



News Release:

For Immediate Release: 26 November 2013

West Midlands Pension Fund responds to questions on the Living Wage

We have received a number of e-mails and letters from pension fund members expressing support for the Living Wage and encouraging the Fund to engage with companies on this matter.

The West Midlands Pension Fund recognises that it is far more effective in gaining the attention of companies on any important issue when it joins forces with other investors who have similar concerns. Therefore, the Fund actively engages with the companies in which it invests through the Local Authority Pension Fund Forum (LAPFF) which represents the majority of local government funds.

Whilst LAPFF does not have a formal policy to press companies to adopt the Living Wage, within LAPFF's regular programme of engagement, the Living Wage has been discussed in several meetings with company directors, both in the context of their UK operations and regarding overseas suppliers. Where companies have adopted the Living Wage, LAPFF has signalled its support for the initiative. As an example, LAPFF welcomed Legal & General's decision to adopt the Living Wage in April 2013.

In addition, LAPFF is continuing to campaign for companies to disclose the ratio between average employee pay and average executive pay, as well as the ratio of pay between the top and bottom 10% of earners. This will enable shareholders to monitor closely the behaviour of company management on pay. Going forward, LAPFF will also raise the issue of the Living Wage with companies where it is appropriate and relevant to that sector.

Ends

Notes for Editors:

The West Midlands Pension Fund provides pension services to over 260,000 current and former employees of the seven West Midlands district councils and over 350 employers participating in the Fund.

It is one of the largest funds in England and Wales, employing 115 FTE members of staff, and as at 31st March 2013 was valued at £9.8 billion.

The West Midlands Pension Fund strives to be a best practice organisation, delivering a customer-focused service, while providing value for money to its stakeholders.

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