

# CORPORATE STRATEGY AND BUSINESS PLAN 2025 - 2028



West Midlands Pension Fund

Creating sustainable futures for all

APRIL 2025

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## OUR FUND

The West Midlands Pension Fund works in partnership with over 800 participating employers to support 360,000 members. Our customers provide public services supporting communities across the West Midlands.

Our vision is to create sustainable futures for all – engaging our customers in retirement planning, and ensuring efficient pensions administration and return on contributions through responsible investment. We aim to influence for positive change which benefits our customers, people and planet.



# £21bn

net assets



# 360,000

members



# >800

employers



We are part of the Local Government Pensions Scheme (LGPS) in the UK. We work in partnership with the administering authority, the City of Wolverhampton Council. Together we manage the pension fund function on behalf of the seven local authorities and Combined Authority in the West Midlands.



# FOREWORD

The last two years have seen a significant shift in the economic, political and policy environment in the UK and across the world. Global risks, awareness, understanding and experiences have come to the fore, challenging all organisations to assess and review their resilience and respond to the changing landscape.

The operations and activities of the West Midlands Pension Fund are global in reach, regional by nature and have real-life impact locally. Our membership continues to grow and mature. Our members are engaging more frequently with their savings, throughout their working life, as life events occur and their roles change. Technological advances provide opportunities for greater efficiency and enhanced services, where used responsibly and effectively. At the same time, how well leadership teams protect against cyber threats and address climate change will determine their success, both now and in the future.

In recent years and especially since the change in UK Government during 2024, the expectations on those responsible for managing UK pension funds have grown. Key priorities now include:

- making the most of economies of scale
- maintaining strong governance
- creating value and growth for local communities; and
- using data and technology to gain better insights and increase productivity

We have, through our own experiences, seen both the potential and challenges of embracing significant change for long term gain. We also recognise the importance of sector change and the need for system-wide evolution if we are going to meet our collective ambition and create sustainable futures. As we strengthen our connection to customers and the wider region, our operating model, and our strategic partnerships, we'll be able to:

- meet and **sustain positive customer experience**, as engagement opportunities grow and member journeys become more complex; and
- **respond to an increasingly complex set of investment considerations**, protecting and increasing the value of assets held to meet benefit payments due over the long term.

Like many organisations, our real assets are our people. By continuing to grow and nurture our employees and by being a learning leader, we aim to continue to attract and retain a strong workforce. Our people are passionate and dedicated to delivering high standards. We aim to become more agile and better equipped to respond to change.

Our Corporate Strategy for 2025-2028 reflects the evolution of our vision, values, priorities and ambition since 2023. It outlines our change in context, three-year goals, key projects and initiatives and the target outcomes we will measure and report progress against.

Our strategy and collective ambition have been informed and developed through engagement and dialogue with our regional Governing Bodies (including employer and member representatives), employees, and our Administering Authority over the period November 2024 to February 2025. Our plans reflect our core values and the behaviours which drive our day-to-day actions. We recognise our own limits and the uncertainties in our policy and economic environment. We rely on both our regulatory framework and our strategic partners to help us deliver our goals. We also recognise the role we must play in taking opportunities for driving change and high standards. We would like to thank all those who have contributed and taken the time to share their views.

Progress against our goals and objectives, set to achieve our ambition, will be reviewed annually. We will continue to evolve our governance arrangements to ensure these remain appropriate for the delivery and oversight of this plan. We will also review and reflect any changes needed as new regulations and guidance for the LGPS, continues to emerge.

