable to meet future cashflow requirements. In general, the Fund's investment managers have discretion in the timing of realisations of individual, underlying investments and in considerations relating to the liquidity of those investments. Private equity,

infrastructure and a number of the Fund's alternative investments, may be difficult to realise quickly in certain circumstances.

Monitoring the Performance of Fund Investments

The performance of all assets and investments is independently measured by an external provider. In addition, officers of the Fund meet or engage with all investment managers (both segregated and pooled) regularly to review their arrangements and the investment performance. The Pensions Committee meets regularly and reviews markets and Fund performance at least annually.

8 DAY-TO-DAY CUSTODY OF THE ASSETS

The Fund invests a significant proportion of its assets in third party investments schemes, including through LGPSC Central. Separately, for certain directly invested assets the Fund has appointed a custodian with regard to the safekeeping of the assets in the Fund and other investment administrative requirements.

9 SECURITIES LENDING

Securities lending is undertaken in respect of the Fund's quoted equities holdings through the custodian/asset servicer. There is a formal securities lending agreement and approved collateral management framework to control and mitigate risk. Securities lending may also take place in pooled investment vehicles held by the Fund including those developed with LGPS Central Limited.

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10 INVESTMENT POOLING

The Fund is part of the LGPS Central pool with the objective that the pooled investments can expect to benefit from lower investment costs and the opportunity to access alternative investments on a collective basis. As a local authority-owned and FCA-registered investment manager, the pool company, LGPS Central Limited is required to provide governance, transparency and reporting to give the Fund assurance that its investment instructions are being carried out appropriately. The Fund monitors the performance and management of its assets with LGPSC Ltd (either directly in sub-funds or through advisory and other forms of agreements) on a quarterly basis. It undertakes it oversight arrangements both collectively with other Partner Funds but also individually to assess whether the investments are meeting the Fund's longer-term strategic requirements.

The Fund intends to invest the majority of its assets through the LGPS Central Pool, transitioning over time and maintaining operational cash balances within the Fund. The Fund is likely to continue to hold a number of legacy assets and may hold assets outside the pool to meet specific strategic investment requirements not available through the pool or more effectively managed outside. These will continue to be managed by the Fund given liquidity and the potential for significant loss of value should these assets need to be redeemed to meet the requirement to transition assets.

Investment strategy is set by the Pension Committee who also continues to oversee implementation of the investment strategy with the assistance of Fund officers and independent advisors. This includes the transition of assets to the LGPS Central Pool and

ongoing monitoring of those arrangements, through the pool's governance framework.

11 RESPONSIBLE INVESTMENT

The Fund's approach to responsible investment is set out below and further detailed in its Responsible Investment Framework. The Fund believes that effective management of financially material responsible investment (RI) including climate change risks should support the Fund's requirement to protect returns over the long term. The Fund seeks to integrate responsible investment factors (adding corporate governance, environmental and social factors to the existing financial factors) into the investment process across all relevant asset classes. The Fund votes on all investments where possible and engages with companies when engagement will add value to the Fund.

The Fund is a signatory to the Stewardship Code (see www.wmpfonline.com) and the Principles of Responsible Investment. The Fund works with like-minded investors to promote best practice in long-term stewardship of investments. The Fund will not seek to exclude investments that are not barred by UK law.

RI Beliefs and Guiding Principles

The Fund's RI beliefs and guiding principles underpin its RI approach and are set out in detail in the Fund's Responsible Investment Framework.

RI Integration

The Fund believes that effective management of financially material RI risks should support the Fund's requirement to protect and potentially enhance returns over the long term. Investment managers incorporate RI into their investment process. With regard to climate change risk, the Fund

recognises that the scale of the potential impact is such that a proactive and precautionary approach is needed in order to address it setting out in more detail the Fund's approach to climate change within its separate Climate Change Framework and Strategy.

The Fund considers RI to be relevant to the performance of the entire Fund across all asset classes. RI investments will be considered where any non-financial benefit is aligned with a positive financial benefit.

There are some investment opportunities arising from environmental and social challenges which can be captured so long as they are aligned with the Fund's investment objectives and strategy.

The Fund recognises the need to operate at a market-wide level to promote improvements that will help it to deliver sustainable long-term growth.

Engagement Versus Exclusion

Investee companies with robust governance structures should be better positioned to handle the effects of shocks and stresses of future events. There is risk but also opportunity in holding companies that have weak governance or financially material RI issues. Thus, the Fund prefers to adopt a policy of risk monitoring and engagement in order to positively influence company behaviour and enhance shareholder value, influence that would be lost through a divestment approach. The Fund extends this principle of 'engagement for positive change' to the due diligence, appointment and monitoring of external fund managers who are at an early stage of developing their RI approach.

INVESTMENT STRATEGY STATEMENT 2021

The Fund believes that it will improve its effectiveness by acting collectively with other like-minded investors because it increases the likelihood that it will be heard by the company, fund manager or other relevant stakeholder compared with acting alone. The Fund will continue to monitor the success of both its individual but also collective engagement with companies.

Voting

Where practical, the Fund aims to vote in every single market in which it invests in alignment with corporate governance best practice guidelines. In the interests of sending a consistent signal to investee companies, the Fund has decided to use a third- party provider for analysis of governance issues and executing its proxy voting rights across all markets in which it invests. At the present time, the Fund believes that the advantage of a consistent signal outweighs the inherent disadvantages to disconnecting the voting function from the investment and engagement decisions of external fund managers.

12 CLIMATE CHANGE

The Fund takes an evidenced based approach to the risks around climate change and acknowledges the potential financial risks that climate change pose to the Fund's investments. The Fund has developed and published a separate Climate Change Framework and Strategy, setting out how it intends to manage both the risks and opportunities of climate change and how it intends to integrate climate change into its broader strategy and asset management. The Fund has set targets and will monitor and manage delivery of those targets and report back to Pensions Committee on progress.

The Climate Change Framework and Strategy is subject to annual review by the Committee.

13 COMPLIANCE WITH THIS STATEMENT

The Fund will monitor compliance with this statement. In particular, it will ensure its investment decisions are

exercised with a view to giving effect to the principles contained in the statement, so far as is reasonably practicable.

14 COMPLIANCE WITH MYNERS

Following from the Myners' report of 2000 into institutional investment in the UK, the Government, after consultation, indicated it would take forward all of the report recommendations identifying investment principles to apply to pension schemes.

The Myners' principles have since been updated, and the Fund continues to support and comply with them. Full details of compliance are set out in the Fund's Compliance with Myners' Statement which can be found on the Fund's website. The Myners' principles have since been updated, and the Fund continues to support and comply with them. Full details of compliance are set out in the Fund's Compliance with Myners' Statement which can be found on the Fund's website.

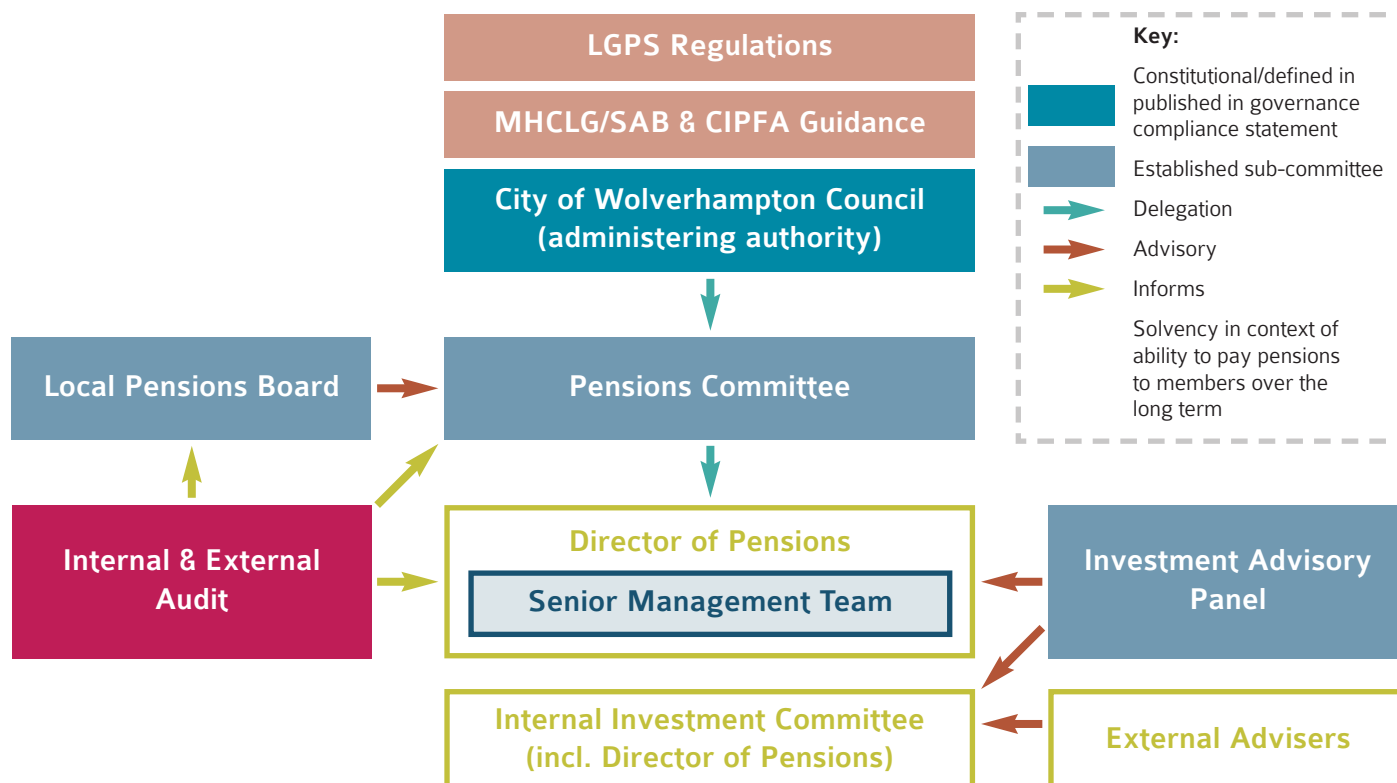
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- Appendix E – WMPF Separate Admission Fund PBL Strategic Asset Allocation

INVESTMENT STRATEGY STATEMENT 2021

APPENDIX A: ROLES AND RESPONSIBILITIES

The regulatory and governance framework in place to manage investment strategy includes:



The roles and responsibilities of the different bodies in the governance structure are outlined below:

Pensions Committee	Effect decisions on the management and administration of the Fund including investment decisions, annual approval of the Investment Strategy Statement
Local Pensions Board	Review the process of effective decision-making
Director of Pensions	Delegation for day to day management of Pension Fund including investments and implementation of investment strategy
Investment Advisory Panel	Supports the Director of Pensions and Internal Investment Committee with strategic advice, challenge, market commentary and oversight of portfolio management
Internal Investment Committee	Day-to-day asset allocation and investment strategy decision-making and implementation of investment strategy, together with oversight and monitoring of
Investment Advisors	Provision of advice on markets, investment strategy, risk management and individual investment ideas
Internal & External Audit	Review process, decisions and implementation and to provide assurance to those charged with governance of the Pension

INVESTMENT STRATEGY STATEMENT 2021

The roles of the members and the Committee are as follows:

To exercise all those functions of City of Wolverhampton Council which are required to be performed by its role as Administering Authority for the Local Government Pension Scheme under the Public Services Pensions Act 2013 (and any associated legislation) adhering to the principles required by Statutory Guidance and the Code of Practise issued by The Pensions Regulator.

