



West Midlands Pension Fund

ANNUAL REPORT AND ACCOUNTS 2023



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INTRODUCTION

STATEMENT OF THE CHAIR OF THE PENSIONS COMMITTEE

CHAMPIONING BEST PRACTICE FOR LONG-TERM REWARD

In a year of substantial market turmoil, pending regulatory change and increasing customer activity, the Fund has remained focused on developing long-term strategy, operational resilience and engaging our members and employers in retirement and financial planning.

The 2022/23 funding and investment strategy reviews demonstrated the Fund was in a strong position and able to provide an overall reduction in employer contribution levels and investment risk as part of a long-term plan to generate return and pay pensions for decades to come. The Fund continues to implement its investment strategy and stewardship activity in partnership, leveraging industry scale and common objectives to achieve cost effective and value-added services whilst delivering the required returns.

The Fund's approach to stewardship and disclosure of outcomes was recognised in September 2023 through its third-year signatory status to the Financial Reporting Council's 2020 UK Stewardship Code. We continue to demonstrate our beliefs and policy in practice by voting, engaging and reporting stewardship activity and progress with full transparency.

In asset management we see the objectives and ambition of our climate change strategy and framework coming to life, for example through the ongoing review and embedment of the Fund's direct property portfolio in which we review and improve assets to ensure continuous improvement in environmental performance. Over 2022/23 this included the acquisition of prime office space in Birmingham city centre, with large-scale renovation now announced for the benefit of the region and workers in this area. In November 2022 the Fund completed its first Paris Aligned Asset Owner signatory disclosure, outlining both portfolio targets for decarbonisation and investment in climate solutions alongside commitments to increase coverage and monitor engagement progress.

“ The ongoing success and achievements of the Fund are recognised through the accredited standards sought and achieved throughout the year, together with success in awards for innovation.

COUNCILLOR MILKINDER JASPAL
CHAIR OF THE
PENSIONS COMMITTEE



INTRODUCTION

STATEMENT OF THE CHAIR OF THE PENSIONS COMMITTEE



Regional partnership and collaboration led to the launch of the West Midlands Co-Investment Fund during the year. An innovative partnership with the West Midlands Combined Authority, the investment fund seeks return from coordinated support to emerging local businesses, including those focused on new medical and climate technology, based on globally recognised sustainable investment practices.



**West Midlands
Co-Investment
Fund**



**West Midlands
Combined Authority**

Protecting and securing the benefits of our members remains our primary focus with cyber security and the development of new member and employer self-service portals part of a wider risk-based governance and management approach, informed and overseen by the governing bodies. Our purpose is to ensure the Fund is able to meet benefit promises over the long term and whilst we may take the opportunity to engage and invest for positive change in our region and wider, the Committee's focus remains firmly on our fiduciary duty.

Governing body members have engaged in training and discussion on emerging issues and risks including developments with the LGPS and wider pensions sector, to aid and inform the development of Fund policy and strategy. The Fund is well placed to respond to the anticipated rise in governance standards and expectations on administering authorities and continues to manage the significant impact of upgrading its administration system and large-scale retrospective scheme change in the McCloud remedy.

The ongoing success and achievements of the Fund are recognised through the accredited standards sought and achieved throughout the year, together with success in awards for innovation.

My thanks to the Committee, Local Pensions Board and all Officers who I commend for their ongoing contribution, advice and support for the work of the Fund in building sustainable futures.

Councillor Milkinder Jaspal
Chair of the Pensions Committee

Date: November 2023

INTRODUCTION

STATEMENT OF THE CHAIR OF THE LOCAL PENSIONS BOARD

Over 2022/23 the Board continued to keep a watching-brief on upcoming changing regulations and guidance which stands to impact on the administration of pension funds within the Local Government Pension Scheme. The Board has continued its focus on customer engagement and service delivery whilst supporting the Fund to review and enhance its services for customers, ensuring ongoing compliance with regulatory standards.

As part of a routine governance review and in consultation with the Board, Chair of Pensions Committee and Administering Authority, during the year the composition of our Local Pensions Board and associated terms of reference were reviewed to support an effective, engaged and representative membership maintaining wide employer and member representation.

Noting the risks included on the Fund’s risk register, the Board have focused on recruitment and retention throughout the year, requesting additional information on management actions to gain assurance that risks are being managed effectively.



The employers and members participating in the Fund continue to grow and change. This has increased the importance and value added by the Employer Services team as they continue to develop and deliver Employer Webinar sessions which, amongst an array of varied topics, aim to prepare employers for the change in administration system and support the Fund’s aim of ensuring it holds good quality data ensuring it is able to provide accurate pension projections and the timely payment of benefits. Furthermore, our Member Services team have once again been out on the road in the Roadshow bus meeting members face-to-face and offering bespoke support with their queries and future retirement planning. Our workshops such as “planning your retirement workshops” and “tea and teach” sessions have received positive engagement, which has contributed to a positive increase in members engaging with their pension benefits.

“ Cost and efficiency in delivering a well-governed scheme valued by members and employers remains a key focus for the Board...

JULIAN ALLAM
CHAIR OF THE
LOCAL PENSIONS BOARD



INTRODUCTION

STATEMENT OF THE CHAIR OF THE LOCAL PENSIONS BOARD



In preparation for 2023/24, the Fund has reviewed and updated its Cyber Security Strategy (March 2023) and has scored well following an external assessment of cyber assurance. The Fund is committed to ensuring it has the capabilities, processes and controls to support end-to-end business activities whilst ensuring we meet customer requirements.

Cost and efficiency in delivering a well-governed scheme valued by members and employers remains a key focus for the Board, and we look forward to continuing to support the work of the Fund as the scheme continues to evolve, and new guidance and governance standards develop during the year.

In recognising the growing focus on the knowledge and skills of those charged with the responsibility for LGPS Funds, our Board and its members have taken the opportunities provided by our officers to further their understanding and skills through the structured training program developed for governing body members, which aids in our role of supporting members and employers. During the year the Board received updates and training on the change in administration system, wider industry updates, responsible investment and

financial management, together with focussing on the very real challenge across the LGPS of resource and retention and we congratulate the officers on their work in this space in the development of future talent and the ongoing success of Growing our Own through the Fund's graduate, apprentice and trainee program.

I would like to thank all our member and employer representatives on the Board for their dedication to training and contribution to our meetings and Fund events. We continue to benefit from good member engagement and representation across our employer base and welcome the stability and ongoing interest in Board membership as we continue to support the good governance of the Fund. I would also like to thank the outgoing chair, Paul Johnson, for his valued commitment to Chairing the Board and welcome his support alongside new and returning members of the Board.

Julian Allam
Chair of the Local Pensions Board

Date: November 2023

INTRODUCTION

STATEMENT OF THE EXECUTIVE DIRECTOR OF PENSIONS

DEVELOPING THE PLATFORM TO CONTINUE TO BUILD SUSTAINABLE FUTURES



Evolving Economic and Growth Landscape

Over the last year we have seen geopolitical risks come to the fore, creating a new dynamic for the global economy and investors to navigate. As government policies and actions evolve to enhance national resilience and reduce exposure to supply chain disruption, potential for increased market volatility together with higher inflation and interest rates look set to continue, bringing new challenges but also potential opportunities for long-term investors.

Pension fund (and LGPS) investment in the UK is not a new area of focus but comes at a challenging time, with increased risk of regulatory and policy change, impacting confidence in investment thesis. Now more than ever, research, enhanced due diligence and deep integration of responsible investment practices is needed to retain confidence and ensure alignment with the investment beliefs and long-term interests of the Fund.

“ Expanding our training and support has been vital in protecting and safeguarding our employees and customers in challenging times.

RACHEL BROTHWOOD
EXECUTIVE DIRECTOR
OF PENSIONS



INTRODUCTION

STATEMENT OF THE EXECUTIVE DIRECTOR OF PENSIONS

Our 2022/23 investment and funding strategy reviews provided opportunity to reshape funding plans and diversify investment risk, with long-term asset allocation adapting to reflect a cashflow profile with lower contribution income and maturing liability profile. Over the year, we remained focused on risk oversight and an evolving investment strategy, navigating volatility in both equity and fixed income markets through planned and orderly transfers and developing further plans for change, grounded in our core investment and responsible investment beliefs.

We will continue to review the ongoing suitability and balance of risk within our integrated risk management framework in context of the new interest rate environment, slowing economic growth forecasts and improving funding level as we head towards the next triennial review in 2025.

As at 31 March 2023, the Fund held half of its assets invested in bespoke products developed by and for the LGPS Central pool and this is set to continue to gradually increase as commitments to private markets are drawn and further products are developed aligned to the investment strategy requirements of the West Midlands Pension Fund and its Partners over the coming years.

The financial challenges of rising inflation and costs are material for many of our employers and members who, through constrained funding and lower income demographic, have felt the pressures of a rising cost of living more than most. Through engagement with our employers and members we have been able to provide targeted support and we continue to monitor and review how the changing economic and growth landscape may inform and change customer requirements of the Fund and the wider scheme.



INTRODUCTION

STATEMENT OF THE EXECUTIVE DIRECTOR OF PENSIONS

Purposeful Pensions

We were pleased to be able to engage with the Pension Management Institute (PMI)-sponsored purposeful pensions series. We are proud of the initiatives we have developed to support our members in their retirement planning, targeted outreach and accessible face-to-face support, our approach to responsible investment and how we look to add value through investments such as those in renewable energy and housing and through engaging on a thematic basis to build sustainable futures. We invest in our people to drive and develop our thinking and skills to ensure the Fund is well placed to deliver member benefits over the long term, drive positive change where there is opportunity and respond to the increasing demands and expectations on pension funds.

Enhancing Operational Resilience

Cyber security continues to be a key priority and threat for the Fund, with the pensions industry seeing its first major incident earlier this year, involving a third party pension administrator and affecting a number of UK pension schemes. Our strategy, response and testing programme has continued to evolve with additional focus on our supplier network and assurance programme. Enhancing and upgrading our systems, software and usage remains core to increasing resilience and protecting our customers and this was a key factor driving the development of our new Pensions Administration System over the year.

Following appointment early 2022, we worked closely with Equiniti over 2022/23 to develop the system, prepare for data migration and build supporting member and employer self-service portals to provide a new and enhanced platform from which we can better manage, protect and serve our members and employers longer term. Following launch over Summer 2023 and large-scale data migration, work is ongoing to establish the new system and regain service levels, with further benefits to be realised over time in addition to payroll efficiencies and enhanced customer security delivered to date.

Over the year our finance transformation programme has moved forward with improved process and system utilisation, enhancing internal controls. We continue to develop our risk management framework on a holistic and enterprise-wide basis, supported by review and further development of internal controls frameworks to strengthen the Fund's assurance programme and aid prioritisation of further development and change.

We received substantial assurance following internal audit of employer engagement and data management activity during the year and continue to seek and incorporate feedback from a wide variety of stakeholders to inform our programme of engagement and information management to ensure continuous improvement.