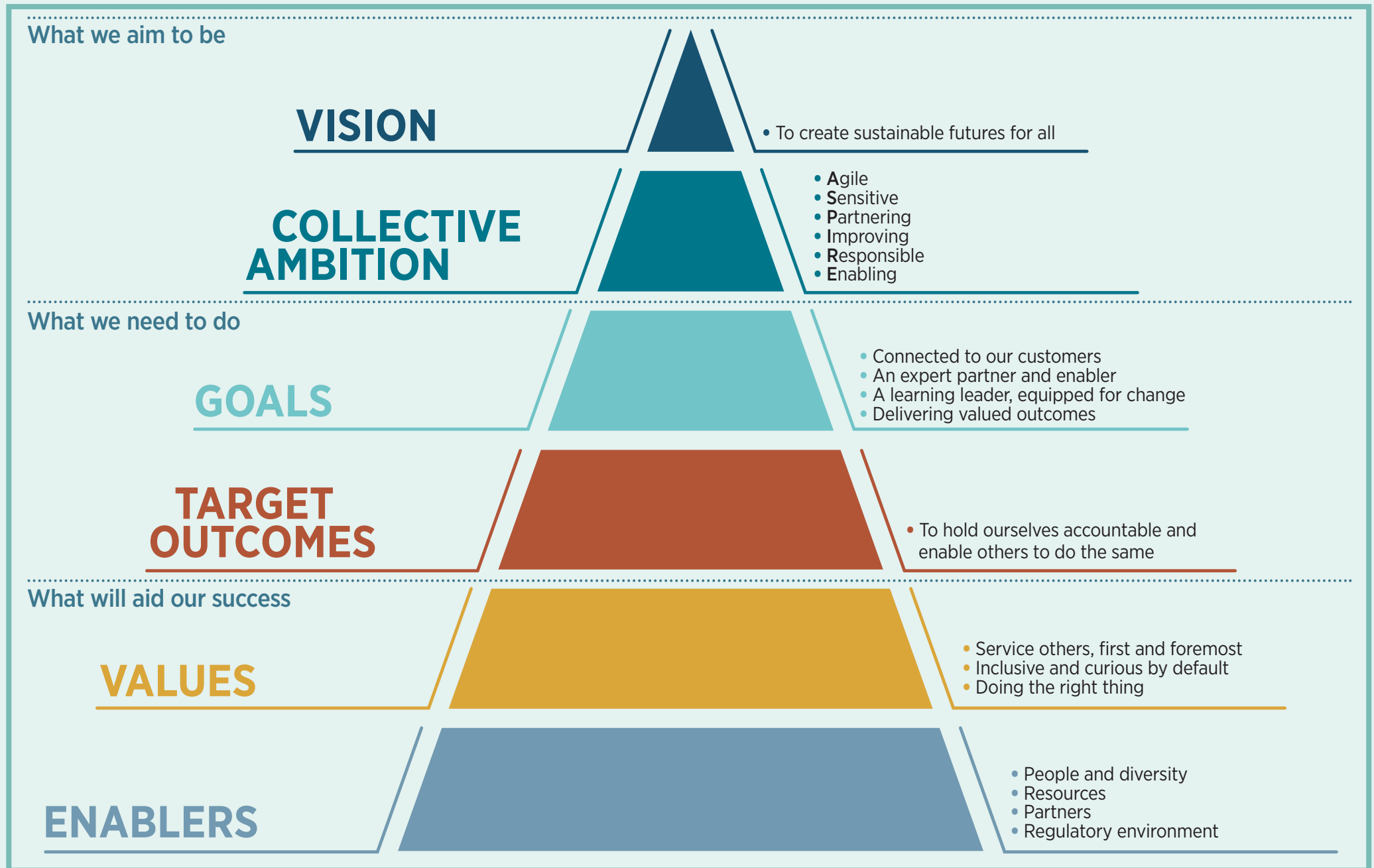
**Rachel Brothwood**  
Executive Director of Pensions

**Councillor Milkinder Jaspal**  
Chair – Pensions Committee



# OUR STRATEGY ON A PAGE

Our vision	Our collective ambition We ASPIRE	Our goals	Our target outcomes	Our values and beliefs	Our enablers
<p>We ASPIRE, to create sustainable futures for all:</p> <ul style="list-style-type: none"> <li>• Our members, saving for their future</li> <li>• Our employers, delivering essential services to our communities</li> <li>• Our people, developing and building an organisation they belong to and develop within</li> <li>• Our communities and planet, creating a sustainable environment for the benefit of existing and future generations</li> </ul>	<p>We aim to be known and recognised for being</p> <ul style="list-style-type: none"> <li>• <b>A</b>gile</li> <li>• <b>S</b>ensitive</li> <li>• <b>P</b>artnering</li> <li>• <b>I</b>mproving</li> <li>• <b>R</b>esponsible</li> <li>• <b>E</b>nabling</li> </ul> <p>An ambition developed through dialogue with our customers, employers and stakeholders</p> <p>In delivering on this ambition we aim to meet expectations and add value to the lives and organisations we exist to support</p>	<p>We have set three-year strategic goals to guide our prioritisation and decision making</p> <p>We will be</p> <ul style="list-style-type: none"> <li>• More connected to customers, through understanding evolving needs and requirements</li> <li>• An expert partner and enabler</li> <li>• A learning leader, equipped for change</li> <li>• Deliver valued outcomes</li> </ul>	<p>We will hold ourselves accountable and enable others to do the same</p> <p>We will continue to develop our performance and assurance reporting</p> <p>We will assess our progress using a combination of independent benchmarking tools and our own assessment methods, both qualitative and quantitative. This will provide clear insight and transparency</p>	<p>Our core values and beliefs underpin how we work</p> <p>Our culture is shaped by our passion and mindset</p> <ul style="list-style-type: none"> <li>• Serving others first and foremost</li> <li>• Being inclusive and curious by default</li> <li>• Doing the right thing</li> </ul>	<p>Our people and diversity are our greatest strengths</p> <p>We have identified the resources and support we need to succeed</p> <p>We will build strong strategic partnerships to extend our reach/capabilities and bring greater resilience</p> <p>We will review our goals, pathways and timeline as our regulatory environment changes</p>



# OUR COLLECTIVE AMBITION – ASPIRE

We ASPIRE to create sustainable futures for all.

Recognising our role as a service provider, industry leader and institutional investor, we have opportunities to shape, inform and deliver better outcomes for our customers, people and planet.

Our collective ambition has been developed following engagement with, and reflecting on, the views of our key stakeholders. It defines the organisation our customers would like us to be, and reflects the things we will work towards.

Above all, we will ensure pensions are paid as they fall due. Alongside this, we will make our members feel listened to and informed in their decision-making, and we will inspire confidence as their provider.

We ASPIRE to be:

**A Agile** in our working practices, enabling us to be responsive and proactive to our changing customer needs and expectations, and the regulatory and market environment in which we operate. Our ability to be flexible in the delivery of services enables us to support members through key life stages and events.

**S Sensitive** to customer needs and changing circumstances, recognising pensions can come at life-changing times, whether a member is taking a decision to retire or a loved one has been lost. Our services must be widely accessible, reflective of the diversity in our customer base and an evolving level of comfort with digital engagement.

**P Partnering** to add value, recognising we can achieve more working with others than we can on our own.

We aim to create effective strategic partnerships which enhance our services and investment practices. These should bring a depth of expertise, additional capability and resilience to our delivery model.