The key duties in discharging this role are:

- 1 To act as Pension Scheme Manager for the administering authority in the management and administration of the local government pension scheme for the West Midlands.
- 2 To be responsible for compliance with legislation and best practice
- 3 To undertake training as outlined in the Fund's Pensions Committee and Pensions Board Training Policy.
- 4 To review and agree the Investment Strategy Statement, Responsible Investment Statement and Funding Strategy Statement for the Fund.
- 5 To monitor funding and investment activity and the performance of the Fund's investments;
- 6 To produce and maintain an Administering Authority Statement, Pension Administration Strategy, Governance Compliance Statement, Communications Statements and publish a Pension Fund Annual Report;
- 7 To determine employer admission policy and agreements;
- 8 To appoint and monitor an investment pool operator to manage the assets of the Fund;
- 9 To appoint Committee advisors;
- 10 To determine detailed management budgets; and the Fund's Service Plan
- 11 To administer all aspects of the West Midlands Pension Fund on behalf of City of Wolverhampton Council.

Further information about the role of the Pensions Committee is available in the Pensions Committee Terms of Reference which can be found in the City of Wolverhampton Council Constitution.

The Director of Pensions oversees the implementation of

Fund policy and the management of the day-to-day operational functions through the Fund's service areas. The Committee are advised and supported by the Chief Executive, Director of Pensions, Assistant Director, Section 151 Officer, Monitoring Officer, Heads of Service and Senior Finance and Legal Officers from the City of Wolverhampton Council.

Local Pensions Board

The role of the Local Pensions Board is to assist in the good governance of the scheme through the monitoring of Fund performance and adherence to statutory duties. The Board consists of six employer and six member representatives consisting of five employer and five member representatives together with two City of Wolverhampton councillors, each sitting one as an employer representative and one as a member representative.

The Pensions Board is not a decision-making body, nor does it hold a scrutiny function; its role is to assist in the compliance with statutory duties.

Investment Advisory Panel

The Investment Advisory Panel advises the Director of Pensions on investment issues relating to the Fund.

The Investment Manager

Appointed Investment Managers carry out the investments for the Fund. Investment managers encompass both LGPS Central Limited and external providers with investment activity governed by investment management agreements (external providers) and the terms of the LGPS Central Limited Authorised Contractual Scheme and other legal entities (eg, limited partnerships). The Fund also maintains a number of investment advisory agreements with LGPS Central Limited which are subject to review on an ongoing basis.

INVESTMENT STRATEGY STATEMENT 2021

APPENDIX B: WMPF MAIN FUND STRATEGIC INVESTMENT ALLOCATION BENCHMARK AND RANGES

Medium-term asset allocation March 2021			
	Target %	Total %	Range %
Growth		50.00	40-60
Liquid growth		42.0	
Developed market equities	30.0		
Emerging market equities	12.0		
Illiquid growth		8.0	
Private equity	6.0		
Special opportunities	2.0		
Income		38.00	30-50
Liquid income		14.0	
Multi-asset credit	5.5		
Corporate bonds	4.0		
Emerging market debt	4.5		
Illiquid income		24.0	
Infrastructure	9.0		
Property	9.0		
Diversified private credit	6.0		
Stabilising and low risk		12.0	5-20
Stabilising		7.0	
Government bonds	2.0		
Index-linked bonds	3.0		
Cash	2.0		
Stabilising low risk		5.0	
Index-linked bonds	1.0		
Corporate bonds	2.0		
Multi-asset credit	1.0		
Private credit (lower risk)	1.0		
Total	100.0		

INVESTMENT STRATEGY STATEMENT 2021

APPENDIX C: STATEMENT OF INVESTMENT BELIEFS

The Fund's investment beliefs outline key aspects of how it sets and manages the Fund's exposures to investment risk. They are as follows:

Headline beliefs

Objectives beliefs – As a pension fund the primary objective is to ensure that the Fund is able to meet the pension promises (liabilities) made to scheme members as they fall due. The Fund has a range of other objectives which include considering the needs of all key stakeholders which are supplementary to the primary objective

Financial market beliefs – The Fund takes a long-term approach to investing as its liabilities stretch into the future. The Fund has a proactive approach to the management of assets taking into account the risk/ return profile of different investment opportunities over a range of time periods.

Governance beliefs – The Fund believes having effective governance structures and policies will enable rigorous and tested decision making and will add value to the Fund over the longer term. Transparency and cost effectiveness provide key tenets of being a well-governed Fund.

Investment strategy – The Fund's investment strategy will encompass its approach to risk management, risk tolerance, liquidity and levels of return required to meet its strategic objectives. The Fund will set its strategic asset allocation to deliver the long-term returns required to meet its funding needs taking into account diversification, the requirement to remain agile, risk and cost of implementation, recognising that risk should be viewed both qualitatively and quantitatively.

Responsible investment – As long-term owners of capital (assets), the Fund believes that investing responsibly is key to ensuring the long-term value of the assets in which it invests is protected and where possible, enhanced. Investing responsibly and engaging as long-term owners reduces risk over time and has been proven to positively impact investment returns. The Fund is integrating responsible investment into the way it selects and stewards all assets.

Climate change – The Fund adopts an evidence-based approach to climate change and believes there is overwhelming evidence to support that climate changes poses both risks and opportunities to the Fund's investments. The Fund will consider the impact of climate change in both its asset allocation and individual investments when making decisions.

INVESTMENT STRATEGY STATEMENT 2021

Objectives

Headline objectives – As a pension fund the ultimate objective is to ensure that the Fund is able to meet the pension promises (liabilities) made to scheme members as they fall due. The Fund has a range of other objectives which include considering the needs of all key stakeholders which are supplementary to the primary objective.

- Setting clear and well-defined objectives are essential to reflect the Fund's long-term direction of travel
- Use of an integrated risk management framework including interlinking with both employer covenant monitoring and funding work to assist in delivering the sustainability of the Fund
- To meet the changing needs of the Fund's scheme membership and employer base, noting in particular the growing number of both members and employer but also changing workforce patterns and nature of employment and employers in the Fund.
- The Fund's asset allocation will reflect a risk-based assessment of its ability to meet its long-term pension liabilities taking into account funding levels, cash flow and balancing risks to long term sustainability of contributions

Financial market beliefs

Headline financial market beliefs – The Fund takes a long-term approach to investing as its liabilities stretch into the future and in so doing seeks to take a proactive approach to the management of assets taking into account the risk / return profile of different investment opportunities over a range of time periods

- There exists a relationship between the level of investment risk taken and the rate of expected investment return. The Fund monitors the long-term returns (10 years plus) of asset classes and their level of risk through assessing the level of volatility over time
- Markets are dynamic and asset values can become distorted over time providing opportunities for the Fund to benefit from the mispricing of assets
- There are opportunities for the Fund to access a level of illiquidity premium by its ability to invest longer term in illiquid assets where there is evidence that it is beneficial to do so
- Diversification is a key risk management tool for the long-term investment of Pension Fund assets
- Investing for the long-term can enable the Fund to use short term volatility to acquire investments when attractively priced
- The Fund does not need to own an asset class/investment strategy where it is not expected to help in delivering the required risk-adjusted return.
- The Fund recognises that currency management including the use of currency hedging is another risk management tool
- The Fund believes that the use of derivatives e.g. market futures and currency forwards can enable the Fund to implement its investment strategies and make asset allocation changes in a cost effective and efficient way.

INVESTMENT STRATEGY STATEMENT 2021

Governance and organisational beliefs

Headline Governance and Organisational Beliefs – The Fund believes having effective governance structures and policies will enable rigorous and tested decision making and will add value to the Fund over the longer term. Transparency and cost effectiveness provide key tenets of being a well-governed Fund.

- Effective governance and clear decision-making structures promote clear accountability, audit and transparency in decision making leading to appropriate levels of challenge and improved investment outcomes
- Internal investment management can lead to lower costs, improved transparency and greater responsiveness in meeting the Fund's broader strategic objectives including those aligned with responsible investment.
- The Fund will assess and select the most appropriate benchmarks or absolute return targets for individual asset classes and will use a customised benchmark for the Fund as a whole
- The Fund will assess its performance against its customised benchmark and will assess its longer performance against relevant peer groups both national and international comparatives to assess the value add that the Fund is delivering
- The Fund will assess a range of implementation routes to accessing asset classes and individual investment opportunities, this will include the use of the investment pool company
- Investment costs are a certain cost versus investment performance which provides for an uncertain outcome and the Fund believes that investment costs should be fully transparent and assessed as part of any investment decision.
- Effective cost management will enhance investment returns. Cost should be transparent and assessed within decision making and monitored to ensure investments continue to offer VFM
- Investment costs are an important determinant in assessing investments, but net of fees performance is a more important factor in delivering investment performance
- Effective manager monitoring, and oversight is critical for risk management and enhancing outcomes
- Effective implementation and structuring of investment portfolios should enhance the long-term returns to the Fund

Investment Strategy Beliefs

Headline strategy beliefs – The Fund's investment strategy will encompass its approach to risk management, risk tolerance, liquidity and levels of return required to meet its strategic objectives. The Fund will set its strategic asset allocation to deliver the long-term returns required to meet its funding needs taking into account diversification, the need for flexibility, risk and cost of implementation.

- Taking a long-term perspective on investment strategy will deliver better outcomes for the Fund
- SAA is a key determinant of risk and return and the Fund believes that this will add greater value than individual manager or stock selection over time
- SAA targets needs to encompass flexibility to be able to take account of market volatility and enable the Fund to manage
- Alternative asset classes add further diversity to the portfolio and improve its risk-return characteristics
- Active management can add value over time, but it is not guaranteed and can be hard and more expensive to access. Where active strategies are not considered to add value, a passive approach will be selected

INVESTMENT STRATEGY STATEMENT 2021

- Managing fees and costs matter especially in low-return environments. Fee arrangements with our Fund managers – as well as the remuneration policies of investee companies – should be aligned with the Fund's long-term interests
- Strategic asset allocation is the most important driver of the Fund's investment outcome. The asset allocation process balances diversified risks against the expected additional returns for these risks. The main sources of return for the Fund for bearing risk ('risk premia') are equity, credit, and illiquidity.
- Diversification through effective portfolio construction is a key technique available to investors for spreading risk across a range of factors and improving risk-adjusted returns

Responsible investment beliefs

Headline responsible investment beliefs – As long-term owners of capital, the Fund believes that investing responsibly is key to ensuring the long-term value of the assets in which it invests. Investing responsibly and engaging as long-term owners reduces risk over time and positively impacts investment returns. The Fund will integrate responsible investment into the way it manages all assets.

- Effective management of financially material ESG risks including climate change risks should support the Fund's requirement to protect and optimise returns over the long term
- Investee companies with robust governance structures should be better positioned to handle the effects of shocks and stresses of future events
- There are some investment opportunities arising from environmental and social challenges which can be captured so long as they are aligned with the Fund's investment objectives and strategy.
- Responsible Investment should be integrated into the investment process
- The Fund will manage responsible investment factors through engagement rather than exclusions.
- The Fund may take into account non-financial factors when making investment decisions, provided that it is able to demonstrate no significant financial detriment from doing so
- The Fund believes working collaboratively with other investors will deliver improvements to the way in which companies are managed and the provides the opportunity to influence wider policy which could impact on the long term returns to the Fund

Climate change beliefs

Headline climate change beliefs – The Fund adopts an evidence-based approach to climate change and believes there is overwhelming evidence to support that climate changes poses both risks and opportunities to the Fund's investments. The Fund will consider the impact of climate change in both its asset allocation and individual investments when making decisions.

