

Vision and Long-term Plan

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

The purpose of the WPF Business Plan 2022/23 is to set out the Fund's vision, goals, culture, improvement plan and actions for the coming year, and longer-term strategic direction.

The Fund has undertaken many improvements over the last 3-year business planning cycle, prioritising process improvement and efficiency, and promoting the use of self-service options for both scheme employers and members. In the next phase, the Fund needs to focus on further improving service delivery, by clearing backlogs of work and achieving service standards.

The Fund has commissioned various pieces of independent work in order to identify areas for improvement, and help highlight the priorities for this Business Plan. Part of the improvements needed involve developing standard weekly KPI reporting. Until this is properly underway, delivering regular and reliable data, it will be challenging to prepare a detailed plan looking ahead over 3 years. For this reason, this Business Plan looks at the next 12 months in terms of detailed actions, and sets out the longer-term direction of travel below. A new business plan will be developed in a year's time, and consideration at that point will be given as to whether a 3-year plan can be created.

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

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

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

Over the next three years, the Fund needs to build on previous improvements, and achieve the following key deliverables:

- Resolve the differences in the pensioner payroll reconciliation (i.e., the differences between the pension payable on the administration system, and the payroll system)
- Completely remove the backlogs of work

- To be reliably delivering against the legal requirements and service level targets (KPIs)
- Complete the on-boarding of all employers onto the iConnect system
- Fully implement integrated payment systems, for the pensioner payroll and other one-off payments (for example lump sums, refunds etc), to realise stronger controls and efficiencies
- Improved governance around the Fund’s relationship with the administering authority

Strategic Vision Goals

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

The SVGs run through everything that we do. In order to maintain a focus on achieving the vision, all actions in this Business Plan are mapped to SVGs. SVGs will also be used when setting goals and objectives for the teams and staff at an operational level.

<p>1 Stable and affordable contributions</p> 	<p>2 Straight-forward administration</p> 	<p>3 Clear service measures and responsibilities</p> 	<p>4 Employers are advocates for the scheme</p> 
<p>5 Correct pension, paid timely</p> 	<p>6 Accurate up-to-date records</p> 	<p>7 Service administered effectively and cost-efficiently</p> 	<p>8 Members understand their benefits</p> 
<p>9 Safeguard the assets</p> 	<p>10 Strong risk-adjusted returns</p> 	<p>11 Responsible ownership and stewardship</p> 	<p>12 Positive impact</p> 
<p>13 Robust processes, controls and risk management</p> 	<p>14 Widely adopted self-service solutions</p> 	<p>15 Transparency and information sharing</p> 	<p>16 Compliance and best practice</p> 

Our Culture

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

<p>Working together as One Fund</p> <p>1</p> <p>We work together as One Fund, demonstrating the values of transparency, accountability, ownership, critical thinking, respect, and agility</p>	<p>High performing team</p>  <p>We aspire to be role models and leaders, through our commitment to develop knowledge and training</p>	<p>Data driven decisions</p>  <p>We use data to inform and evidence our decision making, and to measure our progress and successes</p>	<p>Efficiency through technology</p>  <p>We collaborate, and challenge our systems and processes, to create innovative solutions and drive continuous improvement</p>	<p>Long term thinking</p>  <p>We always act with the long term in mind, whether we are setting our investment strategy, planning improvements, or working towards our net zero by 2050 goal</p>	<p>Clear communications</p>  <p>We communicate with all our stakeholders in a clear, concise, relevant and effective way</p>	<p>Smarter working</p>  <p>We maintain focus on our core objectives, and work in a proactive and disciplined way, to promote simplicity and efficiency in everything we do</p>
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As well as having goals and objectives set which map to the SVGs, annual staff appraisals will look at ways that the values have been modelled. As part of team meetings, staff will take part in several activities throughout the year to encourage them to think of their work in terms of the SVGs and values, and to fully incorporate them in the way the team works.