**I Improving** the way we work through self-reflection, collaborative engagement and creating inclusive environments. We aim to foster a culture of active listening and continuous improvement, leading to better services and outcomes.

With the potential for large scale change we will continue to make use of internal and external expertise to inform action and keep pace with developing industry practice and standards.



**R Responsible**, ensuring that we are an employer of choice, that we build customer confidence in our practices and that we invest wisely to meet our benefit payment obligations. We will hold ourselves and our supply chain to high standards, as we aim to drive and demonstrate action for positive change.

**E Enabling** members and our stakeholders to have access to services and information by providing the right tools and support at the right time. By enabling we will foster confidence and gain trust. We continue to build assurance around the services we provide and our ability to navigate change and events without disruption.

**A** **Agile** – to changing environment

**S** **Sensitive** – to customer needs

**P** **Partner** – to add value

**I** **Improve** – to reflect learning

**R** **Responsible** – to drive change

**E** **Enable** – to give confidence





# OUR PURPOSE AND CURRENT CONTEXT

We are one of the largest in the Local Government Pension Scheme (LGPS), serving members in their saving, planning, and accessing benefits throughout their working lives and into retirement. We invest contributions to generate returns for paying pensions and benefits, aspiring to create sustainable futures for all.

We serve workforces and communities across the West Midlands region, supporting members to connect with their pension. We do this by providing timely and accurate information to members about their benefits and options, in a way which is accessible to all. In line with UK regulations, this will extend to enabling members to access information through pensions dashboard services as we connect to the Pension Dashboard. Once available to the public, the dashboard will enable electronic viewing of pension savings across all pension schemes, built up over different employments, during their working lives.

We are committed to responsible investment, engaging and informing members, and driving industry best practices to support human rights, climate action, and good governance. We invest responsibly to produce the returns to fulfil our fiduciary duty to protect and pay benefits to members.

## Policy and regulatory backdrop

The UK Government's 2024/25 pensions review focuses on reform in the LGPS and defined contribution savings market, proposing further pooling of assets across the sector and collaboration with strategic authorities for local investment opportunities.



These come at a time when there is already a busy schedule of regulatory change, with ongoing implementation of the McCloud remedy within the LGPS, rising governance and data standards to meet The Pensions Regulator's General code and preparations for Pensions Dashboards by all UK pension schemes and providers.

At time of writing, the LGPS continues to implement and wait for retrospective change to benefits, with potential remedy requiring change to the administration of the scheme. With scheme benefits designed and reviewed at a national level, the timing of changes and engagement with funds have the potential to impact on delivery of our plan.

## Changing market and geopolitical environment

The investment and funding landscape has materially changed over the last two years, as has the operating environment for many of our employers. Rising costs, high service demand and changing policy environment has brought increased pressures. In markets, increased volatility, risk of escalating conflict and disruption in supply changes has led to concerns about economic growth and political stability. At the same time, the pathways for managing climate risks are more uncertain.

As employers and workforces change in response, working patterns are altering and both membership periods and the timing of member access to pension benefits is less certain. This is likely to lead to increased demand for pension service and information and change in the pattern of member servicing over time.

Digital innovation and a growing increase in use of online platforms for both communicating and serving members, have increased awareness and incidence of data and cyber security risks.

In this context, the importance of good governance and effective stewardship of Fund assets and pension benefits is more important than ever. Sharpening our focus and ensuring there is real value in everything we do is vital for building resilience in customer service and our Fund investments. Harnessing technology will allow us to maintain and enhance service level cost efficiently.

Our *Corporate Strategy and Business Plan for 2025-28* has been developed at a time of significant change and uncertainty. Progress against our target outcomes and timelines will continue to be reviewed annually, as our context evolves.



# OUR CUSTOMERS

Our customers are dedicated to providing valued and essential services which nurture, protect and support local people and communities. Working with local government and education partners, our customers boost skills, enhance wellbeing, create thriving communities and champion the rich, diverse culture of the West Midlands.

We work with employers across sectors, to support their members in accessing and saving benefits for their retirement. Our members work across a wide variety of roles, providing both leadership and essential care and support across a range of services helping local people and our economy to be connected and grow. They rely on us to invest their contributions and build assets to pay benefits for decades to come.

Our members rightly expect high quality services that support their financial needs and wellbeing, with improved technology and accessibility. We invest responsibly, take action on climate change and promote equity and inclusion. We maintain high governance standards in our operations and with our partners to ensure transparency and to build confidence in our service to customers

Through our customer engagement and services, we aim to be connected to our customers - there for them when they need us, providing the information they need to help make decisions at some of the most important times in their business or working lives, in a way that works for them.

Our customers are at the heart of everything we do, and this is reflected across our plan.



Source: [WME - Local Government Career Guide](#)

# OUR REFLECTION AND OUTLOOK

## Reflections

We have a well-developed functional structure, which has been carefully built over time and brings real value, especially when we need to react to changes and events. We have worked hard at creating a positive organisational culture through embedding values and behaviours in all that we do. The depth of expertise we have recognised by accreditations, awards and acknowledgment across the industry, makes a significant contribution to ongoing improvements in the way we work. We offer comprehensive training and development, including a successful graduate program and support for all employees to advance their skills through professional qualifications and workplace activities.