- The Fund believes there is overwhelming evidence to support the fact that climate change is impacting on the environment and that this will have longer term consequences for the Fund's financial returns if not managed.
- Climate change has the potential to impact the funding level of the pension fund through impacts on employer covenant, asset pricing, and longer-term inflation, interest rates and life expectancy

INVESTMENT STRATEGY STATEMENT 2021

- We believe that a transition to a low carbon economy is essential and that carefully designed and targeted government and company policies can ensure a just transition for workers and communities, with substantial economic and social benefits. In addition, public finance will be important as a cross cutting mechanism to invest in human capital and inclusive growth
- The Fund will collaborate with other investors to campaign for positive changes to policy both nationally and at a company level to bring about change aligned to the Paris accord of 1.5 to 2.0 degrees scenarios
- The Fund will adopt a focused climate change policy which will be monitored and measured to ensure that the Fund is delivering against policy targets set within its climatechange policy
- In order to assess progress for the Fund towards a lower carbon economy it is essential for the Fund to measure its climate risk exposure at regular intervals

INVESTMENT STRATEGY STATEMENT 2021

APPENDIX D: WMPF SEPARATE FUND WMTL STRATEGIC INVESTMENT ALLOCATION BENCHMARK AND RANGES

WMTL medium term asset allocation March 2021		
	Target %	Range %
Return seeking (equities)	16.0	14-18
Alternative credit	48.0	42-54
Stabilising gilts & bonds (including LDI)	36.0	32-40
Total	100.0	

The above excludes the value of the buy-in policy held to support meet a portion of the pensioner liabilities.

WMTL target hedge ratios	
Interest rates	60%
Inflation	40%
Total	100.0

INVESTMENT STRATEGY STATEMENT 2021

APPENDIX E: WMPF SEPARATE FUND PBL STRATEGIC INVESTMENT ALLOCATION BENCHMARK AND RANGES

PBL medium term asset allocation March 2021		
	Target %	Range %
Return seeking (equities)	15.0	10-20
Alternative credit	26.0	20-35
Stabilising gilts & bonds (including LDI)	58.5	50-70
Cash	0.5	0-2
Total	100.0	

ADMINISTERING AUTHORITY POLICY STATEMENT 2021

Under the LGPS Regulations, the Fund is required to formally publish its policy on “discretions”.

Discretions is taken to include where the administering authority is required to carry out a task, but an element of choice is seen to exist as to how the task is completed. Unless stated otherwise the references to regulations are set out below with the following prefixes used throughout the draft.

- The Local Government Pension Scheme Regulations 2013 [prefix R]
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 [prefix TP]
- The Local Government Pension Scheme (Administration) Regulations 2008 [prefix A]
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 as amended) [prefix B]
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008 [prefix T]
- The Local Government Pension Scheme Regulations 1997 (as amended) [prefix L]

This document was reviewed and approved by Pension Committee in March 2020, effective date from April 2020. The next date for review is March 2021.

Admission of Admission Bodies [Regulation R4, R3(5) R Sch2]

The administering authority may make an admission agreement with any admission body.

The administering authority can also make admission agreements with a Care Trust, NHS Scheme employing authority or Care Quality Commission. An admission agreement may take effect on a date before the date on which it is executed.

The Council will usually agree to an admission agreement with an admission body that is regarded as having a community of interest, provided it is satisfied about the long-term financial security of the body or it has a public sector guarantee. The administering authority will enter into an admission agreement with other admission bodies provided that any requirements it has set down are met. The Council may agree that the admission agreement may take effect on a date before the date on which it is executed.

Right to Terminate Admission Agreement [R Sch2]

The administering authority has the right to terminate an admission agreement in prescribed circumstances. The Council shall retain the right to terminate an admission agreement in the event of:

- a) The insolvency, winding up or liquidation of the admission body,
- b) A material breach by the admission body of any of its obligations under the admission agreement or these Regulations which has not been remedied within a reasonable time, or
- c) A failure by the admission agreement to pay any sums due to the fund within a reasonable period after receipt of a notice from the administering authority requiring it to do so.

Exit Payment [R64]

The administering authority may suspend (by way of issuing a suspension notice) for up to three years, an employer’s obligation to pay an exit payment where the employer is again likely to have active members within the specified period of suspension.

Where an intention to allow new members to join the scheme is identified, the Council may allow the employer up to six months to admit such members.

ADMINISTERING AUTHORITY POLICY STATEMENT 2021

Additional Pension Contributions [R16]

The administering authority may turn down a request to pay an additional pension contribution (APC) or shared-cost additional pension contribution (SCAPC) over a period of time where it would be impractical to allow such a request. The member would still be able to pay via a single lump-sum payment.

Due to the administration costs involved requests to pay additional pension contributions or shared-cost additional pension contributions over a period of time in order to address an absence from work of less than ten working days will be refused unless there are exceptional circumstances.

Medical Examination Required for Purchase of APC/SCAPC [R16]

The administering authority may require the member to undergo a medical at their own expense and may refuse an application if the authority is not satisfied that the member is in reasonably good health.

The Council will require that a member provides satisfactory medical evidence to ensure they can be reasonably expected to complete the contract undertaken and will not retire due to a pre-existing medical condition on health grounds. No medical shall be required if the member is paying for the additional pension by means of a lump-sum payment.

Payment of Additional Voluntary Contributions on the Death of a Member [R17]

The administering authority shall decide to whom to pay any AVC monies, including life assurance monies are to be paid to on death of a member.

The Council will decide based on the individual circumstances of the case, who should receive payment of the monies having regard to that it should be paid to or for the benefit of the member's nominee, personal representative or any person appearing to the authority to have been a relative or dependent of the member.

Provision of Estimates in Relation to Transfers of AVCS/FSAVCS [TP15 and A28]

The administering authority may charge a member for providing an estimate of additional pension that would result from a transfer of in house AVC/SCAVC contributions.

Members may request a quote free of charge. In the exceptional case an additional request is made, the Council reserve the right to charge.

Pension Accounts [R22]

A pension account may be kept in any form that the administering authority considers appropriate.

The Council will decide the form in which pension accounts are kept based upon any published information or best practice and in an efficient manner.

Concurrent Employment and the Absence of an Election Form [TP10]

The administering authority shall decide in the absence of an election form from the member within 12 months of ceasing a concurrent employment, and where there is more than one ongoing employment which on going employment the benefits from the concurrent employment should be aggregated with.

The one with the longest likely lifespan or the ongoing employment that is most similar to the one that has ceased will be selected.

Retirement Benefits [R30]

The administering authority, in cases where the current employer or the former employer has ceased to be a scheme employer, may consent to waive, in whole or in part the actuarial reduction where the member voluntarily draws their pension before normal pension age.

The administering authority may also in cases where the current employer or the former employer has ceased to be a scheme employer may consent to waive, in whole or in part the actuarial reduction on benefits paid on flexible retirement. Where a request is received, it will be considered on an individual basis and on its own merit. However, where there is a cost as this cost will have to be spread across all employers the cost has to be justified.

Strain on the Fund [R68]

The administering authority may require an employer who allows a member to retire by reason of flexible retirement, redundancy or business efficiency to pay the additional charge on the fund. This also includes the cost where the employer has chosen to waive any reduction on flexible retirement or where the member voluntarily draws benefits before normal retirement age.

The Council will require an employer to make the appropriate payment to meet the additional charge where the member has retired early through flexible retirement, redundancy, business efficiency or where the employer has exercised their discretion to waive any reduction as a result of flexible retirement or voluntary retirement.

ADMINISTERING AUTHORITY POLICY STATEMENT 2021

Switching on the Rule of 85 [TP Sch 2]

In cases where the current employer or former employer has ceased to exist, the administering authority may consent to switch on the 85-year rule where the member is voluntarily drawing benefits on or after age 55 and before age 60.

Where a request is received it will be considered on an individual basis and on its own merit. However, where there is a cost, as this cost will have to be spread across all employers the cost has to be justified.

Waiving the Reduction [TP Sch 2 & B30]

In cases where the current employer or former employer has ceased to exist, the administering authority may consent to waive any actuarial reduction on the benefits on pre- and/or post-April 2014 benefits.

Where a request is received, it will be considered on an individual basis and on its own merit. However, where there is a cost as this cost will have to be spread across all employers the cost has to be justified.

Strain on the Fund [TP Sch 2]

The administering authority may require an employer to pay any additional costs as a result of the employer waiving the reduction in cases where the employer has consented to the early payment of on benefits before age 60 under Benefit Regulation 30.

The Council will normally require the employer to make the additional payment to meet any additional cost.

Extension of the Time Limit to Draw Benefits [R32]

The administering authority shall decide whether to extend the time limits in which a member must give notice of their wish to draw their benefits before normal retirement age or upon flexible retirement.

Where a request is received asking for the time limit to be extended, the individual circumstances will be considered on whether it is appropriate to extend the time limit.

Commutation of Small Pensions [R34, B39, T14, R39]

The administering authority may commute a small pension into a single lump sum.

The administering authority will commute small pensions when a member has made a request.

Independent Registered Medical Practitioner – Approval [R36 & A56]

The administering authority shall approve the choice of the medical practitioner used by the employer for ill-health retirement.

A medical practitioner who is registered with the General Medical Council and who has the appropriate qualifications specified in the regulations will be approved.

Certificate Produced by an IRMP under the 2008 Scheme [TP12]

In cases where the employer or the former employer has ceased to exist to be a scheme employer, the administering authority can use a certificate produced by an IRMP under the 2008 scheme to make a determination under the 2014 scheme.

The certificate will be allowed except in circumstances of a particular case the certificate is not compliant with the requirements of the 2014 scheme.

Early Payment on Ill-Health Grounds – Deferred Member [R38]

In cases where the employer or the former employer has ceased to exist to be a scheme employer, the administering authority shall decide whether the deferred member meets the criteria of being permanently incapable of carrying out their former job and are unlikely to be capable of undertaking gainful employment before normal pension age or for at least three years whichever is sooner.

Where a request is received each case will be considered individually and a decision will be made based on the medical evidence and opinion provided by the independent registered medical practitioner.

Early Payment on Ill-Health Grounds – Deferred Pensioner Member [R38]

In cases where the employer or the former employer has ceased to be a scheme employer, the administering authority can decide whether a deferred pensioner is unlikely to be capable of undertaking gainful employment before normal pension age because of ill health.

Where a request is received each case will be considered individually and a decision will be made based on the medical evidence and opinion provided by the independent registered medical practitioner.

ADMINISTERING AUTHORITY POLICY STATEMENT 2021

Payment of the Death Grant [R40, R43, R46, TP17 & B23, B32, B35, T Sch & LI55]

The administering authority has absolute discretion in determining the recipients of any death grant payable from the scheme.

Normally the death grant will be paid to the nominated beneficiary or the death grant could be paid to the estate of the deceased. Where either or both of these options are seen to be inappropriate or impossible, the Council shall exercise its absolute discretion in as to who should receive the death grant.

No Double Entitlement – Benefits Due under Two or More Regulations [R49 & B42]

The administering authority may decide in the absence of an election form from a member, which benefit is to be paid where the member would be entitled to a benefit under two or more regulations for the same period of scheme membership.

The member would be notified of the payment of the benefit that would provide the highest level of payment.

Admission Agreement Funds [R54]

The administering authority may establish an admission agreement fund.

The Council has chosen not to set up an admission agreement fund.

Governance Compliance Statement [R55]

The administering authority must prepare a governance policy stating whether the administering authority delegates its functions or part of its functions in relation to maintaining a pension fund to a committee, a sub-committee or an officer of the administering authority, and if they do so delegate, state:

- the terms, structure and operational procedures of the delegation;
- the frequency of any committee or sub-committee meetings; and
- whether representatives of employing authorities or members are included and if so whether they have voting rights.

The policy must also state:

- the extent to which a delegation, or the absence of a delegation, complies with Secretary of State guidance and to the extent it does not so comply, state the

reasons for not complying; and

- the terms, structure and operational procedures appertaining to the Local Pensions Board.