A Place of Opportunity and Inclusive Development

We continue to see strong interest in our apprentice, trainee and graduate programme and alongside this, the progression of employees advancing their careers within the Fund. Our commitment to inclusive opportunity and employee wellbeing has been demonstrated through development of our dyslexia champions network and increase in training and support through onsite mental health first aiders.

INTRODUCTION

STATEMENT OF THE EXECUTIVE DIRECTOR OF PENSIONS

Expanding our training and support has been vital in protecting and safeguarding our employees and customers in challenging times. We have enhanced safeguarding training and support and continue to empower our people to lead and inform change, recognising that all great minds do not necessarily think alike and the value our diverse skills and experiences can bring to our service development and innovation.

Contributing to Our Industry and Region

As the sector and region continues to operate in an uncertain and changing environment, we have engaged with trade bodies, through regional and national forums and specialist working groups to participate and inform scheme-wide policy matters and emerging change. We continued to engage in consultations and input to the development of UK Pension Dashboards, the McCloud remedy for the LGPS and climate risk reporting. Across working groups we have supported the development of guidance and communication for the LGPS in addition to refreshing our own materials to further help and support customers (including employer industry groups) engage with the Fund.

We have engaged with peers on the debate about the role of UK pension funds in levelling-up and UK growth and the system-change needed to create the environment for increasing collaboration and innovation.



Through collaboration in our own region and following two years in development, we were pleased to be able to launch in partnership with the West Midlands Combined Authority, the West Midlands Co-investment Fund. Investment is needed to drive solutions needed

to enable climate transition, enhance medical science and develop advanced manufacturing and we believe those organisations that champion forward thinking governance will have sustainable futures and be able to continue to both economic growth and have positive social impact.

PENSIONS AND LIFETIME SAVINGS ASSOCIATION



Driving Standards and Responding to Change

During the year the Fund has been recognised for its Customers Service Excellence, Investing in People and high standard of investment Stewardship. We have won awards for our innovative investment and customer engagement initiatives and continue to look ahead at areas we can add value to our customers and investments on a cost-effective basis, whilst keeping pace with the changing legislative and regulatory environment.

The terms of reference for the Pensions Committee were also reviewed and quorum changed to support the effective operation of quarterly meetings.

Both the Pensions Committee and Local Pension Board continue to engage in a wide range of training and discussion outside of the main meeting cycle, recognising the breadth of subject matter and changing environment. Three structured joint training events were delivered during the year, with agendas and topics informed by feedback and assessment of the development of knowledge and skills against evolving industry standards and expectations.

INTRODUCTION

STATEMENT OF THE EXECUTIVE DIRECTOR OF PENSIONS

Ensuring Value-Added Services and Investment

We continue to seek independent assurance and benchmark our administration and investment performance to test value add and inform future development and priorities. Independent benchmarking against similar size LGPS and non-LGPS UK pension funds on pension administration activity to 2022 showed a year-on-year improvement in our member servicing score and stand out range of engagement services, including valued face-to-face support and online portals. Work continues to improve the timeliness of member servicing without compromising on standards.

Benchmarked against both UK and global occupational and public pension funds, the Fund continues to deliver performance in line with peers with net added value from portfolio management ahead of peers and cost continually below benchmark as the Fund takes a low-cost implementation approach and continues to drive benefits from scale.

We continue to work closely with LGPS Central Ltd to develop and access cost effective services and support to implement the Fund's investment monitoring and oversight framework including assets outside of the pool together with stewardship activity and climate risk reporting across the Fund portfolio.



Looking ahead

2023/24 brings an increased focus on the roll-out and implementation of the Pensions Administration System transition, ensuring internal and customer benefits are fully realised. Alongside, work continues to monitor

and complete preparatory work for implementation of the McCloud remedy for the LGPS, with review and implementation across member benefits expected to run to 2025. Pension Dashboards preparation will also restart, pending further update from the Department of Work and Pensions.

We await government response to the LGPS investment consultation, noting the Fund has a clear focus on its investment strategy and priorities to 2025 and the substantial progress already made to realise benefits from investment pooling. Both the long-awaited Pensions Regulator's new (general) code and outcomes of the LGPS Scheme Advisory Board's Good Governance review are expected to raise standards for the LGPS and the Fund is well prepared to respond to these. Our Fund operating model review will continue, building further resilience and functions fit for the future of the LGPS. Alongside this we are looking more holistically at diversity and inclusion, as we believe this enhances our governance and decision making – we want to ensure we are well equipped to support our people and customers, to continue to foster a health working culture which caters for our diverse customer base.

As a wider number of interested parties take interest and seek assurance on the services and activities of the Fund, we will continue to evolve as we aim to provide a best-in-class service, fit for purpose and will continue our established practice of engaging to inform our development and priorities to deliver the longer-term interests of the members we protect and serve.

My thanks to the Pensions Committee, Local Pension Board, administering authority and all Pension Fund employees for their ongoing support and focus as we continue to deliver our Corporate Plan and ensure we adapt to build sustainable futures for all.

Rachel Brothwood

Executive Director of Pensions

Date: November 2023

INTRODUCTION

STATEMENT OF THE EXECUTIVE DIRECTOR OF PENSIONS

DELIVERING OUR CORPORATE PLAN OVER 2022/23



PEOPLE AND CUSTOMERS

- Re-accreditations for Customer Service Excellence and Investors in People Gold
- Development of member digital support and roll-out of retirement planning initiatives in the context of cost of living pressures
- Increased employer engagement on Scheme (McCloud) and Fund (Pension Administration System) change and consultation on funding strategy (triennial actuarial review and contribution outcomes)



CORPORATE COMMUNICATIONS

- New Fund website with enhanced accessibility features
- Purposeful Pensions PMI documentary series
- Participation in industry discussion and events, including through publication of consultation responses and development of LGPS-frameworks



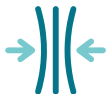
COMPLIANCE AND RISK

- Review and development of risk management framework
- Quarterly review of strategic risk register
- Development of internal control frameworks
- Review and planning for potential regulatory change and new guidance on Fund governance and administration



INVESTMENT IMPLEMENTATION

- Development of private debt strategies and commitments towards target allocation
- Additional allocation and commitments to infrastructure assets, including renewable energy
- Maintaining strategy and collateral during gilt market volatility
- Triennial strategy review



OPERATIONAL RESILIENCE

- Development of new Pensions Administration System
- Further progress in implementation of finance transformation programme
- Enhanced cyber security assurance programme



STEWARDSHIP

- Third-year signatory to UK Stewardship Code
- Renewed Net Zero commitments as part of Paris Aligned Asset Owner Commitment
- Membership of Occupational Pensions Stewardship Council



CORPORATE RESPONSIBILITY

- Mental Health at Work and training of Mental Health First Aiders
- British Dyslexia Association – Bronze award and nomination of Dyslexia champions
- BREEAM rating for fit-out of Fund offices at i9
- Commitment to WM Co-investment fund, supporting job creation in the region

INTRODUCTION

TRIBUTE TO THE LATE COUNCILLOR IAN BROOKFIELD

During the year the Fund was saddened to hear that former Chair, Councillor Ian Brookfield had become unwell and passed away following a short but fearless battle with cancer. Councillor Brookfield joined the West Midlands Pension Fund Pensions Committee in 2014. He was appointed as Chair in 2016, having served as City Mayor over 2015/16, before moving on in 2019, when he became Leader of the City of Wolverhampton Council and took on a wider portfolio of regional and national work.

During his tenure, Councillor Brookfield demonstrated his care and respect for people through his engagement with Fund employees and members. Supporting the Fund's "grow your own" training and development strategy, engaging with members visiting the roadshow bus and ensuring good relations and inclusion of all members and trade union representatives within the debate at Pensions Committee. Providing vision and encouraging others to succeed became a strong theme behind the Council's Relighting our City recovery plan in 2020, also well aligned to the Wolverhampton Wanderers motto "out of darkness cometh light" – a fitting place for him to join the Fund employee away day.

He took an active interest in bringing parties together, leading the LGPS Central pool shadow Shareholder Forum in 2017 and going on to Chair the Joint Committee at its creation during 2018. Welcoming and engaging those who bring different perspectives, cultures and experiences, Councillor Brookfield led the Fund's support to the Council in hosting representatives from China in 2015.



Speaking out on human rights and equalities, aligned to the Fund's ambition to champion and drive positive change, Councillor Brookfield served on the LAPFF Executive Committee over 2018, moderating a session on low pay at the 2018 conference.



INTRODUCTION

TRIBUTE TO THE LATE COUNCILLOR IAN BROOKFIELD



In recent years, and as portfolio lead for Economy and Innovation within the West Midlands Combined Authority, Councillor Brookfield continued to work in collaboration with parties across the region and alongside Councillor Milkinder Jaspal (Pension Committee Chair since 2019), has supported the Fund in its local investment innovation and partnership, with the Help to Own housing scheme in Wolverhampton launched in 2021 and West Midlands Co-Investment Fund, launched in March 2023.

Under the leadership over the last decade, the West Midlands Pension Fund has fostered a strong understanding of the importance of being able to engage and demonstrate care for all people, leading by example, being tough but fair. We remain committed to serving our customers and creating meaningful support and opportunities to the benefit of the people and economy within the West Midlands, alongside delivery of our fiduciary duty to members.

We are honoured to be able to remember his tenure with great pride and present this tribute to Councillor Paula Brookfield (his wife) and family, on behalf of the current Chair Councillor Milkinder Jaspal, and all those who have service on the Fund's governing bodies during his leadership.



INTRODUCTION

MANAGEMENT AND FINANCIAL PERFORMANCE

Financial Report

The Finance team remains a crucial function in enabling the Fund to fulfil its statutory responsibilities and provide services to its customers. The primary functions of the team remain to make payments, collect monies owing, manage cashflows, and operating budgets, and to account for the Fund's activities including its investments.

The Finance team continued its journey which began in 2021/22, to both enhance the delivery of these functions but also provide greater insight and understanding to ensure that the Fund is achieving strong value for money for both members and employers.

A key focus each year is the cost of investment management arrangements with the Fund remaining at the forefront of cost transparency initiative with the Fund continuing to engage external support in ---capturing and benchmarking these costs, particularly transaction costs. These transactions costs 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.

These costs will be particularly important as the Fund implements its new Investment Strategy over the coming years.

Value for money, however, is not only about minimising costs but also maximising services both delivered and received, and our ongoing benchmarking activities provide insight on our service delivery as well as cost base.

To support the above, the Finance team are working to enhance its operational resilience by the development of Fund accounting capabilities and enhancing internal controls. The next phase is to review the use of technology to support financial processes. These improvements will result in more capacity for supporting our Pension Services and Operations teams to deliver to our customers and will also support in improving the management of Fund assets for the ongoing sustainability of the Fund.

Looking to the future, it will be important for the Fund to continue to monitor and challenge itself on costs and delivery, and the Finance team will play a key role in this particularly through budgeting processes and scrutinising benchmarking data.