Identifying Priority Areas

As part of developing this Business Plan, various independent reviews have been commissioned in order to identify the priority areas, set out as follows:

Review	Supplier	Purpose of review	Date done
Administration review	Aon	To identify the key areas of focus for Fund administration, and on the levels of resourcing required	Jan-Mar 2022
Staff engagement survey	Aon	To identify areas where improvement is needed in terms of staff engagement, training, communications etc.	Feb 2022
Key Financial Controls audit	SWAP	To review the processes and controls across the whole fund as part of the approved internal audit programme	Feb-Mar 2022
Systems Overview	Heywoods	A review of the Fund's use of the administration system (Altair) with a view to determining whether the Fund is making best use of the system	Jan-Mar 2022

As a result of these reviews, an improvement plan has been developed and is attached as Annex 1. High priority improvements are mapped to a specific Business Plan action, and lower priority improvements are wrapped up in a single action (25) to follow and complete the improvement plan. The Business Plan actions identify key non-business-as-usual pieces of work for the coming year, and so by their nature focus on high priority projects and pieces of work.

Business Plan Actions for 2022/23

	Action	Description	Target SVGs	Budgetary Impact	Priority	Resource Impact
1	Actuarial valuation	The triennial actuarial valuation of the Fund, as at 31 March 2022, needs to be carried out over the next year.	1, 9, 10, 16	£177,000	Mandatory	High
2	Strategic Asset Allocation (SAA) review	A review of the SAA needs to be carried out triennially, in conjunction with the actuarial valuation, in order to ensure that the Fund is set to deliver the required investment returns for an appropriate level of risk.	1, 9, 10, 11, 12	£30,000	Mandatory	High
3	Hit as close to 100% as possible of legal requirements and develop improvement plan for achieving KPI targets	Once the standardised weekly KPI reporting (action 7) is up and running, we will be able to identify specific processes to focus on and develop a detailed plan. The focus will initially be on aiming to achieve 100% of the legal requirements, and prioritising cases like retirements and deaths.	5, 6, 7, 16	nil	High	Low
4	Complete the payroll reconciliation project	The long-running reconciliation project between the administration system and the ledger needs to be concluded, so that we have assurance that all pensioners are being paid the correct amount.	5, 6, 7, 16	£350,000	High	High
5	Outsource the backlogs	The Aon review indicates that the backlogs could take 6 years to clear at the current rate. Additional resource is needed to clear these, and outsourcing would be the preferred option (i.e. not recruitment).	2, 6, 7, 16	£450,000	High	High

	Action	Description	Target SVGs	Budgetary Impact	Priority	Resource Impact
6	Review the resourcing of the team	The Aon review carried out analysis of resourcing levels and made various recommendations. Further internal analysis is required here, taking into consideration actions 8 and 14 at the same time.	1-16	Unclear at this stage	High	Medium
7	Launch weekly KPIs	The Fund has historically produced KPIs for admin processes on a quarterly basis. Moving to weekly will be a key driver in improving performance. Weekly stats will show performance and movements in caseloads, and aging of open cases. Forward looking KPIs will identify cases about to go out of date, so that preventative action can be taken. Stats will be used by managers to identify issues and plan workloads, and shared with teams for awareness of their impact on the Fund's vision.	5, 6, 7, 16	nil	High	Low
8	Implement integrated payments	Adopting integrated payroll and one-off payments (e.g. lump sums, refunds etc) systems will create efficiencies and improve controls.	2, 5, 7, 9, 13, 16	£50,000*	High	High
9	Implement renewable infra and affordable housing portfolios	The Fund has made strategic allocations to renewable infrastructure and affordable housing, which need to be implemented over the next year in consultation with advisers.	1, 9, 10, 11, 12	£65,000	High	High
10	Complete iConnect onboarding	Onboarding of all employers onto iConnect was targeted to complete by 31 March 2022, but there are still several employers outstanding. Although the Fund does not have full influence over this, we will work collaboratively with employers to ensure all are onboarded by 31 March 2023 and that we can realise the control and data benefits of iConnect.	2, 3, 6, 7, 13, 14	nil	High	Medium