Additionally, we have a strong governing body structure and have welcomed their full support in the implementation of changes and strategic initiatives. We have contributed as a learning leader to support development and spread of good practice in the LGPS and wider pension industry through active participation in a number of industry wide bodies.

However, we have faced challenges in delivering the customer experience we aspire to. We have recognised improvements are needed in our approach to managing large-scale change, multiple interrelated projects and aligning ambition and capabilities across our supply chain. In addition, whilst we have made great strides, we recognise much more is needed in developing our systems and data architecture to achieve the capability and resilience to provide the levels of customer service expected by our members. We face strong competition to hire and retain new talent. We recognise that we need to keep evolving, to remove obstacles and risks from our recruitment process.



## Outlook

There are a number of challenges ahead for the LGPS and the Fund specifically, but these present an opportunity for us to leverage our strengths, overcome our shortcomings, to achieve the excellence we aspire to.

We face an increasingly uncertain economic and geo-political environment, which could have a significant impact on our members and sponsoring employers as well as impacting the ability of asset returns to support payment of inflation linked benefits into the future. We continue to implement the McCloud remedy and our risk and assurance frameworks are adapting to the Pension Regulator's new General code. At the same time, our preparations are ongoing to connect to Pension Dashboards, an industry-wide development driven by central government. These changes, driven by regulation, highlight the need to focus on both everyday operations and change activities. We will need extra resource to support this work over the next 2-3 years.

The reforms to asset Pooling, local Investment and LGPS governance in the November 2024 LGPS "Fit for the Future" consultation and proposals, whilst having long term benefits, require significant transformation by the LGPS. Climate risks, conflicts and social factors all have potential for impacting both assets and the environment in which we operate. Additionally, rapid technological advancements pose a challenge in terms of keeping up and integrating new solutions.

We are well placed to grasp the opportunities these challenges present. We are enhancing our capabilities in project management to give us the agility to cope with change, improving data architecture and investing in systems to take advantage of technology. Effective governance and a focus on strategic investment decisions will allow us to cope with financial and non-financial risks. Working more closely with our Pool Company partners, regional strategic partners and industry organisations will help us maintain our leadership position in shaping the future for ourselves and the LGPS more broadly.


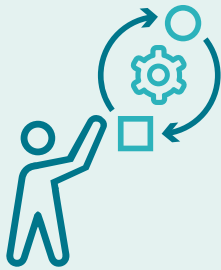






# OUR THREE-YEAR GOALS

Our evolving context and collective ambition have informed a reset of our goals and objectives for the coming three years. Over the period April 2025 to March 2028, we will be looking to achieve a step-change in our customer experience and build resilience in our operating model. This will increase our ability to navigate uncertainty and add value through our approach to administering pension benefits and delivering investment return over the long term.

We have set three-year strategic goals based on our lived-experience, customer feedback and evolving environment. These will guide our prioritisation and decision making across our core business functions and in our approach to delivering key projects and change initiatives. They help turn our vision and collective ambition into action.

Goal	What this means	Goal	What this means
 <p><b>Connected to our customers</b></p>	<ul style="list-style-type: none"> <li>• our members receive the right information at the right time to support them through life events</li> <li>• we work with our employers and partners to use platforms and places where our members engage, to increase accessibility</li> <li>• our customers trust us to improve and maintain service standards in response to feedback and rising expectations</li> <li>• more of our customers are using online services to access personalised benefit information, at a time that works for them</li> </ul>	 <p><b>A learning leader, equipped for change</b></p>	<ul style="list-style-type: none"> <li>• we embrace change and engage in policy debate to improve customer outcomes</li> <li>• our lessons learned are shared to provide valued insights for others</li> <li>• we collaborate with others to inform service development and improvement</li> <li>• we are forward-thinking, bringing new ideas to develop best practice and drive enhanced operational performance and governance</li> </ul>
 <p><b>An expert partner and enabler</b></p>	<ul style="list-style-type: none"> <li>• our members feel empowered and confident in retirement planning and making choices</li> <li>• we seek and share expert opinion, insight and sounding to develop a “best in class” approach</li> <li>• our partnerships are collaborative and effective in delivering mutual benefits</li> <li>• we harness our passion, live our values and enable all our employees opportunity to grow and lead</li> </ul>	 <p><b>Delivering valued outcomes</b></p>	<ul style="list-style-type: none"> <li>• we demonstrate benefits realised from change initiatives and communicate these effectively</li> <li>• we drive greater efficiencies through automation and cleansing of data records</li> <li>• our operating model and governance will evolve to increase capabilities and resilience, strengthen regional relationships and ensure resource optimisation</li> <li>• our actions to increase assurance and transparency will continue to develop to build insight and confidence</li> </ul>



# SPOTLIGHT ON OUR GOVERNANCE, INVESTMENT AND CUSTOMER FOCUS

## Evolving our governance

Borne out of the last local government reorganisation, we sit as a regional service provider for public sector workers across the West Midlands. Recognising the role we play in representing both members and employers, our governance model ensures adequate and fair representation, ensuring decisions are taken considering those we work for and with.

Our focus on supporting knowledge and skills allows us to meet regulatory standards equipping those with the responsibility for decision making (both Officer and Governing Body Member) with the awareness and confidence to take decisions which affect member outcomes and shape regulatory change.

Working across our industry, both within the LGPS, and wider pension and investment sectors, we campaign for the high standards we set ourselves. Good governance helps us achieve high standards in the way we engage, manage investment activity, and ensure a strong supply chain.