CHRIS MANNING
HEAD OF FINANCE



INTRODUCTION MANAGEMENT AND FINANCIAL PERFORMANCE

Outturn 2022/23: Operating Budgets

The following table sets out the Fund's outturn for 2022/23 compared to budget. The net position was an underspend of £5.7 million with the main reasons for this being:

- Reduced spend against budget of £4.7m on investment management costs. Investment management costs are linked to asset values and are therefore influenced by market movements and investment performance and as a result are expected to fluctuate during the year and year to year; these market movements are the primary driver for the reduced spend against budget. The Fund continues to take a transparent approach to reporting in this area and ensuring that its costs are benchmarked on an annual basis.
- Savings of £1.2m across employees partly offset by an increase in professional fees related to an increase in the scope of work carried out relating to the management of the Fund's liabilities. The savings in employees is attributable to vacancies across service areas for which is reflective of the specialist market that the Fund operates and the low level of unemployment across the country; the Fund is actively working to address these vacancies through its strategic plans.

	2022/23 budget £'000	2022/23 outturn £'000	2022/23 variance £'000
Employees	10,426	9,260	(1,166)
Professional fees	1,764	1,872	108
Service development	1,412	1,495	83
Communications and computing	780	829	49
Support services	773	705	(68)
Premises	698	593	(105)
Transport	25	36	11
Other supplies and services	411	429	18
Miscellaneous income	(600)	(522)	78
Sub total	15,689	14,697	(992)
External investment management costs	95,397	90,404	(4,993)
LGPS Central charges	4,768	5,047	279
Total external investment costs	100,165	95,451	(4,714)
Total	115,854	110,148	(5,706)

INTRODUCTION MANAGEMENT AND FINANCIAL PERFORMANCE

Outturn 2022/23: 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 2022/23 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 £42.57 per member in 2022/23.

	2021/22 actual	2022/23 budget	2022/23 actual
Total administration costs (£000)	7,205	11,365	10,398
Administration cost per member (£)	21.28	33.93	30.12
Total oversight and governance costs (£000)	3,790	4,324	4,297
Oversight and governance cost per member (£)	11.19	12.91	12.45
Number of members	338,591	334,953	345,241
Total administration, oversight and governance cost per member (£)	32.47	46.84	42.57
Total investment management costs (£000)	106,758	100,165	95,451
Investment management cost as a percentage of net assets	0.53%	0.49%	0.49%

Outturn 2022/23: Net Assets of the West Midlands Pension Fund

The year-end net assets position for the Fund was £1,378m lower than forecast. The main reasons for this were:

- £1,263m reduction in respect to net return on investments being significantly lower than the returns assumed in the forecast. This was due to investment markets volatility during 2022/23, despite gains in the later part of the year.
- The excess benefits expenditure over contributions income of £279.2m in the year continues to reflect that a number of employers opted to pay contributions in advance in April 2020 following the results of the March 2019 triennial Actuarial Valuation. The contributions receivable in 2022/23, £451.8m, are consistent with 2021/22, £439m. In addition the Fund saw an increase in the benefits payable primarily driven by higher than forecast inflation increasing pension rates.

INTRODUCTION MANAGEMENT AND FINANCIAL PERFORMANCE

	2022/23 budget £m	2022/23 actual £m	2022/23 variance £m
Contributions and benefits			
Contributions receivable	556	452	(104)
Other income	17	13	(4)
Benefits payable	(724)	(764)	(40)
Other payments	-	-	-
Net transfer in/(out)	-	20	20
Net cost of pensions	(151)	(279)	(148)
Return on investments	957	(319)	(1,276)
Management expenses	(116)	(110)	6
Net increase/(decrease) in the Fund during the year	690	(708)	(1,418)
Net assets of the Fund at the beginning of the year	20,334	20,334	-
Net assets of the Fund at the end of the year	21,024	19,626	(1,418)

Medium-Term Forecasts: Operating Budgets

The following tables set out the Fund's medium-term forecasts for its operating budgets and expresses 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.

	2023/24 budget £'000	2024/25 forecast £'000	2025/26 forecast £'000	2026/27 forecast £'000	2027/28 forecast £'000
Employees	12,824	13,452	13,882	14,270	14,642
Professional fees	1,754	1,857	1,931	2,092	2,051
Service development	1,653	549	571	588	605
Communications and computing	924	845	878	905	932
Support services	838	905	941	969	999
Premises	757	818	850	876	902
Transport	27	29	30	31	32
Other supplies and services	770	832	865	891	918
Miscellaneous income	(659)	(712)	(740)	(762)	(785)
Sub total	18,888	18,575	19,208	19,860	20,296
External investment management costs	97,670	101,870	106,250	110,819	115,584
LGPS Central charges	6,181	6,675	6,942	7,151	7,365
Total external investment costs	103,851	108,545	113,192	117,970	122,949
Total	122,739	127,120	132,400	132,830	143,245

INTRODUCTION MANAGEMENT AND FINANCIAL PERFORMANCE

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

	2023/24 budget £'000	2024/25 forecast £'000	2025/26 forecast £'000	2026/27 forecast £'000	2027/28 forecast £'000
Total administration, oversight and governance costs (£000)	17,003	16,779	17,360	17,950	18,352
Number of members	344,599	349,768	355,014	360,340	365,745
Cost of administration, oversight and governance per member (£)	49.34	47.97	48.90	49.81	50.18
Total investment management costs (£000)	105,736	110,339	115,041	119,879	124,893
Investment management costs as a percentage of forecast net assets	0.53%	0.54%	0.55%	0.56%	0.56%

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 2027/28

	2023/24 forecast £m	2024/25 forecast £m	2025/26 forecast £m	2026/27 forecast £m	2027/28 forecast £m
Contributions receivable	686	627	646	738	673
Other income	17	17	17	17	17
Benefits payable	(790)	(854)	(887)	(914)	(942)
Net cost of pensions	(87)	(210)	(224)	(159)	(252)
Returns on investments	828	855	877	890	926
Management expenses	(122)	(127)	(132)	(138)	(143)
Net increase/(decrease) in the Fund	619	518	521	593	531
Opening Fund balance	19,646	20,265	20,783	21,304	21,907
Closing Fund balance	20,265	20,783	21,304	21,897	22,438

INTRODUCTION MANAGEMENT AND FINANCIAL PERFORMANCE

Pension Overpayments

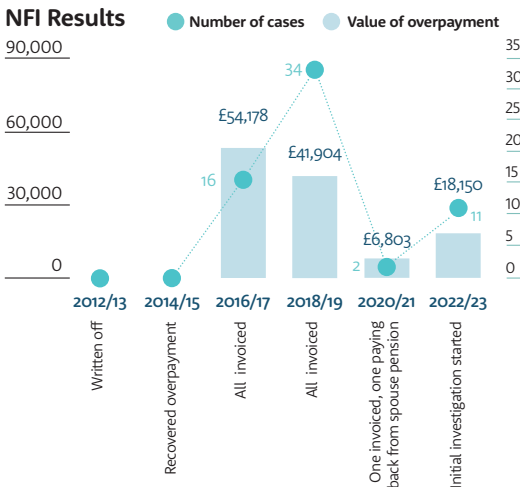
The Fund seeks to minimise and recover, where appropriate, any overpayments made to members. The majority of these cases arise from late notification of a member's death. The following table sets out overpayments for the last three years.

Year	Pension overpayment £	% of gross pension
2020/21	428,778.70	0.080
2021/22	364,034.97	0.065
2022/23	281,485.23	0.048

The Fund continues to see decreases, particularly over 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 latest initiative was undertaken in 2022/23 and the necessary recoveries arising from identified overpayments are being pursued. The current position from previous years are shown in the following chart reflecting a substantial decrease in outstanding debt.



In addition to participating in the NFI, the Fund undertakes a regular programme of mortality screening to help identify possible unnoticed 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 and 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 2022/23; 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 2022	99.73
May 2022	99.79
June 2022	99.81
July 2022	98.83
August 2022	98.97
September 2022	99.09
October 2022	99.17
November 2022	99.29
December 2022	99.39
January 2023	98.93
February 2023	98.55
March 2023	98.10

Chris Manning
Head of Finance

Date: November 2023

INTRODUCTION

GOVERNANCE ARRANGEMENTS

SCHEME MANAGEMENT AND GOVERNANCE

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.

The West Midlands Pension Fund, borne out of the historic West Midlands County Council, administers the pension benefits of 345,241 members and 804 public sector employers.

As at 31 March 2023, the Fund held assets in the value of £19.6 billion.

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 Executive Director of Pensions. As required by the Public Service Pensions Act 2013, the 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

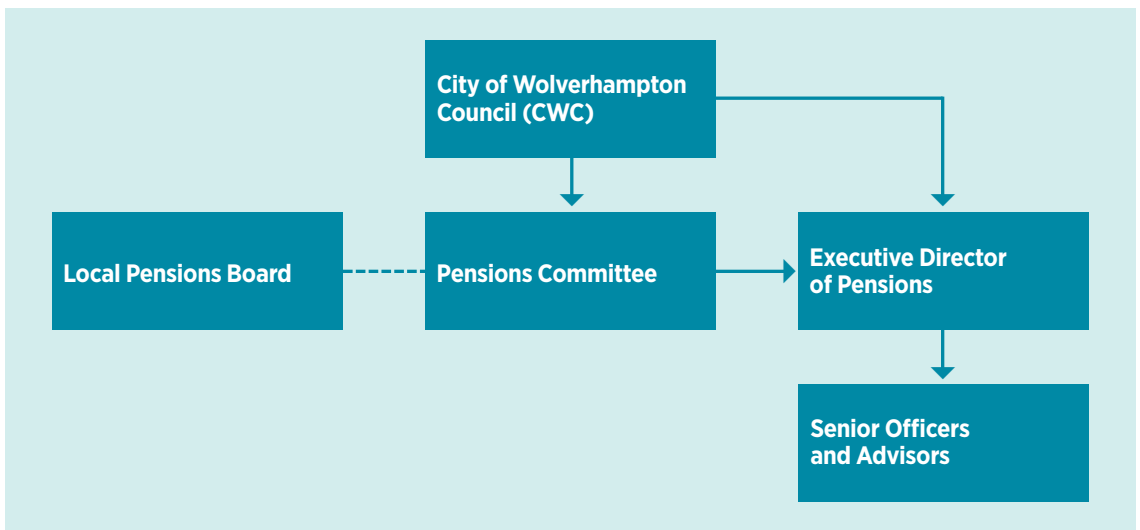
Members of the Pensions Committee are responsible for the Fund's activities, ensuring that the Fund is managed in the best interest of all its members, employers, and beneficiaries. Members of the Pension Committee must therefore take a non-political approach to the decisions they take.

The Pensions Committee membership is made up of ten City of Wolverhampton Councillors, together with one representative from each of the six metropolitan district councils across the West Midlands, all hold voting powers on the committee.

The Committee invites representatives from the trade unions to sit as observers.

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.



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GOVERNANCE ARRANGEMENTS

- 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 annual budget and receive regular reporting on its management.
- To represent the views of members in the management and administration of the Fund.
- To lead an inclusive governing body culture which seeks to ensure diversity and inclusion across the Fund's policies and working practice.
- To approve the investment strategy and supporting responsible investment policy and framework of the Fund noting the Fund's responsibility to ensure sustainable investment returns which meet the pension liabilities now and in the future.
- 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 an effective internal controls framework across the Funds operational and financial risk management.
- 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.