	Action	Description	Target SVGs	Budgetary Impact	Priority	Resource Impact
11	Treasury management (TM) strategy implementation	The new TM strategy needs to be fully implemented, and a new liquidity portfolio implemented.	9, 10, 13	nil	Medium	Low
12	Performance measurement reporting improvements	In order to improve visibility of the Fund's overall performance for Local Pension Board, Committee, and senior officers, a new whole Fund performance report will be developed, to show standardised, concise information on KPIs, projects, key financial controls, customer service measures etc.	3, 5, 6, 7, 10, 13, 16	nil	Medium	Low
13	Become signatories of the 2020 Stewardship Code	The Fund developed plans for reporting in line with the 2020 Stewardship Code during 2021/22, and will make a submission to achieve signatory status during 2022/23.	9, 10, 11, 15, 16	nil	Medium	Low
14	Systems review	The Aon review recommended that a detailed review is carried out to determine the exact responsibilities of the Systems and Data team, which should also incorporate a review of all systems procedures and controls and the Fund's overall objectives in this area.	2, 5, 6, 7, 13, 16	£20,000	Medium	High
15	Participate in Brunel climate stocktake	The Brunel climate stocktake will help inform the partnership's approach to climate risk, including how the portfolios are shaped going forward. We will be actively involved in this review in order to represent Wiltshire's position.	9, 10, 11, 12	nil	Medium	Low

	Action	Description	Target SVGs	Budgetary Impact	Priority	Resource Impact
16	Collaborating with investment managers to ensure climate risk is appropriately addressed	It is necessary to ensure the investments are safeguarded from potential financial losses as a result of climate risk, and that the portfolios are positioned to take advantage of any investment opportunities as a result of transition to a low-carbon economy. We will collaborate with legacy managers and the Brunel pool to ensure that portfolios are fit for purpose from a perspective of sustainability and climate risk, can be aligned to our broader climate objectives, and that data provision is adequate to allow for a meaningful assessment of progress against targets.	9, 10, 11, 12, 15, 16	nil	Medium	Low
17	Employer report cards	Employer report cards will address the quality and timeliness of data submitted via iConnect and in relation to contributions, as well as timeliness of payment of contributions. The full member experience is partly our service KPIs, but also partly determined by the employer's provision of the relevant data in a timely manner - this will also be covered by the report cards. This will help to clarify roles and responsibilities.	2, 3, 5, 6, 15, 16	nil	Lower	Low
18	Risk monitoring and reporting improvements	The framework around risk monitoring and reporting needs improving, to improve ownership taken for specific risks, to integrate consideration of risks more fully operationally, and to improve clarity in reporting risks to Committee and the Local Pension Board.	13, 15, 16	nil	Lower	Low

	Action	Description	Target SVGs	Budgetary Impact	Priority	Resource Impact
19	Review internal audit arrangements	The Committee has approved various specialist audits as part of the audit plan. We will investigate potential providers to deliver these audits, as well as any other high-priority areas where we need specialist advice. Action 23 is part of this, so the potential budgetary impact for that review is included under that action.	3, 6, 7, 9, 13	£20,000	Lower	Medium
20	Complete Member Self Service (MSS) sign-up campaign	The Fund's strategy is to write out to members who have not signed up to MSS every 3 years. We will complete this campaign, and investigate options to further promote MSS through use of email signatures, the website, and campaigns through the scheme employers.	4, 8, 14, 15	£10,000	Lower	Medium
21	Customer service excellence review	An independent customer service assessment will provide evidence of good practice and recommendations for improvement.	2, 3, 4, 5, 6, 7, 16	£2,000	Lower	Low
22	Employer training and engagement (carried forward)	We will develop the training materials on the employer website, including videos, simple guides etc. We will expand the approach to direct interaction with employers, to proactively address issues with fulfilling requirements, welcome new contacts, and help with any iConnect issues.	2, 3, 4, 14	nil	Lower	Low
23	Good governance review compliance	In advance of the recommendations of the Good Governance Review becoming mandatory, an independent review will map current arrangements to the new requirements, and make recommendations to ensure compliance.	16	£10,000	Lower	Medium

	Action	Description	Target SVGs	Budgetary Impact	Priority	Resource Impact
24	Collaborate with partner funds to define the direction of travel for the Brunel Pension Partnership	We will be actively involved in setting the direction of travel for the Brunel pool, to ensure that Brunel delivers the intended fee savings and investment performance in a cost-efficient way, evidenced through meaningful reporting in line with client requirements, and retains a focus on ensuring that all activities deliver value and map to positive outcomes for the partner funds.	9, 10, 11, 12	nil	Lower	Low
25	Complete lower priority actions from the improvement plan	The improvement plan (Annex 1) sets out recommendations from the Aon review and SWAP's latest internal audit. High priority actions have been mapped to specific Business Plan actions, however all actions need to be completed.	5, 6, 7, 9, 13	nil	Lower	Low

*£50k to assist with implementation. The systems costs were already approved by Committee during 2021/22.