The Governance Compliance Statement will be prepared, maintained and published. A copy will be made available on our website www.wmpfonline.com

Funding Strategy Statement [R58]

The administering authority must after appropriate consultation prepare maintain and publish a statement setting out its funding strategy. The statement has to be published no later than 31 March 2015.

The Funding Strategy Statement is prepared, maintained and published annually. A copy is available on our website www.wmpfonline.com

Pension Administration Strategy [R59]

The administering authority may prepare and publish a pension administration policy and the matters it should include.

The administering authority will publish a Pension Administration Strategy after consultation and it will be kept under review. A copy is available on our website www.wmpfonline.com

Communications Policy [R61]

The administering authority must prepare and publish its communication policy. It must set out its policy concerning communication with members, representatives of members, prospective members and scheme employers, as well as the format, frequency and method of communications, and the promotion of the scheme to prospective members and their employers.

The administering authority publishes and maintains a communications policy, a copy of which will be made available on our website www.wmpfonline.com

Revision of Employer's Contribution Rate [R64]

The administering authority may obtain from the actuary, a certificate revising the employer contribution rate, if there are circumstances which make it likely a scheme employer will become an exiting employer.

A revised additional rate and adjustments certificates regarding employer contributions will be obtained where it appears to be appropriate.

ADMINISTERING AUTHORITY POLICY STATEMENT 2021

Aggregate Scheme Costs – Revised Certificates [R65]

The administering authority may obtain a new rates and adjustments certificate if the Secretary of State amends the regulations as part of the “cost sharing” arrangements.

A new rates and adjustments certificate will be obtained where it appears to be appropriate.

Employer Contributions – Dates for Payment [R69]

The administering authority shall decide on the dates which contributions are to be paid over to the Fund.

All contributions (apart from additional voluntary contributions) should be credited to the Fund without delay by the 19th of the month following the month in which they fall due.

Information Provided by Employers About Contributions – Frequency and Format [R69, TP23, 22 & R80]

The administering authority shall decide on the form and frequency of the information to accompany payments to the Fund.

The administering authority will provide to employers the specified formats that employers are to use for the submission of their data, which is to be provided monthly, in line with the payment of contributions. A notification will be issued each year to inform employers of the deadline to submit this data along with any format changes that will be required. The Fund requires this data to be submitted to them no later than 30 April.

Notice to Recover Costs Due to Employer’s Performance [R70]

The administering authority will decide to issue the employer with a notice to recover additional costs incurred as a result of the employer’s level of performance.

As detailed in the Pension Administration Strategy, the Council will review from time to time whether to issue an employer with notice to recover additional costs incurred as a result of the employer’s level of performance.

Employer Payments – Interest on Overdue Payments [R71]

The administering authority may charge interest on payments by employers which are overdue.

The Council reserves the regulatory prescribed right to require interest to be paid when payments are overdue by more than one month. Interest must be calculated at one per cent above base rate on a day to day basis from the due date to the date of payment and compounded with three monthly rests.

Procedure to be Followed When Exercising Stage 2 Dispute Functions and the Manner in Which Those Functions are to be Exercised. [R76, A60, TP23 & R76]

The administering authority will decide how it will exercise its stage two dispute procedure and the procedure to be followed.

The review would be undertaken by a person not involved in the first stage decision and by a person appointed to deal with disputes referred to it under stage 2. The Council will ensure suitable procedures are in place.

Appeal to the Secretary of State Against Employer Decision [R79 & A63]

The administering authority may appeal to the Secretary of State against an employer decision or lack of an employer decision.

The Council will appeal to the Secretary of State if it believes an employer has made (or failed to make) a decision that is both wrong in law and material and where we have been unable to persuade the employer to alter its actions or inactions.

Exchange of Information [R80, TP22, 23]

The administering authority shall specify the information to be supplied by employers to enable the administering authority to discharge its function.

The Council will specify the information that is to be supplied by employers having regard to the regulatory requirements and best practice.

ADMINISTERING AUTHORITY POLICY STATEMENT 2021

Making Payments in Respect of Deceased Person Without Probate/Letters of Administration [R82 & A52]

The administering authority may pay the whole or part of the amount due from the Fund to the personal representatives or any person appearing to be beneficially entitled to the estate without the production of probate or letters of administration where the amounts due are less the amount specified in section 6 of the Administration of Estates (Small Payments) Act 1965.

Payment will normally be made without the production of probate or letters of administration where the amount is below the specified amount.

Payments for Persons Incapable of Managing Their Affairs [R83, A52 & B27]

The administering authority may decide where a person (other than an eligible child) appears incapable of managing their affairs, to pay the whole or part of that person's pension benefits to another person to be applied for the benefit of the member.

Where in the Council's opinion a member is unable to manage their own affairs, then having considered the individual circumstances of the particular case they may decide to pay some or all of the benefits to someone else

Date to Which Benefits Shown on Annual Benefit Statement are Calculated [R89]

The administering authority will decide the date to which benefits shown on the annual benefit statement are calculated.

The date will be selected in line with regulatory requirement and best practice.

Bulk Transfer (Transfer Of Undertakings) [R98]

The administering authority must agree any bulk transfer payment.

The terms of the bulk transfer will be discussed with the Fund's actuary, and once all parties are in agreement payment will be made.

Transfers into the Fund and Extension of 12-Month Time Limit [R100]

The administering authority may accept a transfer value of pension rights into the Fund and may also extend the time limit of 12 months from the date the member first became an active member in their current employment.

The Council will accept a transfer value where a request is made. The Council will only agree to extend the time limit where the appropriate employer has agreed to extend the time limit.

Final Pay Reductions [TP3, 4, 8, 10, 17 & B10]

The administering authority will decide whether to use an average of three years pay for final pay purposes where the member has died before making an election.

The pay figure which provides the highest overall level of benefits will be selected.

Permanent Reductions in Pay - Certificates of Protection [TP3, 4, 8, 10, 17, T Sch1 & L23]

The administering authority will decide for a member who has a certificate of protection who has died before making an election which pay figure should be used for final pay purposes.

The pay figure which provides the highest overall level of benefits will be selected.

Eligible Child – Ignoring Breaks in Education or Training [R Sch1 & TP17]

The administering authority may treat a child as being in continuous educational or vocational training despite a break.

The Council will accept short breaks and also gap years as being breaks in education and will restart a suspended child's pension at the end of such a break or gap.

Financial Dependence /Interdependence of Cohabiting Partner [R Sch1 & Tp17]

The administering authority will decide upon the evidence required to determine the financial dependence or financial interdependence of the cohabiting partner and the scheme member.

The Council will provide details of the evidence required taking account of any guidance provided.

ADMINISTERING AUTHORITY POLICY STATEMENT 2021

Abatement of Pre-1 April 2014 Pension [TP & A70]

The administering authority shall decide whether and how to abate the pre-1 April 2014 pension element following re-employment of a scheme pensioner by a local government employer.

In the event of a scheme pensioner obtaining further employment with a scheme employer the pension will not be abated. The Fund resolved from 1 September 2006 not to abate pension on re-employment.

Extension of Time Period for Capitalisation of Added Years Contract [TP15, T Sch1 & L83(5)]

The administering authority may extend the time allowed to a member who has an added years contract and who is made redundant to decide whether to pay a capital payment.

The Council will apply the prescribed three month time limit, unless there are individual circumstances which need to be considered in deciding whether to grant an extension of the time limit.

Recovery of Unpaid Employee Contributions as Debt/from Benefits [A45]

The administering authority may recover any outstanding employee contributions as a debt or as a deduction from the benefits.

The Council will, where practical deduct any unpaid employee contributions from the benefits relating to the membership to which the unpaid contributions relate.

Consent for Early Payment and Waiving of Reduction [B30 & TP Sch]

Where the former employer has ceased to be a scheme employer, the administering authority may consent to waive the reduction for the payment of deferred benefits on compassionate grounds.

Where a request is received it will be considered individually and on its own merit. However, where there is a cost as this cost will have to be spread across all employers the cost has to be justifiable.

'Switch On' the 85-Year Rule for a Pensioner Member with Deferred Benefits

Where the former employer has ceased to be a scheme employer, the administering authority may consent to 'switch on' the 85-year rule for a pensioner member with deferred benefits voluntarily drawing benefits.

The Council would not normally 'switch on' the 85-year rule.

Application for Early Payment of a Suspended Tier 3 Ill-Health Pension and Waiving Reduction [B30]

The administering authority may consent to the request for the early payment of pension for a member, who left with a tier 3 ill-health pension that is suspended and who now is aged between 55 and 60 where the former employer has ceased to be a scheme employer. The administering authority may also waive any reduction.

Where a request is received, it will be considered individually and on its own merit. However, where there is a cost, as this cost will have to be spread across all employers the cost has to be justifiable.

Request for Early Payment of Deferred Benefits on Ill-Health Grounds [B31]

The administering authority may decide to agree to a request from a deferred member for early payment of benefits on ill-health grounds where the former employer has ceased to exist.

The Council will obtain an opinion from an IRMP as to whether as the member meets the criteria of permanent ill health and reduced likelihood of gainful employment.

Spouses' Pensions Arising under the 1995 Regulations Payable for Life

The administering authority shall decide to pay spouse's pensions for life for pre-1 April 1998 retirees/pre-1 April 1998 deferreds who die on or after 1 April 1998, rather than ceasing the pension during any period of marriage or cohabitation.

The Council has deemed that any spouses' pension that comes into payment is payable for life. This does not apply to spouses' pensions that ceased prior to 1 April 1998.

ADMINISTERING AUTHORITY POLICY STATEMENT 2021

Data Protection

To protect any personal information held on computer, the City of Wolverhampton Council is registered under the Data Protection Act 2018. This allows members to check that their details held are accurate. The Fund may, if it chooses, pass certain details to a third party, if the third party is carrying out an administrative function of the Fund, for example, the Fund's AVC provider.

Members who wish to apply to access their data on Data Protection Act grounds should contact the Fund's Data Protection Officer via email at

wpfdataprotectionofficer@wolverhampton.gov.uk

This authority is under a duty to protect the public funds it administers, and to this end may use information for the prevention and detection of fraud. It may also share this information with other bodies administering public funds solely for these purposes.

Information produced by the Fund can be made available in several formats including large sight text, Braille and several community languages. If you have any special requirements or would like to speak face to face with a member of staff, please contact us to arrange how we may best meet your needs. Please remember that special requirements may take a little longer than normal to organise, but you have our assurance that we will do our best to ensure you receive the information in the most appropriate and efficient manner possible.