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 of 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.

The Local Pensions Board consists of six member and six employer representatives* all of whom have equal voting rights.

Further information on the Fund's governing bodies can be found in the *Governance Compliance Statement* and *Representation Policy* which are available on the Fund's website.

*As of July 2023, the Pensions Board consists of five member and five employer representatives.

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GOVERNANCE ARRANGEMENTS

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 collective investment vehicles to meet the investment requirements of the eight administering authorities as its clients.

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 four key objectives:

- | | |
|-------------------------------------------------------------|------------------------------------------------------------------------------|
| <p>1 Achieving benefits of scale</p> | <p>2 Strong governance and decision making</p> |
| <p>3 Reduced costs and excellent value for money</p> | <p>4 Improved capacity and capability to invest in infrastructure</p> |



To support the delivery of these objectives, WMPF in collaboration with seven 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.

Since its creation in 2017, WMPF have taken a proactive approach to investing through the Central Pool, with circa 50% of assets now invested through pool investment vehicles and a further 40% under management by the pool company through various client service agreements (including advisory).

Our Pool’s latest submission to the Department of Levelling Up, Homes and Communities (September 2023) forecasts that by 2026 (the end of the current review period for the Investment Strategy), WMPF will have circa 70% of investments in “pooled assets” and circa 20% in “assets under pool management”. This is based on the outcomes of the 2022/23 investment strategy review together with our plans and expectations for development of the LGPS Central pool product and service range.

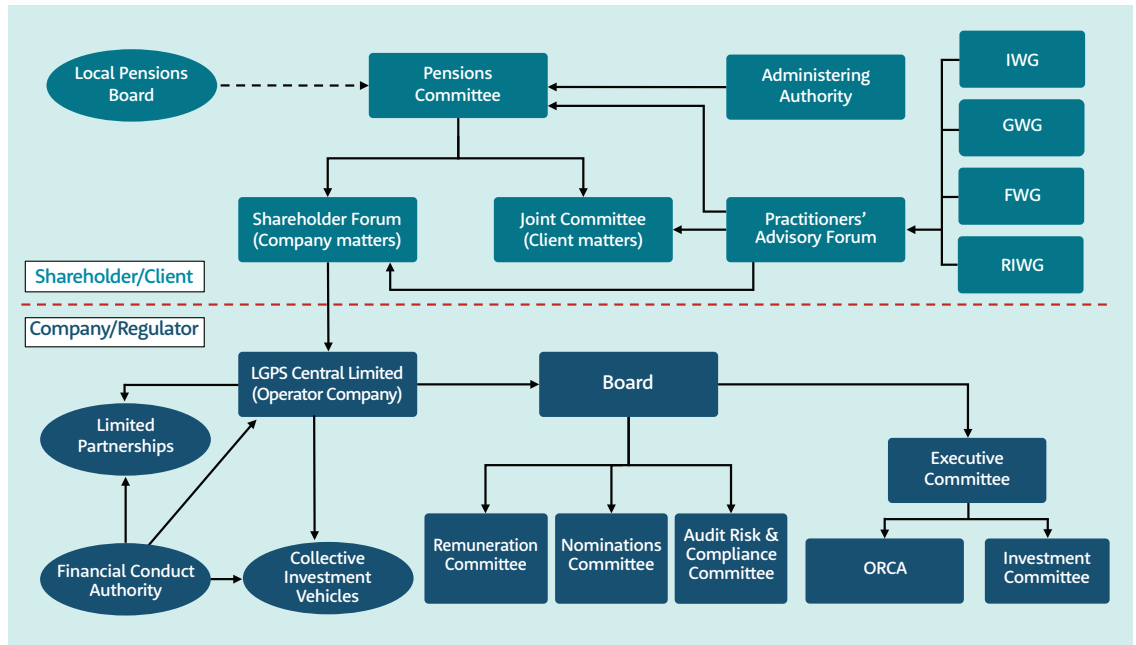
Partner Funds

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GOVERNANCE ARRANGEMENTS

Governance Framework

The Governance structure for the investment pool is set out in the diagram below



In meeting the Government requirement to pool assets, and as persons charged with the responsibility for their LGPS Funds, in the context of LGPS Investment Pooling each Partner Fund has three areas of responsibility.

- 1) Statutory responsibility to ensure the legal obligations on LGPS Funds are met, this includes the obligation to provide for the pooling of investments in their *Investment Strategy Statement*. This is owned by the individual Funds' own Pension Committees.
- 2) Owner/Shareholder (one Fund, one vote) of the investment pooling company, LGPS Central LTD who oversee the development and delivery of the Company's objectives through formal AGM and Company meetings. Individual authorities' own scheme of delegation determines their appointed Shareholder representative with these being both Elected Councillor and Officer.

- 3) Client/Customer of the investment pooling company contracted under individual Client Services Agreements to deliver and manage the pooled investment products. The Funds sit as a collective customer at the LGPS Central Joint Committee which provides collective oversight of the performance and direction the LGPS Central investment pool.

In order to perform functions of oversight over LGPS Central Limited (as a linked body of the administering authority) and to meet Financial Conduct Authority (FCA) requirements for a regulated asset manager, the Partner Funds stand at arm's-length to the company and its ongoing management of the investment transferred to the pool. The Company Directors, (two executive and five non-executive) Board and Board sub committees are responsible for the day-to-day running of the Company including compliance with regulatory requirements of the FCA.

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Conflicts of Interest

Acknowledging the role the Fund plays in representing, collaborating and determining aspects which have the potential to impact its customers, the Fund operates as a stand-alone function from its administering authority, City of Wolverhampton Council (CWC), acknowledging the potential conflict which may arise from its dual role as employer within the Fund.

The Fund allocates and manages its own budget (in line with LGPS regulatory standards), operates from a separate office location (under legally enforceable lease arrangements, separate to the Council building) and in line with the Scheme Advisory Board Good Governance Project, has a dedicated senior LGPS Officer responsible for the management of Fund resources (including its people).

Notwithstanding the separate operating arrangements, the Fund acknowledges, and is live to, the potential for conflicts to arise in both its Governance and Operational functions.

Failure by the Fund to recognise actual and potential conflicts have the ability to impede its ability to effectively deliver for its members and employers together with the potential for reputational damage and regulatory enforcement.

The Fund acknowledges that it is not always possible to eradicate conflicts. Instead taking a balanced view on their mitigation and management. Further information on how the Fund manages conflicts of interest can be found in its *Conflict Management Policy*.

Officers Of The Fund

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 policies and strategies agreed by the Pensions Committee is delegated to the Executive Director of Pensions.

The Executive Director of Pensions has lead responsibility for the West Midlands Pension Fund in the capacity of LGPS Senior Officer.

By delegation from Pensions Committee, the Executive Director of Pensions holds the role of Shareholder representative at LGPS Central Limited company meetings. The full delegations to the Executive Director of Pensions are available in CWC's constitution.

The Executive 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 Executive Director of Pensions who shall remain accountable and responsible for such decisions.

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GOVERNANCE ARRANGEMENTS

KNOWLEDGE AND SKILLS



The Fund's governing bodies training policy is reviewed and adopted annually taking into account best practice and any regulatory changes on training requirements. In accordance with the policy, training activity undertaken is monitored, recorded and reported upon to governing body members and 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 to support the Fund's delivery of its *Corporate Plan*.

The Fund applies the CIPFA Knowledge and Skills Framework 2021 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 two governing bodies. Training activity undertaken is recorded and training returns are collated from members.

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. The Fund also maintains an online library providing governing body members with a bank of training materials to facilitate self-study throughout the year.

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GOVERNANCE ARRANGEMENTS

Governing Bodies

The Fund has adopted a governing body training policy which outlines the arrangements for regular training delivered through various means including in-house structured training events, which encourage and enable collaboration across the two governing bodies. Training activity undertaken is recorded and training returns are collated from members.

A total of 741 training hours were recorded across the two bodies, 464 hours by Pensions Committee and 277 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 2022/23 are as follows:

- **Investment Strategy in Action** – Redington Ltd
- **Responsible Investment Summit** – LGPS Central Ltd
- **Emerging Risks and the 2022 Valuation** – Mercer
- **Investment Strategy, Responsible Investment and Market Update** – presented by WMPF
- **Sustainable Investment Initiatives** – Gresham House
- **LGPS Regulatory Update** – Barnett Waddingham

Pensions Committee

Training hours for members on Pensions Committee at 31 March 2023.

Member	Number of meetings attended	Voting rights	Training hours
Andrew Randle	3	Yes	25.5
Angela Underhill	0	Yes	0
Angus Lees	1	Yes	22
Bally Singh	2	Yes	12
Carol Hyatt	4	Yes	51.5
Craig Collingswood	4	Yes	35.5
Michael Gough	2	Yes	12
Milkinder Jaspal	4	Yes	42.5
Olivia Birch	1	Yes	14.5
Paul Appleby	3	Yes	8
Paul Singh	4	Yes	25.5
Paul Sweet	2	Yes	5
Peter Allen	1	Yes	11
Phil Page	3	Yes	22.5
Ray Goodwin	0	Yes	5
Tersaim Singh	4	Yes	41
Ian Smith	3	No	16
Malcom Cantello	4	No	105.5
Janice Wadруп	0	No	5
Martin Clift	2	No	5

Local Pensions Board

Training hours for members on Local Pensions Board at 31 March 2023.

Member	Number of meetings attended	Voting rights	Training hours
Julian Allam	3	Yes	25.5
Sharon Champion	4	Yes	22
Adrian Turner	4	Yes	26.5
Jacque Carman	3	Yes	7
Terry Dingley	3	Yes	18
Paul Johnson	4	Yes	24
Rupinderjit Kaur	0	Yes	0
Ian Martin	4	Yes	24
Joe McCormick	4	Yes	42
Stan Ruddock	4	Yes	27
Sandra Samuels	0	Yes	0
Mark Smith	3	Yes	61



INTRODUCTION

GOVERNANCE ARRANGEMENTS

INTERNAL AUDIT

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

As the providers of internal audit to the Fund, we are required to provide the Executive Director, Section 151 Officer, Pensions Committee and Pensions Board with an opinion on the adequacy and effectiveness of the Fund's governance, risk management and control processes.

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

Our internal audit work for the period from 1 April 2022 to 2023 was carried out in accordance with an approved plan and conducted in accordance with the Public Sector Internal Audit Standards.

Based on the work undertaken during the year, the implementation by management of the recommendations made, and the assurance made available to the Fund by other providers as well as internal audit, we can provide reasonable assurance that the Fund has adequate and effective governance, risk management and internal control processes.

The following audit reviews were completed during the 2022/23 financial year.

Auditable area	Recommendations			Total	Number accepted	Level of assurance
	Red	Amber	Green			
Employer engagement	-	-	1	1	1	Substantial
Data management - McCloud	-	-	1	1	1	Substantial
Governing body delegations	-	-	8	8	8	Satisfactory
Past service deficit monitoring	-	1	4	5	5	Satisfactory
Bank account control	-	3	4	7	7	Satisfactory

In addition, we have also been involved in consultancy and advice including the establishment of a contracts register. As part of ongoing support to the Fund, we completed 30 credit checks to review individual organisations financial stability when seeking admission to the Fund.