Annex 1 – Improvement Plan

	Improvement	Source	Mapping to Business Plan Action
Data/Systems			
1	Systems review – the Aon review recommended that a detailed review is carried out to determine the exact responsibilities of the Systems and Data team, which should also incorporate a review of all systems procedures and controls and the Fund’s overall objectives in this area.	Aon review	14
2	Pensioner payroll reconciliation – Aon recommend that a pragmatic approach to resolving lower-value differences is adopted, and that additional resource is considered to complete the project in a timely manner. SWAP recommend that a full reconciliation is carried out on a regular basis.	Aon review and SWAP internal audit review	4
3	Amendments – staff should be reminded to save evidence for amendments on the file, and ensure they are processed in a timely manner.	SWAP internal audit	25
4	Immediate payments – consider purchasing this module to improve processes and controls.	SWAP internal audit	8
5	iConnect – consider ways to proactively progress the iConnect project, for example site visits.	SWAP internal audit	6, 10
6	Status 3s – review the data stored for status 3 members (i.e. those where the Fund has no liabilities, e.g. members who have transferred out) and determine a way to remove any personal data which is no longer necessary.	SWAP internal audit	25
Controls			
7	Reconciliations – the movement in the payroll reconciliation needs to be reviewed and signed off by a manager.	SWAP internal audit	25
8	Contributions – a central schedule for employer contribution rates needs to be developed, and roles and responsibilities for resolving contributions issues needs to be clarified with staff.	SWAP internal audit	25
9	Lump sums – issues around meeting deadlines, peer review and adequate evidence/data need to be resolved.	SWAP internal audit	25
10	Transfers in – the process to ensure that transfers in funds which are received (and posted to the ledger)	SWAP internal audit	25

	Improvement	Source	Mapping to Business Plan Action
	are also posted to the members account on Altair needs to be properly embedded and followed.		
11	Recharge – ensure this is provided by the Council on a costed basis.	SWAP internal audit	25
Performance			
12	KPIs – reconsider what information is included in the current KPIs and ensure consistency of presentation. Review the process of distributing tasks to team members and ensure there is a robust process to monitor KPIs and team capacity / backlog.	Aon review and SWAP internal audit review	7, 12
13	Disclosure requirements – address areas where performance is lowest and target 100% achievement	Aon review	3, 7
14	Performance – investigation of processes where performance against internal targets is poor.	Aon review	3, 7
15	Older cases – consider whether additional information is required.	Aon review	7
16	Backlogs – consider how these can be cleared in a timely manner. Review the backlog of aggregations, frozen refunds, and members over 75 who are not yet in receipt of benefits, and take necessary steps to ensure this is progressed where possible.	Aon review and SWAP internal audit	5, 7
17	Leavers – for leavers under the normal pension age, the assumption should be deferred benefits, to avoid inefficiencies in sending out retirement packs and then terminating these cases when the member elects deferred benefits.	Aon review	25
18	Joiners – investigate the reasons why a significant number of joiners are not receiving their notification of joining within the timeframe, which may in part be resolved by continued iConnect onboarding.	Aon review and SWAP internal audit	10, 25
19	Transfers out – recommence monitoring of the timeliness of transfer out quotes.	Aon review	25
Team			
20	Resourcing – various recommendations around resourcing, which will be picked up in the round.	Aon review	6
21	Communication – improve communications between management and officers, via regular, relevant meetings.	Aon review	25
22	Targets – implementing targets and objectives for all admin staff.	Aon review	25

	Improvement	Source	Mapping to Business Plan Action
23	Training – improve training and development opportunities for administration officers.	Aon review	25
24	Workload meetings – regular meetings for employer services and member services officers to understand challenges and constraints across the whole team.	Aon review	25
25	Sharing KPIs – to emphasise the impact officers have on member experience.	Aon review	7
26	Projects – review the project methodology used to manage the Funds projects and implement changes to help improve oversight and efficiency.	SWAP internal audit	6