We recognise that good governance needs to be lived through embedment in our processes, systems and people supporting agility and effective risk management through internal controls which enable better outcomes.



As early adopters of the Scheme Advisory Board's Good Governance Review and The Pension Regulator's Code of Practice, we acknowledged the value to be had from independent review and assessment and the confidence to be gained from independent assurance. We will work with third parties to develop and provide this assurance working to achieve our collective ambition.

As a public service pension scheme, we are accountable to our members, employers, and regulators. We aim to be transparent and will enhance accountability through regular reporting, information sharing, third-party assurance, external accreditation, and benchmarking to achieve higher standards each year.

In developing and enhancing our governance we will:

- Work with our partners in shaping change across our industry through timely response to consultations and feeding into the discussion on industry change
- Retain or improve our external accreditation ratings
- Meet the regulatory requirements on knowledge and skill. And we will go further in enhancing opportunities to embrace our role as a learning leader via opportunities for self-led improvement
- Challenge our own governance and seek opportunities to learn from independent challenge and advisors.

# SPOTLIGHT

## Investing our assets

We invest the contributions we receive from members and employers to ensure that we can meet the benefits promised to our members. Our investment strategy is designed to provide stable long-term growth and income by balancing risk and return. In order to do so it is important for us to:

- Diversify across a wide range of assets
- Seek out new opportunities whether it be new asset classes, techniques or a specific investment
- Employ the right managers to make day-to-day decisions on our behalf across our £21 billion portfolio
- Implement in a cost-effective manner
- Monitor and adjust our strategy and implementation on an ongoing basis
- Integrate responsible investment (RI)

To implement our strategy, we work closely with advisors including our Pooling Partner, LGPS Central, who also act as an investment manager. LGPS Central is a FCA regulated investment company, which we established with eight Partner Funds in 2018 to pool our assets to achieve benefits of scale, strong governance and ensure value for money. We have made good progress with over 80% of our assets pooled or under the advice of our pooling company. We will continue to review and further develop our transition plan as capabilities develop and regulatory requirements emerge.

Over the period of this Plan (based on current proposals), we will be further delegating the

## Local investment

To support UK economic growth, LGPS and other pension schemes are increasingly encouraged to invest locally. We already allocate over a third of our assets to UK investments, including socially and environmentally beneficial enterprises. Locally, we invest in property, infrastructure, and finance for businesses. We will collaborate with West Midlands stakeholders to develop and implement a local investment strategy. While recognising the benefits of regional investments, we ensure they meet our risk, return, and responsible investment objectives, fulfilling our fiduciary duty to members.

implementation of our investment strategy to our Pooling company. As both a shareholder and a client of the company, we will be working with our Partner Funds to ensure that the Company is fully equipped to take on additional advisory and decision making responsibilities. We will review our investment governance and oversight to ensure our operating model aligns with increased delegation, aiming to achieve better and more resilient investment outcomes.

## Responsible investment

Responsible investment (RI) continues to underpin our investment approach as we aspire to be a market leading responsible asset owner. We strongly believe that consideration of financially material ESG factors produces better investment outcomes and aligns with our fiduciary duty to act in the best interest of our members. We look to use our voice as a global asset

## Climate change

In March 2025 we updated our climate change strategy, raising our ambition and targets. The strategy confirms our commitment to a sustainable future for our members and the wider community. We have set timebound and measurable targets to transition our investments to net zero and will transparently report on progress against these targets on an annual basis. Over the next three years, our focus will be on implementing this strategy, working with our partners and industry to increase efforts to create a sustainable future.

owner to collaborate with like-minded investors to drive real-world change. We acknowledge the challenges posed by potential divergence of approaches and views across the industry. We will continue to monitor and consult with our advisors and partners to focus efforts on areas aligned with our values, beliefs and fiduciary duty.

Over the last year, we've made conscious effort to increase our engagement with members on RI. This has been through a variety of forums including face-to-face meetings, roadshows, webinars and through the creation of member-specific RI content. Going forward, we are committed to evolving our member engagement strategy and will assess opportunities to engage a broader section of our membership. We will provide clear and transparent reporting to our stakeholders on RI activity including how and where are assets are invested and progress against stewardship objectives.

## Serving our customers

In developing our Corporate Strategy for 2025-2028, we have reflected upon the evolving nature of the pensions industry and our customers' expectations of our services in placing them at the heart of our vision, values, priorities and ambition.

Our ambition is for the Fund to be recognised by our customers, our regional community and our industry peers for the high-quality service we provide, ensuring that we meet our customer expectations and remain agile to drive greater efficiency and value for money. Key components of this ambition are to listen and be sensitive to our customers' needs and to foster a culture of continuous improvement through innovation and service enhancements.

We're aware that our members need quick, easy access to information and pension benefits at key milestones in their pensions journey. Members also increasingly need a range of communication channels, new technology and more transparency about our investments, including our action around ESG.

Our collective ambition is to work in partnership with our employers. Acknowledging that many are going through a period of significant transformation, we place great importance upon the role we play in supporting each other and delivering for our members, including through times of change.



In delivering our vision, we recognise the opportunities to enhance our services, drive further efficiencies and provide greater value for money. In doing so, we are committed to review and further enable customer access through:

- Continued investment in online services, including our member and employer portals
- Sustaining delivery of information to members within target response times
- Updated website content, videos and webinars
- Improved guidance and support, underpinned by proactive communication
- Face-to-face events, forums and two-way engagement
- Enhanced telephony and customer contact support
- Exploring and enabling further innovation

## Members

We aim for our members to have access to the information they need, when they need it. We will achieve this through the ongoing development of our people, continuing to work with employers to ensure complete and accurate member records, leveraging technology and continually embedding best practice. We understand that different individuals have different needs, and we aim to support each one on their pension journey.