We are members of the LGPS Central pool internal audit working group, providing ongoing support re-garding the assurance framework and also provide the Fund's key contact role for the Cabinet Office's National Fraud Initiative.

Ian Cotterill

Head of Audit Services,
City of Wolverhampton Council

Date: November 2023

INTRODUCTION

RISK MANAGEMENT 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.

While accepting that there is risk to the service delivery of the Fund, the Fund manages those risks through a structured internal controls and risk management program accepting there may be potential for short term impacts, while focusing on the long-term strategic aims of the Fund set out in its *Corporate Plan*.

Risk management for the Fund does not seek to prevent the Fund from developing new ideas, more, it enables informed decision making to achieve desired outcomes within desired timescales.

Through taking a proactive forward-looking view, we are able to anticipate, plan, act and treat risks which pose a potential impact on our service delivery. The Fund routinely monitors and engages in industry and scheme change, alongside organisational development. Active assessment of the outlook and drivers has identified areas of focus to inform the Fund's actions and priorities.

“ By horizon scanning and monitoring emerging drivers for change, we are able to be more agile and effective in identifying risk and opportunities.

RACHEL HOWE
HEAD OF GOVERNANCE,
RISK AND ASSURANCE

MANAGING RISK



INTRODUCTION RISK MANAGEMENT AND ASSURANCE

Through our risk management 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;
- proactively manage third party risk and seek assurance from key providers and partners including the LGPS Central pool operator and administration software provider;
- enable proactive identification of risks to enable their effective management and mitigation;
- reduce potential of loss and impact on value of the Fund's assets and services; and
- limit impact on the Fund's customers, leading to increased confidence from key stakeholders on the Fund's ability to provide services and meet pension liabilities.

RISK THEMES 2023

Funding Risk

The long-term ability of the Fund to pay pension benefits when they fall due through the assessment of its assets and liabilities. Within this risk, the Fund considers the potential risk created by demographic (membership) profiling, low investment returns, contribution shortfalls and employer profiling/ restructuring.

More information on the Fund's approach to funding risk is contained within its *Funding Strategy Statement*.

Investment Risk

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 *Investment Strategy Statement* identifies key risks specific to the Fund and the management or controls made to mitigate those risks.

The Fund's *Climate Strategy Framework* outlines the Fund's approach to understanding the investment risks associated with climate change.

Treasury Risk (including Liquidity Risk)

The ability of the Fund to adequately plan cashflow, ensuring that cash is available when needed. Appropriate and effective treasury management is about ensuring sufficient control of Fund cash balances.

Risk management in the context of Treasury management has been considered in line with the CIPFA code. More information is contained within the Fund's *Treasury Management Policy*.

Governance and Regulatory Risk

The Fund is governed by statute with member's pension benefits defined in legislation. The potential risk of change in regulation that determines the value of those benefits could impact the Fund's funding and investment strategy.

The growing complexity of scheme regulations provides an additional layer to the level of regulatory risk that the Fund is exposed to. An increased focus on scheme governance, with impending changes expected to The Pension Regulator's Code of Practice, an evolving range of requirements and expectations on LGPS investments and reporting and the introduction of recommendations from the Scheme Advisory Board's Good Governance Project have contributed

INTRODUCTION

RISK MANAGEMENT AND ASSURANCE

considerably to raising the profile of regulatory risk as a theme over the last 12 months.

The Fund must be able to effectively monitor performance to demonstrate regulatory compliance and provide assurance on its ability to pay accurate pension benefits. With the impending implementation of industry-wide pension dashboards and the McCloud remedy, the Fund remains alive to the potential impact that data information and reporting risk has on member outcomes and the achievement of Fund objectives.

There continues to be growing focus on the knowledge and skills of those governing body members charged with the management and administration of LGPS Funds, the Fund being in a strong position to manage the expectation through its governing body training program outlined in our Governance Statement.

Resource Risk

Resource risk continues to be a theme across the LGPS and wider pensions industry with key skill and knowledge requirements to support the management of the wide range of investment management and pension administration activities required to support the ultimate payment of pension benefits. With the potential for regulatory change, the Fund needs to ensure it is able to equip its people with the knowledge and skill to maintain high service delivery, while keeping pace with the market and competition for skilled resource and changing service delivery expectations of the Fund's customers. Recognising that this also poses a risk for the Fund's employers, who also need to keep pace with the regulatory changes in the scheme developing capacity in their people resource.

Employer Risk

Linked to the funding risk, there is a risk to the Fund that an employer will be unable to meet its financial obligations during its membership or when it ceases. It also reflects the reliance the Fund has

on information and data provided by employers to administer the Fund and effectively service customers. An employer may cease due to the end of a service contract, or the last active contributing member leaves the Fund. If a guarantor is in place, then they will provide a source of financial support in the event of default. If there is no guarantor and the employer is unable to meet its obligations the cost will be spread across all the employers in the Fund.

Further information on the management of employer performance is outlined in the *Pension Administration Strategy* and Employer Engagement Roadmap.

Member Risk

With the changing demographic of LGPS membership and employer-led development of employee pension provision, the potential that individuals live longer, leave or retire earlier and the increasing rate in which individuals change roles across scheme employers, can impact Fund cashflow profile including events such as individual or bulk transfer out of the Fund.

The ability of the Fund to engage its membership base to support individuals in building knowledge and confidence in the management of their pension provision is an integral part of mitigating member risk. The potential for shift in member behaviour as a result of the economic climate has prompted the Fund to tailor its engagement programme to educate members to enable them to make informed decisions regarding their pension saving and benefits.

Operational Sustainability

The ability of the Fund to effectively respond to change (both internal and external change) and build long-term resilience in its operations, linked also to effective governance and management risk. The Fund's approach to cyber security, business continuity and disaster recovery are integral to ensuring continued operational resilience and

INTRODUCTION RISK MANAGEMENT AND ASSURANCE



sustainability. Each year the Fund reviews and seeks to enhance its *Cyber Security Strategy* which drives an annual programme of activities to provide assurance on the mitigation of cyber risk, both internally within the Fund and from the third-party suppliers of key services and operational systems.

Third Party

The risk that the Fund's suppliers are not able to keep pace or deliver on required change, together with the risk created from high dependency on key suppliers in limited markets, relevant to both Fund administration services and delivery, including through investment pooling.

The ability of Fund suppliers to maintain acceptable service standards directly links with operational sustainability risk as outlined above.

Data Information and Reporting

There is a continued growth in the level of reporting expectation from across the LGPS regulatory bodies, in a variety of areas including member, employer, climate and funding. With wider attention being given to the work of LGPS funds, the Fund has seen an increase in requests under Freedom of Information legislation, which has the potential for misreported data leading to misleading information.

Rachel Howe

Head of Governance, Risk and Assurance

Date: November 2023

INTRODUCTION

PENSIONS ADMINISTRATION OPERATIONS AND PENSIONS SERVICES

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. 2022/23 has been a busy year for the pension administration teams with the Fund driving a number of new and exciting initiatives, as well as responding to some significant changes over the year.

“ The Fund continues to invest in resources and technology to continue to develop an efficient delivery platform and provide value for money for our stakeholders. **”**

AMY REGLER
HEAD OF OPERATIONS

SIMON TAYLOR
ASSISTANT DIRECTOR
– PENSIONS



INTRODUCTION

PENSIONS ADMINISTRATION OPERATIONS AND PENSIONS SERVICES

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.

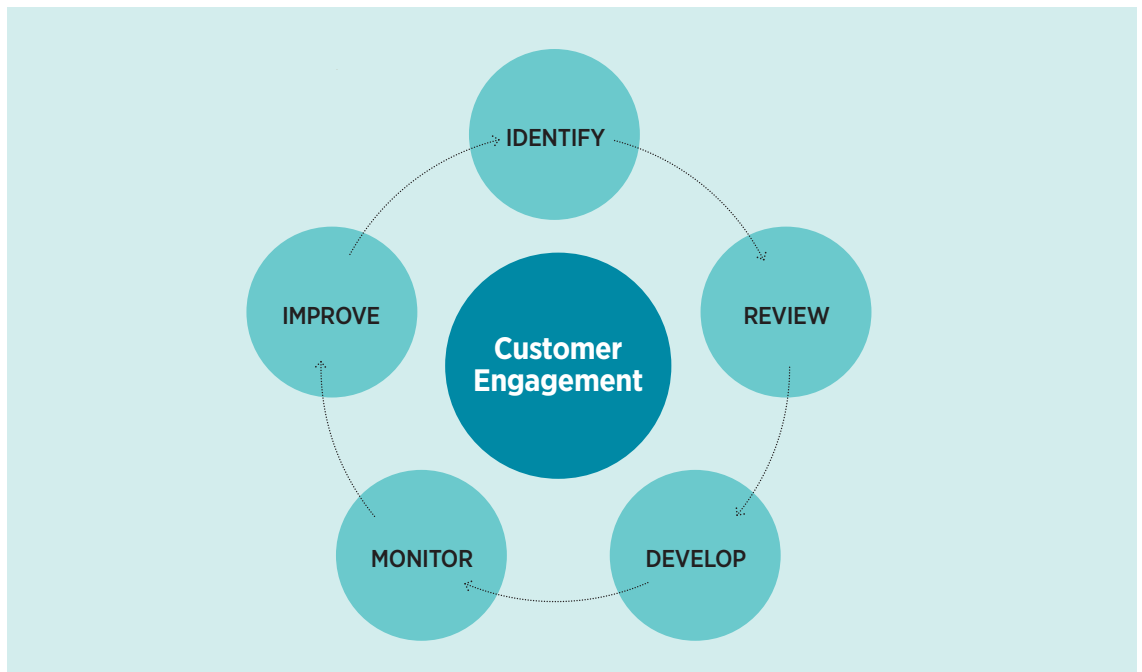
Furthermore, the Fund undertakes extended benchmarking to cover a broader range of service functions and comparison with other public and private pension funds. This continues to highlight that the Fund's current running costs are below the peer average with a wider range of services provided to members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

Key Activities and Performance

Benefit Operations

The 2022/23 year, the Fund saw a slight increase in new casework, with a 5% total increase across all process types. At the same time, the Fund ensured casework was efficiently managed and continued to focus on clearing longstanding casework, completing 5% more casework during the year compared to the previous year.

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 and improved performance across the KPIs for the year.



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PENSIONS ADMINISTRATION OPERATIONS AND PENSIONS SERVICES

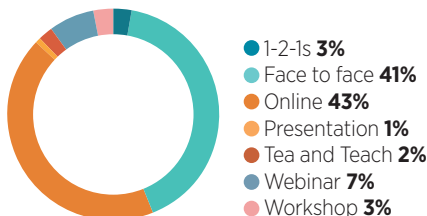
Member Communications

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 around 70,000 calls during 2022/23, 30,000 written enquiries, and our website recording over 1 million hits during the year.