June 2021



FURTHER INFORMATION

237 Participating Employers in the Fund

PARTICIPATING EMPLOYERS IN THE FUND

Scheduled Bodies

Local Authorities

Birmingham City Council

City of Wolverhampton Council

Coventry City Council

Dudley Metropolitan Borough Council

Sandwell Metropolitan Borough Council

Solihull Metropolitan Borough Council

Walsall Metropolitan Borough Council

Major Employers

The Chief Constable For West Midlands Police

West Midlands Combined Authority

West Midlands Fire and Civil Defence Authority

Higher Education – Universities

Birmingham City University

Coventry University

University of Wolverhampton

University College Birmingham

Colleges of Further Education and Higher Education

Birmingham Metropolitan College

South and City College Birmingham

Hereward College

Dudley College of Technology

Halesowen College

King Edward VI College

Sandwell College

Solihull College

Walsall College

Joseph Chamberlain College

City of Wolverhampton College

Coventry College

Other Scheduled Bodies

Chelmsley Wood Town Council

Fordbridge Parish Council

PARTICIPATING EMPLOYERS IN THE FUND

Coventry & Solihull Waste Disposal Company Ltd
Smiths Wood Parish Council
Meriden Parish Council
Castle Bromwich Parish Council
Walsall Academy -Thomas Telford Mat
Solihull Community Housing
Grace Academy - Tove Learning Trust
Wolverhampton Homes
Kingshurst Parish Council
Sandwell Academy-Thomas Telford Mat
Shireland Collegiate Academy Trust
Q3 Academy
CTC Kingshurst Academy - Tudor Grange Academies Trust
RSA Academy
Ormiston Shelfield Community Academy
Ormiston Sandwell Community Academy
Park Hall Academy- Arden Multi-Academy Trust
E-ACT Heartlands Academy
E-ACT Shenley Academy
ARK St Albans Academy
Sidney Stringer Academy Trust
King Edward VI Sheldon Heath Academy- KEVI AT Birmingham
E-ACT North Birmingham Academy
Harborne Academy
Arden Academy- Arden Multi-Academy Trust
Park Hall Infant Academy
St Patricks Church of England Primary Academy
Tudor Grange Academy Solihull Trust - Tudor Grange Academies Trust
John Henry Newman Catholic College
Windsor High School and Sixth Form
Wood Green Academy Trust
Ninestiles An Academy - Summit Learning Trust
Lordswood Girls School & Sixth Form Centre
Ryders Hayes Academy Trust
Kings Norton Girls School & Language College
Shire Oak Academy - The Mercian Trust
Bartley Green School

PARTICIPATING EMPLOYERS IN THE FUND

Blue Coat Church of England School and Music College

Queen Marys High School - The Mercian Trust

Queen Marys Grammar School - The Mercian Trust

Sutton Coldfield Grammar School for Girls Academy Trust

Whitley Academy

Aston Manor Academy

Heart of England School

Light Hall School

Pegasus Academy - Dudley Academies Trust

Barr Beacon School- Matrix Academy Trust

Rookery School

Finham Park School Academy

Langley School

Alderbrook School

Lode Heath School

The Westwood Academy - Kenilworth Multi-Academy Trust

Holyhead School

Fairfax School (Academy)

The West Coventry Coventry

Deanery Church of England School

Plantsbrook School - Plantsbrook Learning Trust

Oldbury Academy

Hillcrest School & Sixth Form Centre

Ormiston George Salter Academy

King Edward VI Camp Hill School for Boys- KEVI AT Birmingham

King Edward VI Camp Hill School for Girls- KEVI AT Birmingham

King Edward VI Handsworth School- KEVI AT Birmingham

King Edward VI Five Ways School- KEVI AT Birmingham

King Edward VI Aston School- KEVI AT Birmingham

Beacon Hill Academy - Dudley Academies Trust

Arthur Terry Learning Partnership

The Kingswinford School Academy - Windsor Academy Trust

Nishkam School Trust

Heath Park Academy - Central Learning Partnership Trust

The Streetly Academy

Ormiston Forge Academy

Earls High School (The) - Stour Vale Academy Trust

PARTICIPATING EMPLOYERS IN THE FUND

Park Hall Junior Academy
Joseph Leckie Academy
E-ACT Willenhall Academy
Hall Green Secondary School - An Academy
Rockwood Academy- The Core Education Trust
Birmingham Museums Limited
Bishop Vesey's Grammar School
Mesty Croft Academy
Wilson Stuart School - Education Impact Academy Trust
Hockley Heath Academy
Warren Farm Primary School
Aldridge School - The Mercian Trust
Moseley Park Academy- Central Learning Partnership Trust
St Johns C of E Primary School
Coundon Court Academy
Barr View Primary & Nursery Academy
Timberley Academy Trust
Victoria Park Primary Academy - Victoria Academies Trust
Erdington Hall Primary Academy- Summit Learning Trust
Balsall Common Primary Academy - Central Schools Trust
Woodlands Academy of Learning
Aston University Engineering Academy Birmingham
St Michael's CofE Primary Academy Handsworth - Birmingham Diocesan Multi Academy Trust
St Mary's C of E Primary Academy and Nursery
Green Meadow Primary School - Excelsior MAT
ARK Tindal Primary Academy
George Dixon Academy
Nansen Primary School - The Core Education Trust
Handsworth Wood Girls Academy - KEVI AT Birmingham
Dorrington Academy Trust
ARK Kings Academy
St Peters Church of England Academy Trust
Jubilee Academy Mossley - Academy Transformation Trust
Nechells Primary E-ACT Academy
Ormiston Academies Trust
EBN Free School
Croft Primary Academy - The Elliot Foundation Academies Trust

PARTICIPATING EMPLOYERS IN THE FUND

Lordswood Boys School - Central Academies Trust
Chilwell Croft Academy - Equitas Academies Trust
Goldsmith Primary Academy - Windsor Academy Trust
Kings Rise Academy - The Elliot Foundation Academies Trust
Alston Primary School- Leigh Trust
Greenholm Primary School
Blue Coat Church of England (Walsall) Trust
Caludon Castle Academy
Percy Shurmer Primary School
Woden Primary - Central Learning Partnership Trust
West Walsall E-ACT Academy
Birmingham Ormiston Academy
St Clements CofE Academy Nechells - Birmingham Diocesan Multi Academy Trust
Oasis Community Learning - Blakenhale Junior
Oasis Community Learning - Woodview School
Oasis Community Learning - Blakenhale Infants
Lea Forest Primary Academy- Academies Enterprise Trust
Four Dwellings Primary Academy- Academies Enterprise Trust
Tame Valley Academy - University of Wolverhampton MAT
Shirestone Community Academy - The Elliot Foundation Academies Trust
Oasis Community Learning - Short Heath Primary
Aldersley High School - Amethyst Academies Trust
Yardleys School
Woods Bank Academy - The Elliot Foundation Academies Trust
Billesley Primary Academy - The Elliot Foundation Academies Trust
Merritts Brook E-ACT Primary Academy
St Michael's CE Primary School - Birmingham Diocesan Multi Academy Trust
Reedswood E-ACT Primary Academy
James Brindley School
Oaklands Primary - Summit Learning Trust
Greenwood Academy - Academies Enterprise Trust
Tudor Grange Primary Academy St James - Tudor Grange Academies Trust
Mansfield Green E-ACT Primary Academy
Parkfield Community School - Excelsior MAT
City Road Academy - Inspire Educational Trust
Bramford Primary - Griffin Academy Trust
Bristnall Hall - The Academy Transformation Trust

PARTICIPATING EMPLOYERS IN THE FUND

Redhill School - Stour Vale Academy Trust
Edgar Stammers Academy - University of Wolverhampton MAT
Knowle CE Primary Academy
St Joseph's - John Paul II Multi-Academy
St Nicholas' - John Paul II Multi-Academy
Holy Cross - John Paul II Multi-Academy
Bishop Walsh - John Paul II Multi-Academy
Q3 Tipton - Quaerere Academies Trust
St John's and St Peter's C of E Academy- All Saints Multi Academy Trust
St Georges CofE Primary School - Birmingham Diocesan Multi Academy Trust
Acocks Green Primary School
Washwood Heath Academy- Washwood Heath MAT
Perry Hall Primary School - Perry Hall MAT
Oasis Community Learning - Matthew Boulton
Four Dwellings Academy- Academies Enterprise Trust
Oasis Community Learning - Hobmoor Primary
Timbertree Primary - United Learning Trust
George Betts Academy - The Elliot Foundation Academies Trust
Hamstead Hall Academy Trust
Corngreaves Primary - United Learning Trust
Shireland Hall Academy - The Elliot Foundation Academies Trust
Stretton Primary Academy - Diocese of Coventry MAT
St Laurence's Primary Academy - Diocese of Coventry MAT
Yarnfield Academy - Summit Learning Trust
President Kennedy School- The Futures Trust
Hawkesley Church Primary Academy - Birmingham Diocesan Multi Academy Trust
Birchills Academy - St Chads Academies Trust
Montgomery Primary Academy - Academies Enterprise Trust
Fairway Primary Academy - University of Wolverhampton MAT
Cheswick Green Parish Council
Jubilee Park Academy
Ocker Hill Junior Academy- Ocker Hill Academy Trust
Three Spires Academy - RNIB Specialist Learning Trust
Silvertrees Academy Trust
Pegasus Academy - Summit Learning Trust
St Edmund's Academy -St Francis and St Clare Catholic MAC
SS Mary & Johns Catholic Primary Academy - St Francis and St Clare Catholic MAC

PARTICIPATING EMPLOYERS IN THE FUND

St Teresa's Academy - St Francis and St Clare Catholic MAC
Holy Trinity C of E Primary Academy - Birmingham Diocesan Multi- Academy Trust
SS Peter and Paul Catholic Primary Academy and Nursery - St Francis and St Clare Catholic MAC
St Michaels Catholic Primary Academy and Nursery- St Francis and St Clare Catholic MAC
Tiverton Academy - The Elliot Foundation Academies Trust
St Joseph's Academy - St John Bosco Catholic Academy Trust
Bishop Milner Academy - St John Bosco Catholic Academy Trust
St Chads Academy - St John Bosco Catholic Academy Trust
Bentley Heath Church of England Primary School
Reaside Academy- University of Wolverhampton MAT
St Georges Academy Newtown - Birmingham Diocesan Multi Academy Trust
St Bartholomew's C of E Primary Academy- Diocese of Coventry MAT
Coventry University Enterprises Limited
Hill Farm Academy - Castle Phoenix Trust
The Orchards Primary Academy - University of Wolverhampton MAT
Wednesbury Oak Primary Academy
Robin Hood Primary Academy
Woodhouse Primary Academy - University of Wolverhampton MAT
Broadway Academy
Radford Primary Academy - Sidney Stringer Academy Trust
Ernesford Grange Community Academy- Sidney Stringer Academy Trust
Chivenor Primary School - Griffin Schools Trust
Rivers Primary Academy - Windsor Academy Trust
Walsall Studio School- The Mercian Trust
Waverley Studio College - The Waverley Education Foundation Ltd
Twickenham Primary Academy
Grestone Primary Academy- Hamstead Hall Academy Trust
St Paul's C of E Primary Academy
Leigh Primary School
University of Wolverhampton MAT
Wodensborough Ormiston Academy
Ridgewood High School - Stour Vale Academies Trust
Wolverhampton Girls High School
St Judes Academy - St Chad's Academies Trust
Oasis Community Learning - Foundry Primary
Riverbank Academy - Sidney Stringer Academy Trust
Berrybrook Academy - Perry Hall MAT

PARTICIPATING EMPLOYERS IN THE FUND

Reach Free School
WMG Academy for Young Engineers
Cottesbrooke Infant & Nursery School
Smestow School - University of Wolverhampton MAT
Northwood Park Primary School - SHINE Academies
Marston Green Infant Academy
Smith's Wood Primary Academy
Police & Crime Commissioner for West Midlands
Northern House School Academy Trust
St Johns C of E Primary Academy - Diocese Coventry MAT
Heathlands Academy- University of Wolverhampton MAT
Wednesfield High Specialist Engineering Academy - University of Wolverhampton MAT
Albert Bradbeer Primary School - University of Wolverhampton MAT
Sacred Heart Primary - Romero MAC
St Gregory's School Coventry - Romero MAC
Good Shepherd Primary School - Romero MAC
SS Peter and Paul Catholic Primary School - Romero MAC
St John Fisher Primary School - Romero MAC
St Patrick's Catholic Primary School - Romero MAC
Cardinal Wiseman Catholic School - Romero MAC
Corpus Christi Catholic Primary School - Romero MAC
All Saints National Academy- St Chad's Academy Trust
Bournville School and Sixth Form Centre- Fairfax MAT
St Gregory's Academy - St Catherine of Siena MAC
Our Lady & St Hubert's Catholic Primary Academy - St Catherine of Siena MAC
St Francis Xavier Catholic Primary Academy - St Catherine of Siena MAC
St Philip's Catholic Primary Academy - St Catherine of Siena MAC
The University of Birmingham School
Devonshire Infant Academy - Victoria Academies Trust
Seva Free School - Sevak Educational Trust
Devonshire Junior Academy - Victoria Academies Trust
Town Junior School - Plantsbrook Academy Trust
St Brigid's Catholic Primary School - Lumen Christi Catholic MAC
St Columba's Catholic Primary School - Lumen Christi Catholic MAC
St Joseph's Catholic Primary School - St Nicholas Owen Catholic MAC
Our Lady of Fatima Catholic Primary School - St Nicholas Owen Catholic MAC
St Mary's Catholic Primary School - St Nicholas Owen Catholic MAC