We have introduced new member feedback channels and will continue to review and monitor performance against targets and our peers. Through self-reflection and active listening we will collaborate to inform ongoing evolution of our services and meet our ambition to be a learning leader.

## Employers

We strive to further improve the ways we work with our employers. This will include supporting them to meet their employer responsibilities through our dedicated employer coaching programme. We aim to work with our employers to help them understand changes that affect their responsibilities, the benefits they provide to members and our services.

We acknowledge the financial pressures facing many of our employers and the strain placed upon their own services. We will engage with employers extensively as part of the triennial actuarial valuation process to better understand their challenges and support contribution setting from April 2026.





## OUR TARGET OUTCOMES

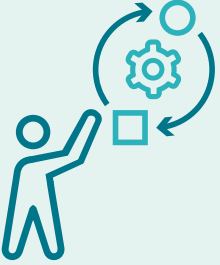

Our three-year goals help turn our collective ambition into action and guide our prioritisation and decisions. They will only be effective in delivering positive change for our customers, people, region and planet if we succeed. We believe “what gets measured gets managed” and that transparency builds trust. Therefore, we will monitor and report on our progress and outcomes each year.

We recognise that we will need to be agile and innovative in our approach and responsive to our changing environment. We will need to be realistic about what we can achieve over time, based on the capabilities and resources available to us and the parallel “in flight” development of our strategic partners.

We have set goals for each of our main business areas based on our plans for 2025-2028. The table below shows our targets and how we will measure performance against them

Core functions					
Goal	Customer Servicing	Pensions Administration	Funding Management	Investment & Stewardship	Risk & Assurance
 <p>Connected to our customers</p>	<ul style="list-style-type: none"> <li>Services tailored to key member events and over lifetime</li> <li>Widely accessible and accessed through digital and in-person services</li> </ul>	<ul style="list-style-type: none"> <li>Sustained delivery of benefit information within target timescales</li> <li>Streamlined approach to resolution of record queries, preventing delay</li> </ul>	<ul style="list-style-type: none"> <li>Employers engaged with changes to contribution rates, funding requirements and risks</li> </ul>	<ul style="list-style-type: none"> <li>Engage and inform customers on Responsible Investment including Climate Change and engagement activity</li> <li>Clear communication as to how and where we invest the Fund's assets</li> </ul>	<ul style="list-style-type: none"> <li>Proactive and responsive to change, mitigating impact and supporting awareness</li> <li>Transparent in our reporting, ensuring accountability and building confidence</li> </ul>
 <p>An expert partner and enabler</p>	<ul style="list-style-type: none"> <li>All members able to access tailored benefits information and support through member self service</li> <li>Increased data testing and verification through employer self service</li> </ul>	<ul style="list-style-type: none"> <li>Development and roll out of enhanced system and business insights to enable case management and review</li> <li>Increased efficiency and maintained security in data and information exchange</li> </ul>	<ul style="list-style-type: none"> <li>Funding policies informed and objective, grounded in core beliefs</li> <li>Designed and tailored to employer-base</li> </ul>	<ul style="list-style-type: none"> <li>Work with our Partner Funds to enable our Pool Company to deliver the investment results we expect</li> <li>Focussing our stewardship and engagement activity to improve industry and company approaches to responsible investing</li> </ul>	<ul style="list-style-type: none"> <li>Monitor compliance with industry standards ensuring we build and retain high standards of operational and service delivery</li> <li>Drive a culture of “call out” and constructive challenge where there is opportunity for improvement</li> </ul>



Core functions					
Goal	Customer Servicing	Pensions Administration	Funding Management	Investment & Stewardship	Risk & Assurance
 <p>A learning leader, equipped for change</p>	<ul style="list-style-type: none"> <li>Customers aware and confident of changes relevant to their benefits and Fund services</li> <li>Implement omnichannel customer platform</li> </ul>	<ul style="list-style-type: none"> <li>Increased use of automation and bulk processing</li> <li>Flexible resource and skill sets, able to adapt to fluctuations in demand and customer events</li> </ul>	<ul style="list-style-type: none"> <li>Represent Fund and customer perspectives at national level</li> <li>Engaged in policy review and change</li> <li>Proactive in supporting employer change</li> </ul>	<ul style="list-style-type: none"> <li>Improve and enhance investment skills and knowledge of governing bodies and employees</li> <li>Engage industry wide on investment (including RI) to drive best practice, encourage debate and influence policy</li> </ul>	<ul style="list-style-type: none"> <li>Focus on developing ourselves, building knowledge and skills to make better decisions.</li> <li>Challenge ourselves, learn from external reviews and continually improve our customer service</li> </ul>
 <p>Delivering valued outcomes</p>	<ul style="list-style-type: none"> <li>Year-on-year improvement in customer satisfaction and externally benchmarked customer servicing scores</li> </ul>	<ul style="list-style-type: none"> <li>Independent benchmarking of spend for services provided and change initiatives, demonstrate increase in service scores</li> </ul>	<ul style="list-style-type: none"> <li>Outcomes of the triennial review either within the parameters expected by the Government Actuary/ MHCLG or clear and accepted rationale for difference</li> </ul>	<ul style="list-style-type: none"> <li>Use independent benchmarking to assess value add of investment strategy implementation</li> <li>Meet Responsible Investment targets including climate and stewardship objectives</li> </ul>	<ul style="list-style-type: none"> <li>Monitor and challenge progress against recommendations outlined from external assessment, accreditation and from third line assurance (Auditors)</li> <li>Ensure active monitoring of change delivery and projects supporting effective governance in change controls</li> </ul>

We use a mix of internal and external, independent measures to provide tailored and objective assessment of our progress. We measure success based on quantitative (key performance indicators, delivery milestones, targets, accreditation and assurance outcomes) and qualitative (survey, interview, observation) assessment.