The Fund’s dedicated Member Services Team are committed to supporting our employers 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, member self-service 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 2022/23 was continuing to build upon our successful pre-retirement campaign. Our member engagement forums remain popular and provide the Fund with valuable insight and feedback from each category of membership, aligned to each stage of the member journey. During the course of 2022/23 the Fund has engaged directly with over 7,000 members through various events as summarised below:

Coverage 2022/23 : Summary of Key Events 2022/23



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. The Fund carried out extensive engagement with participating employers in the context of the 2022 actuarial valuation, with direct engagement extending to over 250 individual employers representing c95% of scheme liabilities. These events continue to be popular, and with the ability to harness ‘hybrid’ delivery (online and face-to-face), 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.

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

INTRODUCTION

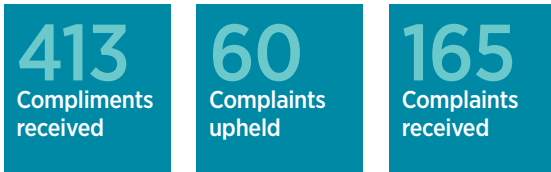
PENSIONS ADMINISTRATION OPERATIONS AND PENSIONS SERVICES

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 facilitated a variety of engagement sessions with our employers extending to in excess of 450 individual employers during 2022/23.

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 2022/23, many of which were able to be translated into service improvements going forward.



Key Projects and New Initiatives

New Fund website

In partnership with the administering authority, the Fund developed and implemented our new and improved website throughout 2022/23 (with a go-live date of April 2023). Recognising the importance of the website to our customers and key stakeholders, both in terms of access to key information and providing updates and topical insights, this project involved a number of internal focus groups, extensive testing, and engagement with/feedback from member and employer forums.

The new website harnesses greater efficiency and innovation, improved functionality and enhanced user accessibility. Going forward content will continue to be reviewed in conjunction with analytics and feedback received.

Pension Administration System Transition

During 2022/23 the Fund commenced a significant project to transition our pension administration system in partnership with our new provider, following re-procurement and award in January 2022. The objectives of the new system include providing the business and our customers with visible and reportable processing efficiencies, creating capacity to respond to rising customer numbers and expectation, and building the foundations to develop robust operational capability focussed on value for money, organisational agility and improved customer experience.

Employer Health Check

The 2022/23 Employer Health Check exercise, with a proactive focus upon data cleansing and contact management aligned to our *Pensions Administration Strategy*, resulted in responses from 484 scheme employers covering 90% of active members.



INTRODUCTION

PENSIONS ADMINISTRATION OPERATIONS AND PENSIONS SERVICES

Preparation for and Responding to Regulatory Change

McCloud

During 2022/23 and awaiting the finalisation of the regulations, the Fund undertook extensive collection of member data from employers to enable the rectification activity required to implement the McCloud remedy. The response-rate from our employers was positive and, upon receipt, the Fund embarked upon further analysis, and where needed, rectification of data.

The “Stronger Nudge to Pensions Guidance”

New regulations, effective 1 June 2022 aimed to ensure that members have either received or opted out of receiving appropriate pensions guidance before deciding what action to take with their AVC benefits. As a result, the Fund wrote to all AVC members to signpost guidance available to support them with their decision-making.

Pension Dashboards

The Fund has continued proactive preparation for this large-scale digital revolution across the pensions industry, noting further delay and a backstop date of October 2026, as announced by the Department for Work and Pensions (DWP) in May 2023. The Fund responded to the Pensions Dashboards Programme consultation on dashboard standards and guidance, and a call for input on the design standards, closing on 30 August 2022 and welcomes the additional time afforded to ensure the Dashboard ecosystem functions and is tested robustly.

Protecting Our Members – Pension Scams

Following committing to the TPR’s pledge to do more to protect scheme members and follow the principles of the Pension Scams Industry Group Code of Good Practice, back in 2020, the Fund has continued to ensure the safety of our members remains a key priority. The Fund’s approach to protecting our members is two fold; educating and increasing member awareness about the potential risks, and also ensure effective due diligence when processing requests.



WINNER

Pensions Communication Initiative of the Year

West Midlands Pension Fund

Pensions Age Award - “Pensions Communication Initiative of the Year”

The Fund was very pleased to win the Professional Pensions 2022 award for “Pensions Communication Initiative of the Year”. This award served as recognition for our continual drive to promote retirement planning support for members approaching age 55, helping them to engage with their pension savings.

CUSTOMER SERVICE EXCELLENCE®



Customer Service Excellence (CSE) Accreditation

In July 2022 the Fund received confirmation of our re-accreditation 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.

INTRODUCTION

PENSIONS ADMINISTRATION OPERATIONS AND PENSIONS SERVICES

Working in Partnership

Customer Base

The Fund is focussed 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 2022/23 has included:

- Partnership with the administering authority in developing and implementing our new website
- Extensive member engagement forums with a variety of focus groups tailored to segments of our membership and in consideration of their position on the 'member journey'.
- Reviewing and revitalising the membership of our valuable Employer Peer Group who support and act as a critical friend to the Fund across a range of projects, initiatives and topics.
- Working closely with various customer groups and trade unions to obtain valuable feedback on our services and develop new initiatives tailored to their expectations and demands.

Wider Collaboration

During 2022/23 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 a variety of matters across funding, customer engagement and administration.
- Developing communications for the wider LGPS in conjunction with the Local Government Association (LGA).



- Actively working with other LGPS funds, to improve consistency and share best practice, including the metropolitan group of LGPS funds and the network of LGPS Central partner funds.
- Working with Pension Administration Standards Association (PASA) on the pension dashboard working group, developing guidance for administrators and schemes on the requirements.
- The Fund continues to be a longstanding founder member of the LGPS National Frameworks, which enable more efficient and effective procurement within the LGPS.

Simon Taylor

Assistant Director – Pensions

Date: November 2023

Amy Regler

Head of Operations

Date: November 2023

INTRODUCTION

COMMUNICATIONS REPORT

Enhancing Communication to Improve Members' Retirement Outcomes

Many people struggle to engage with financial planning and pension saving but aspire to retire with a good standard of living, having potentially worked and saved across multiple roles and companies during their career. Now, more than ever, we aim to ensure the Fund provides members with enhanced communication mediums including toolkits and signage to encourage them to interact with their retirement provisions. It is vital that members start planning for retirement early so they can put themselves in the best possible position to live an affordable and comfortable retirement.

To achieve the above outcomes, the Fund had five primary focus points in our communication strategy for 2022/2023.

These are:

- to communicate timely and effectively with our customers
- to enhance our digital platforms to increase engagement with members, employers and wider stakeholders
- to raise the awareness of our members to the importance of planning for retirement

- to encourage members to engage with their pension provisions through registering to use the Fund's self-service platform – Pension Portal
- to launch our “new and improved” Fund website to provide member information and support



“ The Fund's priority is to expand and promote our digital communication channels to encourage members to engage with their benefits, meaning they can successfully plan for retirement.

ANDY HEMMING
COMMUNICATIONS AND
EVENTS MANAGER



INTRODUCTION

COMMUNICATIONS REPORT

Policy Statement

Regulation 61 of the Local Government Pension Scheme Regulations 2013 states that each pension fund administering authority is required to prepare, publish and review regularly its Communications Policy Statement.

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

- Communicating with scheme members
- Communicating with prospective members
- Member self-service
- Communicating with member's representatives
- Communicating with participating employers
- Communicating with prospective employers

The Fund revised its communications policy in September 2022 which is available to view on the Fund's website as well as our 2022 Customer Engagement Strategy.

Communications Deliverables

The Fund communicates with our customers in a variety of ways and through a number of channels such as electronic, face-to-face events and print.

During 2022/2023, the Fund has expanded its digital communication channels in order to increase member engagement and raise awareness of our members to the importance of planning for retirement.

Through adapting our technology and widening the scope of our methods for marketing and communication, we have achieved an extended footprint to engage with more of our customers across the region.

This has been achieved through:

- enhancing our suite of member support videos
- delivering virtual and face-to-face individual pension consultations
- targeting members with timely and appropriate engagement campaigns
- providing virtual and face-to-face pension roadshow events; and
- the creation and use of electronic forms and the re-vamp of paper print literature.

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 provision 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 and deferred members as they approach their 55th birthday.

The Fund's retirement planning campaigns have been recognised on a national level through winning awards for our member engagement and our commitment to providing support and guidance.

The Fund continues to review and evolve its approach through an annual engagement and customer support plan. 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.

INTRODUCTION

COMMUNICATIONS REPORT



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

- regularly updating our website content and design
- producing quarterly newsletters for employers
- delivering bulk email campaigns to members
- producing annual newsletters, bespoke to our membership categories
- delivering pension roadshow events across the region ensuring they are accessible to all

- providing both members and employers with a range of face-to-face and digital support, webinars, presentations, workshops and events
- Seeking feedback from members to improve future services through member engagement forums

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.

INTRODUCTION

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, June 2023, the assessor noting:

“ Levels of empowerment and involvement were found to be high; employees take responsibility in their roles to support the Fund's goals, which is highly valued by people.

As at 31 March 2023, the Fund has 191 full-time equivalent posts (208 actual employees) with an additional 18 employed at this date in agency or interim roles supporting the delivery of services to its customers. Over 2022/23 the Fund recruited 45 new employees and saw a net increase of 11 employees over the year. A number of employees have been successful in securing new roles within the Fund, further developing their career.



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, Associate of the Institute and Faculty of Actuaries, Investment Management Certificate, Prince 2 as well as supporting soft skill developments such as presentation skills and team building training.

The Fund supports the development of its people through various forms and supports apprenticeship qualification across all levels.

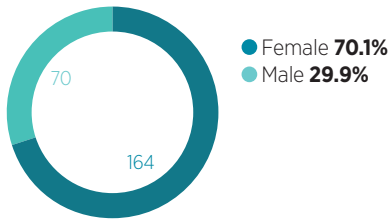
INTRODUCTION

OUR PEOPLE

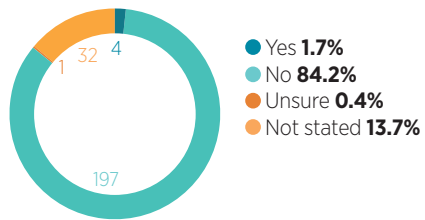
Diversity and Inclusion

- The Fund employee base is representative of the ethnic mix across the West Midlands region.
- The Fund has a higher proportion of younger employees partly as a result of its recruitment programme and successful graduate and trainees annual intake since 2017.

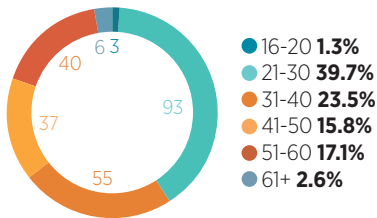
Gender



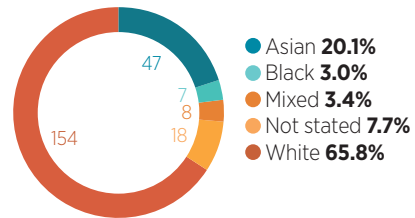
Disability



Age



Ethnicity



INTRODUCTION

OUR PEOPLE

Policy Statement

The Fund is a member of several different organisations, such as the Employee Network for Equality and Inclusion (ENEI), where regular meetings are held to discuss best practice with regards to equality, diversity and inclusion, as well as providing continued learning and development for all colleagues at the Fund. The Fund is committed to further enhancing its approach to Equality, Diversity and Inclusion (EDI) and has launched an organisation-wide project, in collaboration with all employees and subject

matter experts, to ensure that our approach continues to be relevant to and informed by feedback from our people and customers. Outcomes from the work will be used to shape the organisation's diversity and inclusion program as we continue to develop our culture and behaviours. We aim to ensure our people feel empowered, engaged and able to perform their role within the Fund in delivering high quality services to all our customers.