PARTICIPATING EMPLOYERS IN THE FUND

Calthorpe Academy – Thrive Education Partnership
Crestwood School- Invictus Education Trust
Hillstone Junior and Infants Academy
Ellowes Hall Sports Academy- Invictus Education Trust
Wyndcliffe Primary School (Leigh Trust)
Brownmead Academy- Washwood Heath MAT
Manor Primary School- Manor Multi Academy Trust
St Johns C of E Primary Academy - St Chads Academy Trust
St Martin's C of E Primary School- St. Martin's Multi Academy Trust
St Paul's Catholic Primary School- Lumen Christi Catholic MAC
St James Catholic Primary School- Lumen Christi Catholic MAC
St Joseph's Catholic Primary School- Lumen Christi Catholic MAC
ST Thomas Aquinas Catholic School- Lumen Christi Catholic MAC
Field View Primary School- St Martin's Multi Academy Trust
Futurelets Ltd
Jervoise School- DRB Ignite MAT
Wychall Primary School- DRB Ignite MAT
Holy Rosary Catholic Primary- St Francis and St Clare Catholic MAC
St Marys catholic Primary St Francis and St Clare Catholic MAC
Our Lady and St Chads Catholic Academy- St Francis and St Clare Catholic MAC
Corpus Christi Catholic Primary- St Francis and St Clare Catholic MAC
St Thomas Ce Academy- All Saints Multi Academy Trust
Saltley Academy- Washwood Heath MAT
Barr's Hill School- The Futures Trust
Walsgrave C of E Academy- Inspire Education Trust
Clifford Bridge Academy- Inspire Education Trust
Whittle Academy- Inspire Education Trust
Lyndon Academy- Summit Learning Trust
Waverley School- The Waverley Education Foundation Ltd
Academy Transformation Trust
Heathfield Primary School- Prince Albert Community Trust
Bloxwich Academy - Matrix Academies Trust
Moor Green Primary Academy - REach2 MAT
Prince Albert Primary School- Prince Albert Community Trust
Beechwood C of E Primary School - DRB Ignite MAT
The British Sikh School- The Khalsa Academies Trust
Northfield Manor Primary Academy - Victoria Academies Trust

PARTICIPATING EMPLOYERS IN THE FUND

Ark Boulton Academy
The Edge Academy
The Bromley-Pensnett Primary School- Drb Ignite MAT
Manor Way Primary Academy- Windsor Academy Trust
Dickens Heath Parish Council
West Midlands Construction UTC
Elston Hall Primary School- Elston Hall Multi-Academy Trust
Sidney Stringer Free Primary School - Sidney Stringer Academy Trust
Health Futures UTC
Bickenhill & Marston Green Parish Council
The King Solomon International Business School
Westcroft Sport and Vocational College- Central Learning Partnership Trust
The Romero Catholic Academy
Inspire Education Trust
Highfields School
Finham Primary School- Finham Park MAT
Manor Park Primary Academy- REAch2 Academy Trust
Northern House School (City of Wolverhampton)
Pool Hayes Academy- Academy Transformation Trust
Nonsuch Primary School- Birmingham Diocesan Multi Academy Trust
Grove Primary School- St Martin's Multi Academy Trust
Highfield Junior and Infant School- Prince Albert Community Trust
Dunstall Hill Primary School- Perry Hall MAT
Aston Tower Community Primary School- Aston Tower Multi-Academy Trust
Wolverhampton Vocational Training Centre- Central Learning Partnership Trust
Lodge Farm Primary School - SHINE Academies
Palmers Cross Primary Academy- Elston Hall Multi-Academy Trust
Finham Park 2- Finham Multi-Academy Trust
Royal Sutton Coldfield Town Council
Yew Tree Community Junior and Infant School - Inspire Education Community Trust
North Walsall Primary Academy- Academy Transformation Trust
Lyng Hall School- Finham Park MAT
Fibbersley Park Academy- Victoria Academies Trust
Hob Green Primary School - DRB Ignite MAT
Damson Wood Infant academy - Central Schools Trust
Streetsbrook Infant and Early Years Academy- Streetsbrook Academy Trust
Princethorpe Infant School- DRB Ignite MAT

PARTICIPATING EMPLOYERS IN THE FUND

The Oval School - DRB Ignite MAT
Audley Primary School - DRB Ignite MAT
Gossey Lane Academy - Washwood Heath MAT
Leasowes High School - Invictus Education Trust
Erdington Academy- Fairfax Multi-Academy Trust
Smith's Wood Academy - Fairfax Multi-Academy Trust
Summerhill Primary Academy- Summer Park MAT
Conway Primary School- Create Partnership Trust
Greet Primary School- Create Partnership Trust
Edward the Elder Primary - Elston Hall MAT
St Bartholomew's C of E Primary School (St Batholomews's CE Multi Academy Trust)
Northern House School (City of Wolverhampton) PRU
Tenterfields Primary Academy - Windsor Academy Trust
St Francis CE Primary School and Nursery- Fioretti Trust
Hill Avenue Academy - Manor MAT
East Park Academy - Manor MAT
Stanton Bridge Primary School- Stanton Bridge Multi-Academy Trust
Cromwell Primary School- Cromwell Learning Community Academy Trust
Broadmeadow Special School- Central Learning Partnership Trust
Hearsall Community Academy - Inspire Education Trust
Bushbury Lane Academy - Reach2 Academy Trust
Quinton Church Primary School- Birmingham Diocesan Multi Academy Trust
Canterbury Cross Primary School - Canterbury Cross Education Trust
Cedars Academy- Robin Hood Multi-Academy Trust
Courthouse Green Primary School - Triumph Multi-Academy Trust
Great Barr Academy - The Shaw Education Trust
Firs Primary School - Washwood Heath MAT
Topcliffe School - Washwood Heath MAT
Parkgate Primary School - The Futures Trust
Phoenix Academy - Academy Transformation Trust
Westminster Primary School - Westminster Academy Trust
Bordesley Village Primary School - Cromwell Community Learning Trust
Stirchley Primary School - Evolve Education Trust
Keresley Grange Primary Academy - The Futures Trust
Heart of Birmingham Vocational College
Colley Lane Primary Academy - Windsor Academy Trust
Moreton School - Amethyst Academy Trust

PARTICIPATING EMPLOYERS IN THE FUND

Cockshut Hill School - Summit Learning Trust
Chandos Primary School - The Elliot Foundation Academies Trust
Woodside Community School & Little Bears Nursery - Hales Valley Multi-Academy Trust
Lutley Primary School - Hales Valley Multi-Academy Trust
Lapal Primary School- Hales Valley Multi-Academy Trust
King Edward VI Handsworth Grammar School For Boys - KEVI AT Birmingham
The Bridge School - Forward Education Trust
Hodge Hill Primary School - Create Partnership Trust
Brays School - Forward Education Trust
Hallmoor School - Forward Education Trust
Dame Elizabeth Cadbury School - Matrix Academy Trust
Matrix Academy Trust
Foxford Community School - Castle Phoenix Trust
WMG Academy for Young Engineers (Solihull)
Turves Green Primary School - Excelsior Multi-Academy Trust
Thorns Collegiate Academy - Shireland Collegiate Academy Trust
St Stephen's Church of England Primary School - St Stephen's Church of England Multi Academy Trust
Holyhead Primary Academy - Shireland Collegiate Academy Trust
Parkfield Primary School - St Stephen's Church of England Multi Academy Trust
Tile Cross Academy - Washwood Heath MAT
Caldmore Primary Academy- Academy Transformation Trust
Stoke Park School - The Futures Trust
Netherbrook Primary School- Learning Link MAT
Dudley Wood Primary School- Learning Link MAT
Ormiston SWB Academy
Sledmere Primary School- Learning Link MAT
Kates Hill Primary School- Learning Link MAT
Woodfield Primary School - St Bartholomew's COE MAT
The Link Academy - Dudley Academies Trust
St James Academy - Dudley Academies Trust
Birmingham Diocesan Multi Academy Trust
The Sixth Form College, Solihull- Summit Learning Trust
Olive Hill Primary School - Stour Vale Academy Trust
Cardinal Newman Catholic School - Holy Cross MAC
Goldthorn Park Primary - Elston Hall MAT
Ormiston NEW Academy
LGPS Central

PARTICIPATING EMPLOYERS IN THE FUND

Priory Primary School - Hales Valley MAT
Hurst Hill Primary School - Hales Valley MAT
Netherton COE Primary School - Diocese of Worcester MAT
Small Heath Leadership Academy - Star Academies
Leigh COE Academy - Diocese of Coventry MAT
The Active Wellbeing Society Ltd
D'Eyncourt Primary School - Central Learning Partnership Trust
Villiers Primary School - SHINE Academies
City Academy - The Core Education Trust
Jewellery Quarter Academy - The Core Education Trust
Central Academy - The Core Education Trust (<i>terminated in year</i>)
Arena Academy - The Core Education Trust
ARK Victoria Academy
St Thomas More Catholic Academy - Holy Cross MAC
Richard Lee Primary School - Castle Phoenix Trust
Woodthorne Primary School - Perry Hall MAT
Bishop Ullathorne Catholic School - Holy Cross MAC
Christ The King Catholic Academy - Holy Cross MAC
St Elizabeth's Catholic Academy - Holy Cross MAC
St Augustines Catholic Primary School - Holy Cross MAC
Tameside Primary Academy - Shireland Collegiate Academy Trust
Coppice Performing Arts School - CLPT
St John Vianney Catholic Primary School - Holy Cross MAC
Peoples Future Ltd
Dudley Academies Trust
St Margaret's C of E Primary School - Birmingham Diocesan Multi Academy Trust
Holy Trinity Catholic School - St Teresa of Calcutta MAC
St Thomas' Church of England Primary Academy - Manor Multi Academy Trust
St Alban's Church of England Primary Academy - Manor Multi Academy Trust
Archbishop IIsley Catholic School - St Teresa of Calcutta MAC
The Pedmore High School-Invictus Education Trust
Birchfield Primary School - Prince Albert Community Trust
Wilson Stuart University College Birmingham Partnership Trust
Solihull Alternative Provision Academy
Princethorpe Junior School - DRB Ignite MAT
Titan Aston Academy - Titan Education Trust
SS Mary & John's Catholic Primary School - John Paul II Multi-Academy