# OUR PROJECTS AND INITIATIVES

Having set our goals, identifying our priority projects and initiatives has been essential in providing a road map for what we will do and how we will achieve these. We have a history of embracing change to both thrive in a constantly evolving regulatory environment and to ensure that we are well placed to deliver high levels of service and positive outcomes to our customers, both now and in the future.

The expectations and demands on our services continue to grow, as our customers grow and change, and the standards expected of UK pension schemes and asset owners continues to increase. We have identified over 30 change projects to improve the way we work and the services we deliver. These vary in complexity and scale. And, while most are driven and instigated by us, there are some key regulatory initiatives that we will need to implement over the coming years. More regulatory change is also anticipated from the “Fit for the Future” review currently being undertaken by the Government.

To help with the delivery of this wide range of change initiatives we have grouped the projects into six program streams.

## Strategic development

Strategic development projects address our Fund's long term operations considering the future opportunities and threats to how we operate and ensuring that we are best placed to thrive and deliver outcomes for all customers. The development of our Communications Strategy to maintain and enhance our engagement with all our stakeholders is a key part of this programme stream.

## Regulatory and statutory

These projects will be our focus during the first part of 2025/26 with key regulatory deadlines around the McCloud rectification and the implementation of the national Pension Dashboards programme. During 2025/26 we will also undertake our triennial valuation and review of employer contribution rates. Underpinning these initiatives will be a project to improve data quality of both data held now and new data coming into the Fund.

## Infrastructure and systems

We have already invested in a new Pension Administration system to handle future customer growth and expectations. We now need to fully embed the system, realise all its benefits and develop it further. Alongside this, we are working with our administering authority on wider system change initiatives. These aim to enhance customer servicing and finance support systems.

## Business transformation

We continue to review, challenge and improve the way that all our teams operate. Building on the work pioneered by our Finance function, we will progress reviews of the operating models across all functions of our Fund. This will include the development of phased changes to the investment operating model in parallel with the expected changes to LGPS pooling.



## Governance and risk

The management and governance of risk needs to continually evolve to reflect the changing environment that we operate in with increasing uncertainty and greater use of technology than ever before. We will be rolling out our new risk management framework and increasing the assurance we provide both to our Governing Bodies and customers through the completion of Service Auditor Reporting (SAR). SAR will begin in summer 2025 with the scope expanding over the next 3-5 years. At the same time, we will be testing and enhancing our operational resilience, business continuity, and disaster recovery frameworks, to ensure these are effective and continue to evolve as the risk landscape changes.

## Operational improvement

Operational improvements will continue to take place within all of the teams within our Fund. Key initiatives include:








- implementing our strategy for net zero
- reviewing and updating customer engagement and administration strategies
- reviewing people strategies and employee proposition
- updating our procurement framework to align with new regulations



# OUR VALUES AND BELIEFS

In 2024, we worked with our employees to create a values and behaviour framework. The framework reflects those things that matter most to our people and foster a culture where everyone can excel.

We recognise that our culture is shaped by our mindset and how we act each day and in each situation. Our behaviours are driven by the guiding principles that we **serve others, first and foremost**; are **inclusive and curious by default**; and we **do the right thing**.

We...	Serve others, first and foremost	Inclusive and curious by default	Do the right thing
LIVING OUR VALUES	 <p><b>Customers</b> are at the heart of our organisation – we aim to deliver the highest level of customer satisfaction</p>	 <p>We all contribute to the same goal in a different way. Different perspectives add value. <b>Collaboration</b> allows us to achieve more, solve complex problems and learn together</p>	 <p>Acting with <b>integrity</b> delivers the best outcomes over the long term</p>
	 <p><b>Sharing knowledge</b> ensures that everyone can achieve their potential</p>	 <p><b>Innovation</b> is essential to keep pace with the evolving environment of the modern world</p>	 <p>Clear, concise, and timely <b>communication</b> is essential to achieving the best results</p>
	 <p>In <b>empowering</b> each other we can be more effective, learn together and deliver better results</p>		

## Our commitment to equity, diversity and inclusion (EDI)

Equity, diversity and inclusion sit at our core. We have developed our approach to EDI in collaboration with our employees, defining EDI as follows:



Our commitment drives how we nurture our people, improve our customer support and engage with industry partners. We will continuously evolve our approach, recognising our role in promoting and demonstrating best practice.

### WMPF Equity, Diversity and Inclusion Commitment

Developed with you, implemented by all



We believe that by fostering the behaviours that help us succeed, we will be able to deliver on our goals and collective ambition, improving outcomes for our customers.