OUR RECOGNISED STANDARDS AND ACCREDITATIONS

INVESTORS IN PEOPLE®
We invest in people Gold



Trainee Development - Platinum



**STEWARDSHIP
CODE |**



**MENTAL
HEALTH
AT WORK
COMMITMENT**



INTRODUCTION

OUR PEOPLE

Officer Training

The Fund has adopted its *People Strategy* which outlines the development and training of knowledge and skills for roles across the organisation with differing levels of knowledge and competency based on seniority of role and level of responsibility.

Training throughout the year has included:

- Risk Management
- Pension Dashboards
- Funding Update
- Regulatory Governance
- Regulatory Updates
- Investment Strategy and Risk
- Pension Administration Strategy
- Responsible Investment
- Annual Report and Accounts
- Cyber Security
- Customer Engagement
- CIPFA Knowledge and Skills
- Customer Engagement and Communications

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



INTRODUCTION

OUR PEOPLE



The Fund routinely engages employees through a variety of forum and survey, to capture feedback to inform development of employee experience. Early in 2023, we ran our first all-employee survey since the pandemic, noting our working practices and employee base had changed substantially over this period.

Our survey showed an ongoing improvement in employees feeling proud to work for the Fund at 84% (up from 71% in 2019), with over 80% noting they had opportunity to develop their knowledge and skills and recommend changes to working practices. 83% confirmed they felt respected by their colleagues and 89% were aware and supportive of initiatives established to support employee wellbeing.

We continue to increase the range of opportunities for feedback and reflect to enable the Fund and our people to develop and grow.

MANAGEMENT AND FINANCIAL PERFORMANCE

SCHEME MANAGEMENT, ADVISORS AND SERVICE PROVIDERS AS AT 31 MARCH 2023

City of Wolverhampton Council

Civic Centre
St. Peter's Square
Wolverhampton
WV1 1SH

city.direct@wolverhampton.gov.uk

General enquiries:
01902 551155

West Midlands Pension Fund

ig, Railway Drive
Wolverhampton
WV1 1LH

www.wmpfonline.com/emailus

General enquiries:
0300 111 1665

PENSIONS COMMITTEE 2022/23

Administering Authority Nominated Members

Councillor M Jaspal
(Chair)

Councillor O Birch
(Vice-Chair)

Councillor A Randle

Councillor
C Collingwood

Councillor T Singh

Councillor C Hyatt

Councillor P Page

Councillor P Sweet

Councillor P Singh

Councillor P Appleby

Metropolitan District Local Authority Nominated Members

Councillor R Goodwin
Birmingham City Council

Councillor A Underhill
Walsall MBC

Councillor M Gough
Solihull MBC

Councillor B Singh
Coventry City Council

Councillor A Lees
Dudley MBC

Councillor P Allen
Sandwell MBC

Observer Members

M Cantello - Unison

M Clift - Unite

I Smith - Unite

J Wadrup - GMB

Administering Authority Officers 2022/23

T Johnson
Chief Executive (CWC)

R Brothwood
Executive Director
(WMPF)

P Nevin
Assistant Director,
Investment Strategy
(from February 2023)

S Taylor
Assistant Director,
Pensions

R Howe
Head of Governance,
Risk and Assurance

A Regler
Head of Operations

C Manning
Head of Finance and
Deputy S151 Officer
(WMPF)
(from September 2022)

F Olatunde
Interim Head of Finance
(until September 2022)

D Pattison
Monitoring Officer

C Nye
Section 151 Officer (CWC)

S Sivanesan
Assistant Director,
Investment Management
and Stewardship

Main External Advisors and Service Providers

Independent Auditor
Grant Thornton UK LLP

Actuary
Hymans Robertson LLP

Investment Consultants
Redington Limited

Risk Adviser
Mercer

Covenant Adviser
PwC

LGPS Asset Pool
Operator
LGPS Central Limited

Custodian of Assets
**HSBC Global
Investment Services**

Banker
**National Westminster
Bank plc**

AVC Providers
**Prudential Assurance
Company Ltd**

Utmost Life and Pensions
Legal Advisors
Trowers and Hamlin

**Eversheds Sutherland
(International) LLP**

**Squire Patton Boggs
(UK) LLP**

HMRC references
SCON number:
S2700178F

ECON number:
E3900002R

PSTR number:
003299101RC

PSTR sub-number:
49/16109

MANAGEMENT AND FINANCIAL PERFORMANCE

ADMINISTRATIVE MANAGEMENT PERFORMANCE

OVERALL FUND STATISTICAL INFORMATION

Key Membership Statistics

Year	Active	Deferred	Preserved refunds	Pensioner	Beneficiary	Totals
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
31 March 2022	112,431	111,263	10,188	114,897	14,402	338,591
31 March 2023	113,854	115,662	9,647	115,725	14,910	345,241

Active Members

The Fund has a total active membership of 113,854. Since 31 March 2022, the number of contributing employees in membership has increased by 1,423 (112,431 in 2022).

Deferred Members

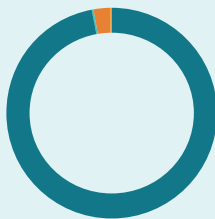
These are former contributors who have left their pension rights with the Fund until they become payable at normal retirement date.

Pensioner Members

Pensions and other benefits amounting to £722.7m were paid in the year to retired members.

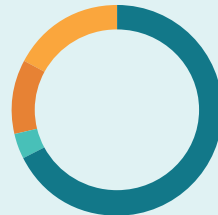


Admissions to the Fund



- Employees with no previous service from outside our Fund **17,873**
- Employees with transfers from other pension schemes **85**
- Employees with transfers from other local government pension schemes **448**
- Employees with transfers from both LGPS and other pension schemes **17**

New Pensioners in Year 2022/23 by Retirement



- Early **3,724**
- Ill health **221**
- Late **617**
- Normal **946**
- Total 5,508**

MANAGEMENT AND FINANCIAL PERFORMANCE

ADMINISTRATIVE MANAGEMENT PERFORMANCE

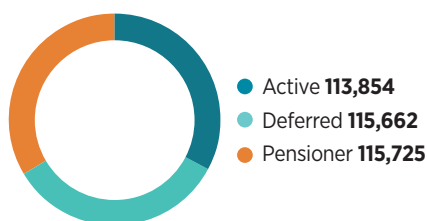
OVERALL FUND STATISTICAL INFORMATION

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	644	4,331	7,863	10,205	12,567	14,257	14,188	17,695
Beneficiary pensioner	20	42	160	287	119	10	33	41	84	128	300
Deferred	0	0	0	6	455	3,042	7,542	11,833	14,500	15,074	20,804
Deferred ex-spouse	0	0	0	0	0	0	0	0	5	22	48
Leaver options decision awaited (under two years)	0	0	0	0	0	0	2	3	1	1	0
Pensioner	0	0	0	0	1	0	5	8	37	81	258
Pensioner deferred	0	0	0	0	0	0	0	0	1	0	5
Pensioner ex-spouse	0	0	0	0	0	0	0	0	0	0	0
Ex-pensioner - unclaimed benefits	0	0	0	0	1	0	0	1	0	1	3
Preserved refund	0	0	0	35	575	952	753	768	1,009	1,112	1,345
Unclaimed benefits	0	0	0	0	1	0	4	3	6	5	12

Status (age in years)	55-59	60-64	65-69	70-74	75-79	80-84	85-89	90-94	95-99	100+
Active	17,443	10,974	3,123	520	41	3	0	0	0	0
Beneficiary pensioner	660	1,110	1,475	1,973	2,714	2,459	1,986	1,027	248	34
Deferred	21,171	9,669	1,279	236	48	22	40	40	26	4
Deferred ex-spouse	73	39	5	0	0	0	0	0	0	0
Leaver options decision awaited (under two years)	1	0	1	0	0	2	3	1	1	0
Pensioner	4,724	16,725	24,596	21,758	16,658	9,021	4,670	1,779	340	27
Pensioner deferred	8	9	0	0	0	0	0	0	0	0
Pensioner ex-spouse	10	19	45	28	18	2	0	1	0	0
Ex-pensioner - unclaimed benefits	1	3	4	9	6	7	7	5	1	1
Preserved refund	1,518	1,155	227	28	54	26	39	11	24	16
Unclaimed benefits	7	22	1,748	1,535	528	42	25	10	4	7

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	54	1	55
Admitted body	750	33	783
Total	804	34	838

MANAGEMENT AND FINANCIAL PERFORMANCE

ADMINISTRATIVE MANAGEMENT PERFORMANCE

OVERALL FUND STATISTICAL INFORMATION

In 2022/20223	Cases outstanding as at 01/04/22	Number of cases commenced in year	Number of cases completed in year	Number of cases outstanding as at 31/03/23	% of completed cases in year
Deaths - letter notifying amount of dependent's benefit	707	4,156	4,118	745	84.68%
Retirements - letter notifying estimate of retirement benefits (includes all retirement types; normal, ill health, early, late etc.) (active)	441	2,520	2,478	483	83.69%
Retirements - letter notifying estimate of retirement benefits (includes all retirement types; normal, ill health, early, late etc.) (deferred)	1,309	5,873	6,096	1,086	84.88%
Retirements - letter notifying estimate of retirement benefits (includes all retirement types; normal, ill health, early, late etc.) (total)	1,750	8,393	8,574	1,569	84.53%
Retirements - letter notifying actual retirement benefits (includes all retirement types; normal, ill health, early, late etc.) (active)	23	2,293	2,283	33	98.58%
Retirements - letter notifying actual retirement benefits (includes all retirement types; normal, ill health, early, late etc.) (deferred)	32	4,180	4,185	27	99.36%
Retirements - letter notifying actual retirement benefits (includes all retirement types; normal, ill health, early, late etc.) (total)	55	6,473	6,468	60	99.08%
Retirements - process and pay lump sum retirement grant (include all retirement types; normal, ill health, early, late etc.) (active)	20	2,427	2,257	190	100.00%
Retirements - process and pay lump sum retirement grant (include all retirement types; normal, ill health, early, late etc.) (deferred)	28	4,010	4,038	-	92.24%
Retirements - process and pay lump sum retirement grant (include all retirement types; normal, ill health, early, late etc.) (total)	48	6,437	6,295	190	97.07%

MANAGEMENT AND FINANCIAL PERFORMANCE

ADMINISTRATIVE MANAGEMENT PERFORMANCE

OVERALL FUND STATISTICAL INFORMATION

In 2022/20223	Cases outstanding as at 01/04/22	Number of cases commenced in year	Number of cases completed in year	Number of cases outstanding as at 31/03/23	% of completed cases in year
Deferment - calculate and notify deferred benefits	8,288	12,178	13,274	7,192	64.86%
Transfers in - letter detailing transfer <i>in</i> quote	33	473	471	35	93.08%
Transfers in - letter detailing transfer <i>in</i>	49	301	252	98	72.00%
Transfers out - letter detailing transfer <i>out</i> quote	315	1,632	1,688	259	86.70%
Transfers out - letter detailing transfer <i>out</i>	28	201	193	36	84.28%
Refund - process and pay a refund	740	6,367	6,414	693	90.25%
Divorce quote - letter detailing cash equivalent value and other benefits	33	715	708	40	94.65%
Divorce settlement - letter detailing cash equivalent value and application of pension sharing order	9	28	27	10	72.97%
Member estimates	90	1,232	1,276	46	96.52%
Joiners - send notification of joining the LGPS to scheme member	-	19,841	19,841	-	100.00%
Aggregation - send notification of aggregation equivalent	1	11	10	2	83.33%
Link ups	3,231	650	1,727	2,154	44.50%

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

The table below shows contribution receipts during 2022/23. This should be read in conjunction with note 6 and note 8 to the statement of account, which refer to contributions due in line with the Actuary's Rates and Adjustments Certificate and advance payments for the period April 2020 to March 2023.