PARTICIPATING EMPLOYERS IN THE FUND

Ulverley School - Robin Hood MAT

Yenton Primary School - Robin Hood MAT

Brookfields Primary School

Marlborough Infant School - Leigh Trust

Marlborough Junior School - Leigh Trust

SS Peter & Paul Catholic Primary School - John Paul II Multi-Academy

The Ladder School - The Mercian Trust

Birmingham and Solihull Mental Health Foundation Trust

Holy Souls Catholic Primary School - St Teresa of Calcutta MAC

Busill Jones Primary School - SHINE Academies

Springfield Primary Academy - Reach2 Academy trust

Trinity C of E Primary Academy - St Chads Academy Trust

CU Recruitment and Admissions Ltd

Pearl Hyde Community Primary School - Finham Park MAT

King Edward VI Balaam Wood Academy - KEVI AT Birmingham

DRB Ignite Multi-Academy Trust

Colmers Farm Primary School - Excelsior MAT

Northfield Road Primary School - Stour Vale Academy Trust

Shireland Technology Primary - Shireland Collegiate Academy Trust

West Bromwich Collegiate Academy - Shireland Collegiate Academy Trust

Tudor Grange Primary Academy Yew Tree - Tudor Grange Academies Trust

Holy Cross MAC - Central Office

Sacred Heart Catholic School - John Paul II Multi Academy

Ham Dingle Primary Academy - United Learning Trust

St Barnabas C of E Primary School-Fioretti Trust

Sutton Park Primary School - Prince Albert Community Trust

The Olive School, Small Heath - Star Academies

St Thomas More Catholic Primary School - Lumen Christi Catholic MAC

Pheasey Park Farm Primary School - Elston Hall Multi-Academy Trust

Blowers Green Primary School - Dudley Academies Trust

Cherry Tree Learning Centre - The Skylark Partnership

Without Active Members

ARK Rose Primary Academy

Bickenhill Parish Council

Balsall Parish Council

Sandwell Homes Limited

City of Wolverhampton Academy Trust

PARTICIPATING EMPLOYERS IN THE FUND

Woodlands Academy
Black Country University Technical College
The Mirus Academy- Walsall College Academies Trust
Oldknow Academy
Perry Beeches - The Academy
Charles Cuddy Walker Academy - Erudition Schools Trust
Baverstock Academy- The Leap Academy Trust
Golden Hillock Academy- The Core Education Trust
CUL Academy Trust Limited
Walsall Adult Community College
ARK Chamberlain Academy

Community Of Interest Admission Bodies - Admitted Bodies

With Active Members

Black Country Museum Trust Ltd
Birmingham Institute for the Deaf
Central England Law Centre
Wolverhampton Grammar School
Wolverhampton Voluntary Sector Council
West Midlands Travel Ltd
New Park Village Tenant Management Organisation
West Midlands Growth Company Ltd
Lighthouse Media Centre
St Columba's Church Day Centre
Sandwell Community Caring Trust
The Penderels Trust Ltd
Bushbury Hill Estate Management Board Ltd
Brownhills Community Association Limited
Sickle Cell And Thalassaemia Group
Coventry Sports Trust Ltd
Home Start (Stockland Green/Erdington)
Wildside Activity Centre
Whitefriars Housing Group
Manor Farm Community Association
Bloomsbury Local Management Organisation Ltd
Steps to Work (Walsall) Ltd
Home Start (Walsall)

PARTICIPATING EMPLOYERS IN THE FUND

Murray Hall Community Trust

Sandbank Tenant Management Organisation Ltd

Walsall Housing Group

Northern Housing Consortium Ltd

WATMOS Community Homes

Voyage Care Limited

Sandwell Leisure Trust

Black Country Consortium Ltd

BME United Ltd

Dovecotes Tenant Management Organisation Ltd

Midland Heart Ltd

Titan Partnership Ltd

New Heritage Regeneration Ltd

Mytime Active

Acivico (Design Construction and Facilities Management) Ltd

Acivico (Building Consultancy) Ltd

Sandwell Community Caring Trust (Sandwell Care Homes)

4 Towers TMO Limited

SIPS Education Ltd

Culture Coventry

Kingswood Trust

Without Active Members

Age Concern Wolverhampton

Belgrade Theatre Trust (Coventry) Ltd

Valuation Tribunal Service

Cannon Hill Trust (now Midlands Arts Council)

Cerebral Palsy Midlands

Newman College

Selly Oak Nursery

St Basil's Centre

Aston University

University of Warwick

West Midlands Examinations Board (The)

West Midlands Local Authorities Employers' Organisation

Wolverhampton Race Equality Council

West Midlands (West) Valuation Tribunal

Black Country Museum Development Trust (The)

PARTICIPATING EMPLOYERS IN THE FUND

Coventry Voluntary Service Council
Moseley and District Churches Housing Association Ltd
Age Concern Birmingham Vsop
Dudley Zoo Development Trust
East Birmingham Family Service Unit
Three Tuns Neighbourhood Project
South Birmingham Family Services Unit
TSB Bank plc (formerly Birmingham Municipal Bank)
Walsall Enterprise Agency Ltd
Metropolitan Authorities Recruitment Agency (METRA)
Birmingham Heartlands Development Corporation
Wolverhampton Community Safety Partnership
Family Care Trust
Solihull Community Care Trust
Springfield/Horseshoe Housing Management Co-operative Ltd
Friendship Care and Housing Ltd
Chris Laws Day Care Centre for Older People
Asian Welfare Centre
West Bromwich Afro-Caribbean Resource Centre
Job Change Ltd
National Urban Forestry Unit
Palfrey Community Association
Heart of England Care
All Saints Haque Centre
Asian Women's Adhikar Association (AWAAZ)
Heath Town Estate Management Board
South Warwickshire Tourism Ltd
Adoption Support
West Midlands Councils (formerly West Midlands Leaders Board)
Optima Community Association
Delves East Estate Management Ltd
Life Education Centres West Midlands
Relate
Community Justice National Training Organisation
Aquarius Action Projects
Wednesbury Education Action Zone
Millennium Point Trust

PARTICIPATING EMPLOYERS IN THE FUND

Druids Heath TMO
Lieutenancy Services (West Midlands) Limited
Home Start (Birmingham South)
Black Business in Birmingham
Wolverhampton Family Information Service Ltd
Black Country Connexions
Burrowes Street Tenant Management Organisations Ltd
Rightstepcareers Ltd (formally CSW Partnership Ltd)
Bilston and Ettingshall SureStart
Wolverhampton Network Consortium
CV One Ltd
Leamore Residents Association Limited
Birmingham and Solihull Learning Exchange (The)
BXL
Chuckery Tenant Management Organisation Ltd
Museum of British Road Transport Trust (Coventry) Ltd
West Midlands Transport Information Services Ltd
Black Country Partnership NHS Foundation Trust
Sunderland ARC Ltd
Solihull Care Ltd
National Windows Ltd
Walsall Regeneration Company Ltd
Sandwell Regeneration Company Ltd
Solihull Care Trust
Leisure and Community Partnership Ltd
Wolverhampton Development Company Ltd
Coventry Heritage and Arts Trust
Sandwell Arts Trust
Age Concern Birmingham
Murray Hall Community Trust (Oldbury)
Murray Hall Community Trust (Rowley)
Murray Hall Community Trust (Wednesbury)
Priory Family Centre CIC Ltd
Broadening Choices for Older People
Roman Way Estate CIC
Moor Green Primary Academy - HTI MAT
Black Country Housing Group (New Bradley Hall)

PARTICIPATING EMPLOYERS IN THE FUND

Birmingham Solihull Mental Health NHS Foundation Trust

Transferee Admission Bodies

With Active Members

Galliford (UK) Ltd

Amey Highways Ltd

Pell Frischmann Consultants Ltd

Mitie PFI Ltd

Integral UK Ltd (Coventry)

Service Birmingham Ltd

Engie Services Ltd

Enterprise Managed Services Ltd (Solihull)

Housing 21 Ltd

BAM Construct UK Ltd

Tarmac Ltd

Agilisys Ltd (Rowley/Smethwick)

KGB Cleaning & Support Services Ltd Bishop Ulathorne School)

Amey LG Ltd

Balfour Beatty Living Places Ltd (Coventry)

SERCO Ltd (Sandwell)

Agilisys Ltd (OCOS/WODO/Tipton)

Creative Support Limited

Lawrence Cleaning - St Stephens School

NSL Ltd (Solihull)

Interserve Catering Services Ltd (Smethwick)

Interserve Catering Services Ltd (Rowley)

Engie FM Ltd (Broadway School)

Aspen Services Ltd (Gosford Park School)

Premier Support Services Ltd (Alumwell Infant School)

Alliance in Partnership Ltd (Harborne Primary School)

Aspens Services- Phoenix Collegiate

Places for People Leisure Limited (Wolverhampton)

Aspen Services Ltd (Courthouse Green Primary School)

Alliance in Partnership Ltd (Unity Cluster)

Atalian Servest Food Co Ltd (Synergy Schools)

APCOA Parking (UK) Limited (Wolverhampton)

Integral UK Ltd (Hill Farm Primary School)

PARTICIPATING EMPLOYERS IN THE FUND

ABM Catering Limited (Aldermoor Farm Primary School)
Atalian Servest Food Co Ltd (John Gulson)
Alliance in Partnership Ltd (Broadway)
Action Indoor Sports Birmingham CIC Limited
Pendergate Ltd
Alliance in Partnership Ltd (Greenefields Primary School)
Aspens-Services Ltd (Old Church School)
Aspens Services Ltd (Rough Hay School)
Aspens-Services Ltd (Salisbury School)
Aspens-Services Ltd (Aldridge School)
Aspens Services Limited (Pinfold Street Primary)
ABM Catering Limited (Allesley)
ABM Catering Ltd (St Andrews C of E Infant School)
NSL Ltd (BCC)
Birmingham Community Leisure Trust (North East Contract)
Birmingham Community Leisure Trust (South West Contract)
Alliance in Partnership Ltd (Brownhills School)
Places for People Leisure Limited (Sparkhill)
T(n)S Catering Management Ltd (Potters Green School)
T(n)S Catering Management Ltd (Moat House School)
ABM Catering Ltd (John Shelton Community Primary School)
Alliance in Partnership Ltd (Coventry South Cluster Group)
Alliance in Partnership Ltd (St Matthias School)
Elite Cleaning & Environmental Services Ltd (Bloxwich Academy) <i>(terminated in year)</i>
Compass Contract Services (UK) Ltd (Diocese of Coventry MAT) <i>(terminated in year)</i>
Aspens-Services Ltd (Bartley Green)
Aspens-Services Ltd (St Peters Collegiate)
Engie Regeneration Holdings Ltd
Wates Construction Ltd (West-Central)
Priory Education Services Ltd <i>(terminated in year)</i>
Wates Construction Ltd (East)
Compass Contract Services (UK) Ltd (Hall Green Secondary School)
Fortem Solutions Ltd (BHAM South)
Alliance in Partnership Ltd (Pedmore Primary School)
Dodd Group (Midlands) Ltd
Mazars Ltd (Walsall MBC)
Prospects Services (Coventry and Warwickshire)

PARTICIPATING EMPLOYERS IN THE FUND

Aspens-Services Ltd (St Peter's Catholic School, Solihull)
Aspens-Services Ltd (Heartlands Academy)
Aspens-Services Ltd (Merritts Brook Academy)
Aspens-Services Ltd (St George's C of E Academy)
Aspens-Services Ltd (Mansfield Green Academy)
Aspens-Services Ltd (West Walsall E-ACT Academy)
Alliance in Partnership Ltd (Holy Family Catholic Primary School)
Aspens-Services Ltd (Whitgreave Junior School)
Sodexo Ltd (Oasis Community Learning)
Alliance in Partnership Ltd (Heart of England School)
Cleantec Services Ltd (Coventry College)
Taylor Shaw Ltd (Broadway Academy)
Aspens-Services Ltd (Hillcrest School)
Premier Support Services Ltd (Yew Tree Community School)
Aspens-Services Ltd (Joseph Leckie Academy)
Miquill Catering Ltd (Colton Hills)
Miquill Catering Ltd (Woodfield Junior)
Aspens Services Ltd (St Martin's School)
Sandwell Children's Trust
Caterlink Ltd (John Paul II)
Murray Hall Community Trust (Rowley and Tipton)
Churchill Contract Services Ltd (Finham Park MAT)
Compass Contract Services UK Ltd (Arthur Terry Lp)
Caterlink Ltd (The Futures Trust)
Aspens-Services Ltd (Fairfax MAT)
Greenwich Leisure Ltd
Action for Children (West Bromwich and Wednesbury)
Action for Children (Smethwick and Oldbury)
Aspens-Services Ltd (Merridale Primary School)
Aspens-Services Ltd (Bantock Primary School)
Aspens-Services Ltd (Lanesfield Primary School)
KCLS (St Annes Primary School)
Churchill Contract Services Ltd (Wodensfield Primary School) (<i>terminated in year</i>)
Churchill Contract Services Ltd (Stoke Park School and Community Technology College)
Compass Contract Services (UK) Ltd (Smestow School)
Compass Contract Services (UK) Ltd (Wednesfield High School)
T(N)S Catering Management Ltd (Fibbersley Park School)