## Our core beliefs

Our approach is grounded in a core set of beliefs which flow across our corporate, customer, funding and investment strategy statements. These are summarised below, mapped across our strategic goals:

### More connected to customers

- effective communication and engagement improves member experience and outcomes
- a deeper understanding of requirements and needs, together with alignment of interests, leads to better outcomes
- transparency builds insight and trust

### Expert partner and enabler

- integrating practices which support EDI and ensure values are lived will lead to better outcomes for people, customers and supply chains
- engaging and collaborating with people, customer, industry and strategic partners can enhance innovation and result in higher valued and more sustainable solutions

### A learning leader, equipped for change

- informed and evidence-based decisions and oversight lead to a better response and outcomes
- clear responsibilities, governance and decision making structures improve accountability
- playing an active role in driving best practice can raise standards
- we should live by the standards we set for others

### Deliver valued outcomes

- focusing on investment returns, taking account of a broad range of factors, adds value and can have wider social and economic benefits
- engaging independent experts and assurance helps build trust
- managing costs and using resources and expertise efficiently enhances outcomes

# OUR ENABLERS AND RESOURCES

**Our people and our diversity** are our greatest strength. We have a passion to serve and achieve high standards. We strive for best in class to gain and maintain the confidence and trust of our customers and stakeholders. As a learning leader, we provide inclusive opportunities for our people to grow. We promote self-led review and improvement of both working practices and wellbeing.

We are investing and developing **our operational capabilities**, recognising our members and employers will benefit from increased resilience and enhanced services. Our commitment to driving efficiency and improving our services and performance through greater use of data and technology will support us delivering added value over the long term.

We can achieve more by working closely with **our strategic partners**. We are developing strong relationships and networks to help us reach our common goals. Through proactive supplier management we ensure expectations and deliverables are clear and value is derived from targeted spend.

**Our structure and regulatory frameworks** are critical in defining the boundaries we must operate within and the minimum standards both we (and our peers) use as reference. We participate as much as possible in industry and policy discussions to advocate for positive changes benefiting our customers and communities.

The **governance arrangements** we design around these ensure we align with our goals and progress towards our target outcomes. These are routinely reviewed for effectiveness, enable clear accountability and are strengthened by incorporating independent experts and assurance.

## Our strategic enablers



## Our key partners

**CITY OF  
WOLVERHAMPTON  
COUNCIL**



Our administering authority plays a critical role in supplying to our business support services

Our investment pool company play a critical role in the implementation of our investment strategy and provides core portfolio management services

## Our accreditations and awards

We take pride in the standards we have achieved. We aim to maintain and improve these, focusing on areas that enhance our learning and provide quality assurance for our services and working environment.

### Examples

#### INVESTORS IN PEOPLE™ We invest in people Gold

We have held Investors in People: Gold since 2017



We have been accredited by the Pensions Administration Standard Association since 2021

#### CUSTOMER SERVICE EXCELLENCE



We have been recognised for Customer Service Excellence since 2008



We have been a signatory to the 2020 UK stewardship code from the outset (2021)

Over the last three years we have won awards for our governance, investment strategy and innovation and member communication initiatives



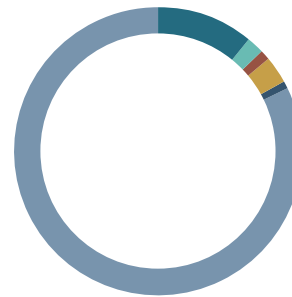
<sup>1</sup> Governance | West Midlands Pension Fund

## Our resources

All costs associated with the management of the Fund are met from the Fund assets. We have a responsibility to our employers and members to ensure value for money from our activities across the provision of customer services, pensions administration, investment and financial management, business support services and facilities.

Our budget is reviewed and agreed annually by our Pensions Committee (lead governing body<sup>1</sup>). The majority of our operational costs relate to our employees. Our investment management costs relate to the value of our assets. Set out below is an illustration of our 2025/26 budget and how this is split between our services and activities:

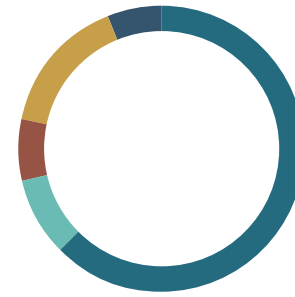
### Total management expenditure - budget 2025/26



		%
● Employees	16.0	11%
● Advisers	2.2	2%
● Corporate costs	1.7	1%
● Service development and in-year change projects	3.7	3%
● Support systems and services	1.4	1%
● Investment management costs	114.9	82%
<b>Total management expenditure</b>		<b>139.9</b>

**Total management expenditure 139.9**

### Total operating expenditure - budget 2025/26



		%
● Employees	16.0	11%
● Advisers	2.2	2%
● Corporate costs	1.7	1%
● Service development and in-year change projects	3.7	3%
● Support systems and services	1.4	1%
● Investment management costs	114.9	82%
<b>Total operating expenditure</b>		<b>25.0</b>

**Total operating expenditure 25.0**

Each year we benchmark our services, costs and approach to pensions administration and investment against relevant LGPS, UK and international peers. This independent analysis provides insight to how we deliver valued outcomes.



**Councillor  
Milkinder Jaspal**  
Chair – Pensions  
Committee



**Rachel Brothwood**  
Executive Director  
of Pensions



**Simon Taylor**  
Assistant Director –  
Pensions



**Shiventa Sivanesan**  
Assistant Director –  
Investment Management  
& Stewardship



**Paul Nevin**  
Assistant Director –  
Investment Strategy



**Chris Manning**  
Head of Finance



**Rachel Howe**  
Head of Governance,  
Risk and Assurance



**Amy Regler**  
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