PARTICIPATING EMPLOYERS IN THE FUND

Caterlink Ltd (Stoke Park School)
Caterlink Ltd (Romero Multi Academy) (<i>terminated in year</i>)
Churchill Contract Services Ltd (Moat House Primary School)
OCS Group UK Ltd (Highfields and Pennfields)
Compass Contract Services (UK) Ltd (Uplands Junior School)
Birmingham Children's Trust
Jewson Ltd (Dudley MBC)
Accuro Fm Limited (Hall Green Secondary School) (<i>terminated in year</i>)
Arden Service (Uk) Ltd (Highfield J&I School)
ICE Creates Ltd (Coventry CC)
Churchill Contract Services Ltd (Finham Park School)
Arden Services (UK) Ltd (Birchfield Primary School)
Change, Grow, Live Ltd (Walsall MBC)
Tenon Fm Ltd (Bournville junior and Infant School)
KWB Corporate Cleaning Ltd (Elms Farm Primary School)
Aramark Limited (Walsall College)
Alliance in Partnership (Holy Trinity C of E Primary School)
Alliance In Partnership Ltd (Edgewick Primary School)
Premier Support Services Ltd (Braidwood Trust School For The Deaf)
Churchill Contract Services Ltd (Colmers School And Sixth Form College)
Miquill Catering Ltd (Acocks Green Primary School)
Aspens-Services Ltd (Maney Hill Primary)
Aspens-Services Ltd (Blue Coat C of E Academy)
Aspens-Services Ltd (Whitgreave Infant School)
Genie Cleaning Services Ltd (Bartley Green School)
Cleantec Services Ltd (Four Dwellings Primary Academy)
Pendergate Ltd (Tudor Grange Academies Trust)
The Camphill Village Trust Ltd (Dudley MBC)
Aspens-Services Ltd (Lordswood Girls School)
Bellrock Property and Facilities Management Ltd (Tudor Grange Academies Trust)
Mellors Catering Services (Kingswinford Academy)
Churchill Contract Services Ltd - Langley School
Aspens-Services Ltd (Yardleys School)
Accuro FM Ltd (Core Academy Trust)
Cleantec Services Ltd (Montgomery Primary Academy)
Miquill Catering Services (Woodfield School)
Miquill Catering Services (St Bartholomews Ce Primary Sch)

PARTICIPATING EMPLOYERS IN THE FUND

Greater Birmingham and Solihull Local Enterprise Partnership

Miquill Catering Ltd (Busill Jones Primary School)

Miquill Catering Ltd - Elston Hall Multi Academy Trust

St Edmund Campion Catholic Secondary School - John Paul II Multi-Academy

Without Active Members

MLA West Midlands

Pool Hayes Community Association

Mitie Cleaning (Midlands) Ltd

Technology Innovation Centre

Service Team Ltd

Target Excel plc (Solihull MBC)

Veolia Environmental Serviced Cleanaway (UK) Ltd

Revenue Management Services

Leisure Living Ltd

Central Parking Systems

Target Excel plc (Magistrates Courts)

JDM Accord Ltd (Shrewsbury & Atcham)

JDM Accord Ltd (Shropshire)

Redcliffe Catering Ltd (Bordesley Green Girls School)

JDM Accord Ltd (Tamworth)

Vertex Data Science Ltd

Morrison Facilities Services Ltd

JDM Accord Ltd (Telford & Wrekin)

Kite Food Services Ltd

Redcliffe Catering Ltd (Camp Hill School)

Temple Security Ltd

West Midlands E-Learning Company

Select Windows (Homes Improvements) Ltd

Forest Community Association

Methodist Homes for Aged

Enterprise (AOL) Ltd (Telford/Wrekin)

Enterprise (AOL) Ltd (Shrewsbury)

Enterprise (AOL) Ltd (Shropshire)

Accord Operations Ltd (Birmingham)

Edith Cadbury Nursery School

Target Excel plc (Walsall MBC)

Enterprise Managed Services Ltd (Wolverhampton)

PARTICIPATING EMPLOYERS IN THE FUND

Research Machines plc
Mitie Cleaning (Midlands) Ltd - Wednesfield
Superclean Services
Mitie Property Services (UK) Ltd
Strand Ltd
APCOA Parking (UK) Ltd
Regent Office Care Ltd (Whitefriars)
British Telecom
Regent Office Care Ltd (City College, Coventry)
RM Education plc
APCOA Parking (UK) Ltd (Solihull)
Serco Ltd (Stoke)
Mears Group plc
Wates Construction Ltd (Birmingham)
Thomas Vale Construction plc
GF Tomlinson Birmingham Ltd
Willmott Dixon Partnership Ltd (North Contract)
Alliance in Partnership Ltd (Aston)
Alliance in Partnership (Camp Hill)
Mitie Managed Services (S&SW) Ltd
Mitie Managed Services (S&SW) Ltd - Coventry
Capita IT Services Ltd
Bespoke Cleaning Services Ltd (Wton College)
ACUA Ltd
Interserve Construction Ltd (Rowley Campus)
Interserve Construction Ltd (Smethwick Campus)
Regent Office Care Ltd (Hereward)
Willmott Dixon Partnership Ltd (South Contract)
Mears Ltd
Serco Ltd (Walsall)
Bovis Lend Lease Management Services Ltd
Mouchel Ltd
Taylor Shaw Ltd (COWAT)
Regent Office Care Ltd (COWAT)
Icare GB Ltd
Taylor Shaw Ltd (St Albans)
Interserve Construction Ltd (OCOS/WODO/Tipton Schools)

PARTICIPATING EMPLOYERS IN THE FUND

Premier Security Services Ltd
Regent Office Care Ltd (Henley College)
Sodexo Ltd
Alliance in Partnership Ltd (Stoke Park)
Alliance in Partnership Ltd (Ernesford Grange)
Alliance in Partnership Ltd (President Kennedy)
Action for Children (Smethwick)
Taylor Shaw Ltd (Colton Hills School)
Barnardos (Sandwell)
Premier Support Services Ltd (Streetly School)
Premier Support Services Ltd (Alumwell Junior School)
Premier Support Services Ltd (Hodge Hill School)
Engie Fm Limited (Park View School)
Engie FM Limited (International School)
Engie FM Limited (Saltley School)
Engie Fm Limited (George Dixon School)
Engie FM Ltd (Sheldon Heath School)
Lend Lease Construction (Europe) Ltd (Park View & International School)
Lend Lease Construction (Europe) Ltd (George Dixon School)
Lend Lease Construction (EMEA) Ltd (Saltley School)
Lend Lease Construction (Europe) Ltd (Moseley School)
Carillion plc (Highfield and Pennfields)
Regent Office Care Ltd (Willenhall)
Lawrence Cleaning Ltd (Woodthorne School)
Interserve Facilities Management Ltd (Smethwick)
Action for Children (West Bromwich)
DRB Contract Cleaning Ltd (Wychall Primary School)
DRB Contract Cleaning Ltd (Yew Tree Primary)
Harrison Catering Services Ltd (Shenley Academy)
Integral UK Ltd (Queensbridge School)
Taylor Shaw Ltd (Great Barr School)
Taylor Shaw Ltd (Hodge Hill)
Premier Support Services Ltd (St Edmund Campion School)
Premier Support Services Ltd (Holy Trinity RC)
Alliance in Partnership (King Edward VI Sheldon Heath)
Lend Lease Construction (Europe) Ltd (E-ACT)
KGB Cleaning and Support Services Ltd (Alderbrook)

PARTICIPATING EMPLOYERS IN THE FUND

Catering Academy Ltd (Walsall)
Urban Enterprises (Bournville) Ltd
KGB Cleaning and Support Services Ltd (Lyndon School)
European Electronique Ltd (Tile Hill Wood School)
Call First Cleaning Limited
Elite Cleaning and Environmental Services Ltd (Hereward College) (<i>terminated in year</i>)
Carillion (AMBS) Limited (Heath Park Academy)
Churchill Contract Services Ltd (Cottesbrook Junior School)
Churchill Contract Catering Ltd (Whitehall School)
APCOA Parking (UK) Limited (Wolverhampton)
Bespoke Cleaning Ltd (Westwood Academy)
Civica UK Ltd (ARK Schools)
Taylor Shaw (Great Barr Birmingham)
Taylor Shaw Ltd (Brownhills)
KCLS Ltd (Coventry)
KCLS Ltd (Alderbrook School)
Compass Contract Services (UK) Ltd (Yardleys School)
Aspens-Services Ltd (Sladefield Infants School)
ABM Catering Limited (St Johns C of E Academy)
ABM Catering Limited (Cannon Park)
Change, Grow, Live Ltd
Churchill Contract Services Limited (Walsall College)
T(n)S Catering Management Ltd (Potters Green School)
Aspens-Services Ltd (South Wolverhampton and Bilston Academy)
Regent Office Care Ltd (Ormiston Shelfield Academy)
Superclean Services Wolthorpe Ltd (Finham Park)
ABM Catering Ltd - Lodge Farm Junior Mixed & Infant School
Holroyd Howe (Wolverhampton Grammar School)
Carillion (AMBS) Limited (St Mathias)
Superclean Services Wolthorpe Ltd (Fordbridge Community Primary School)
Alliance in Partnership Ltd (Joseph Leckie)
Alliance in Partnership Ltd (Glenmead Primary School)
Aspens-Services Ltd (Cannon Park Primary School)
KCLS Limited (Manor Park Primary School)
Aspens-Services Ltd (Nechells Academy)
Holroyd Howe (Wolverhampton Grammar School)
Carillion (AMBS) Limited (St Mathias)

PARTICIPATING EMPLOYERS IN THE FUND

Superclean Services Wolthorpe Ltd (Fordbridge Community Primary School)

Alliance in Partnership Ltd (Joseph Leckie)

Alliance in Partnership Ltd (Glenmead Primary School)

Aspens-Services Ltd (Cannon Park Primary School)

KCLS Limited (Manor Park Primary School)

Aspens-Services Ltd (Nechells Academy)

Lend Lease Construction (Europe) Limited (The Sixth Form College Solihull)

Alliance in Partnership Ltd (Christ the King Catholic Primary School)

Alliance in Partnership Ltd (St Thomas More Catholic School)

Dovetail Group (UK) Ltd (Alderbrook School)

Schools Plus Ltd (John Henry Newman Catholic College)

Mellors Catering Services (Grestone Academy)

Compass Contract Services (UK) Ltd (Moseley School)

Woodfield Junior School - St Bartholomew's COE MAT

Pendergate Ltd (Lea Forest Academy)

Capita Managed IT Solutions Ltd (Ormiston Academies Trust)

Churchill Contract Services Ltd (Greswold Primary School)