Employer name	Total employee contributions (£)	Total employer contributions (£)
Birmingham City Council	24,677,641.42	1,621,725.40
Coventry City Council	10,607,364.03	5,655,162.61
Dudley Metropolitan Borough Council	10,229,984.94	4,777,236.91
Sandwell Metropolitan Borough Council	10,466,089.90	36,092,813.57
Solihull Metropolitan Borough Council	6,343,570.74	2,761,950.10
Walsall Metropolitan Borough Council	8,000,436.04	4,031,733.79
City of Wolverhampton Council	8,856,755.40	27,205,384.78
Black Country Museum Trust Ltd	14,908.41	67,604.56
Birmingham Institute for the Deaf	622.24	3,561.61
Central England Law Centre	1,893.83	4,346.16
Wolverhampton Grammar School	37,988.59	104,710.63
Chelmsley Wood Town Council	8,130.70	28,001.31
Wolverhampton Voluntary Sector Council	9,744.48	31,308.49
West Midlands Travel Ltd	487,235.80	9,903,042.56
Birmingham City University	3,106,584.29	9,746,978.11
Coventry University	2,975,262.19	11,254,040.53
University of Wolverhampton	2,322,648.58	10,344,947.62
West Midlands Fire and Civil Defence Authority	1,080,898.41	374,261.28
The Chief Constable for West Midlands Police	9,164,570.22	26,527,212.19
University College Birmingham	590,407.31	1,792,214.10
South and City College Birmingham	805,035.77	3,692,940.68
Birmingham Metropolitan College	475,816.08	2,674,637.02
Hereward College	223,014.13	737,467.60
Dudley College of Technology	548,228.15	2,093,383.35
Halesowen College	234,633.05	786,190.84
King Edward VI College	129,336.83	633,049.55
Sandwell College	556,766.90	2,237,186.80
Solihull College	543,621.43	1,838,839.52
Walsall College	640,764.67	1,841,367.85
Joseph Chamberlain Sixth Form College	90,397.00	280,435.43
Bickenhill Parish Council	-	14,250.00
Coventry and Solihull Waste Disposal Company Ltd	4,171.12	13,195.24
New Park Village Tenant Management Organisation	4,431.44	14,600.86
West Midlands Growth Company Ltd	27,833.44	99,449.15
Lighthouse Media Centre	356.88	14,253.43
St Columba's Church Day Centre	3,732.07	14,832.11
Sandwell Community Caring Trust	36,761.12	119,191.49
The Penderels Trust Ltd	2,145.08	7,128.28
Bushbury Hill Estate Management Board	18,243.02	62,940.67
Brownhills Community Association	2,554.32	12,000.00

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Smiths Wood Parish Council	1,140.70	5,131.22
Sickle Cell and Thalassaemia Group	5,031.40	13,609.96
West Midlands Councils	-	184,930.00
City of Wolverhampton College	398,898.43	1,478,480.65
Meriden Parish Council	1,323.37	6,913.18
Wildside Activity Centre	4,672.98	11,069.33
Whitefriars Housing Group (Citizen Housing Group)	647,494.39	2,479,622.01
Manor Farm Community Association	2,784.60	8,558.52
Bloomsbury Local Management Organisation Ltd	34,925.84	128,987.03
Galliford (UK) Ltd	2,616.65	5,771.10
Lieutenancy Services (WM) Ltd	-	20,000.00
Castle Bromwich Parish Council	10,168.52	40,198.76
Steps to Work (Walsall) Ltd	16,102.60	115,118.97
Home-Start (Walsall)	2,187.17	11,567.52
Murray Hall Community Trust	6,830.31	26,664.58
Sandbank Tenant Management Organisation Ltd	662.69	3,253.04
Walsall Housing Group	1,305,978.27	1,540,457.97
Amey Highways Ltd	3,952.38	5,068.35
Northern Housing Consortium Ltd	46,718.60	132,890.76
Walsall City Academy - Thomas Telford MAT	67,656.45	256,601.57
WATMOS Community Homes	89,775.34	240,385.51
Voyage Care Limited	-	177,000.00
Solihull Community Housing	539,633.27	1,367,339.60
Sandwell Leisure Trust	264,468.87	970,969.89
Grace Academy - Tove Learning Trust	167,035.09	596,770.73
Pell Frischmann Consultants Ltd	1,587.19	4,860.74
Sandwell Homes	-	9,198.47
Mitie PFI Ltd	2,467.35	8,093.72
Wolverhampton Homes	1,337,005.32	3,848,901.68
Integral UK Ltd (Coventry)	343.96	1,425.88
Black Country Consortium Ltd	114,918.05	223,321.57
BME United Ltd	946.36	37,502.80
Sandwell Academy - Thomas Telford MAT	79,845.74	317,503.66
Dovecotes Tenant Management Organisation Ltd	20,223.99	71,488.28
Midland Heart Ltd	2,973.11	14,002.11
Engie Services Limited	12,763.53	51,787.45
Shireland Collegiate Academy Trust	178,864.16	590,388.19
Enterprise Managed Services Ltd (Solihull)	278.22	695.24
Q3 Academy - Quererere Academies Trust	127,685.66	395,506.47
Housing and Care 21 Ltd	68,101.15	131,610.16
Titan Partnership Ltd	483.42	3,981.62
CTC Kingshurst Academy - Tudor Grange Academies Trust	61,257.03	212,879.44
RSA Academy	113,469.62	363,343.10
BAM Construct UK Ltd	6,886.62	21,547.90

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Ormiston Shelfield Community Academy	83,663.58	373,080.15
Tarmac Ltd	31,220.72	-
Ormiston Sandwell Community Academy	61,106.44	246,550.57
Park Hall Academy- Arden Multi-Academy Trust	55,863.60	197,714.47
E-ACT Heartlands Academy	45,263.39	276,077.70
E-ACT Shenley Academy	41,274.72	243,114.51
ARK St Albans Academy	68,227.70	301,331.99
Sidney Stringer Academy Trust	176,768.96	688,095.22
King Edward VI Sheldon Heath Academy - KEVI AT Birmingham	72,865.85	305,093.50
E-ACT North Birmingham Academy	43,009.80	267,029.84
Harborne Academy	53,476.99	244,729.04
Mouchel Ltd	-	34,000.00
Arden Academy - Arden Multi-Academy Trust	58,515.48	213,161.15
Balfour Beatty Living Places Limited (Coventry)	9,653.74	23,716.14
SERCO Ltd (Sandwell)	169,016.35	637,687.89
Park Hall Infant Academy.	9,175.61	36,056.94
St Patricks Church of England Primary Academy	13,005.02	63,514.70
Tudor Grange Academy Solihull Trust - Tudor Grange Academies Trust	74,589.73	356,387.86
John Henry Newman Catholic College	89,468.58	404,664.15
Windsor High School and Sixth Form - Windsor Academy Trust	140,999.65	505,420.33
Wood Green Academy Trust	71,260.51	293,226.00
Ninestiles An Academy - Summit Learning Trust	265,871.33	840,663.40
Lordswood Girls School and Sixth Form Centre	42,889.36	182,671.58
Ryders Hayes Academy Trust	40,078.40	154,693.18
Kings Norton Girls School and Language College	66,917.10	233,580.47
Shire Oak Academy - The Mercian Trust	72,725.50	263,827.75
Bartley Green School	68,555.03	209,924.32
Blue Coat Church of England School and Music College - Inspire Education Trust	79,932.62	343,696.81
Queen Marys High School - The Mercian Trust	21,755.57	73,635.75
Queen Marys Grammar School - The Mercian Trust	114,313.77	367,808.75
Sutton Coldfield Grammar School for Girls Academy Trust	63,371.86	321,384.97
Whitley Academy	55,372.41	233,672.45
Aston Manor Academy - Equitas Academies Trust	79,144.50	253,470.56
Heart of England School	54,009.85	272,073.75
Light Hall School	48,935.33	221,066.50
Pegasus Academy - Dudley Academies Trust	48,514.81	198,406.66
Barr Beacon School - Matrix Academy Trust	57,785.66	193,955.55
Rookery School	35,637.06	176,549.93
Finham Park School Academy	113,812.27	367,802.66
Langley School	68,478.13	319,464.10
Alderbrook School	81,057.41	309,250.57
Lode Heath School	33,193.73	172,174.14
The Westwood Academy - Kenilworth Multi-Academy Trust	42,016.83	224,332.63
Holyhead School	110,516.68	422,618.04

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Fairfax School - Fairfax Multi-Academy Trust	117,166.20	486,277.69
Deanery Church of England School	30,731.31	159,940.24
Plantsbrook School - Plantsbrook Learning Trust	110,645.10	370,746.36
Oldbury Academy	71,293.28	246,716.40
Hillcrest School and Sixth Form Centre	48,426.66	202,003.87
Ormiston George Salter Academy	87,435.63	315,908.51
King Edward VI Camp Hill School for Boys - KEVI AT Birmingham	27,261.41	153,394.61
King Edward VI Camp Hill School for Girls - KEVI AT Birmingham	42,400.23	183,865.72
King Edward VI Handsworth School - KEVI AT Birmingham	45,889.47	222,155.30
King Edward VI Five Ways School - KEVI AT Birmingham	40,588.23	227,012.57
King Edward VI Aston School- KEVI AT Birmingham	44,600.84	213,268.35
Beacon Hill Academy - Dudley Academies Trust	63,496.84	304,483.48
Arthur Terry Learning Partnership	504,105.26	2,339,123.09
The Kingswinford School Academy - Windsor Academy Trust	40,136.97	172,977.39
Nishkam School Trust	75,294.95	243,121.25
Heath Park Academy - Central Learning Partnership Trust	74,637.64	234,172.17
The Streetly Academy	99,104.01	429,049.22
NSL Limited (Solihull)	855.56	-
New Heritage Regeneration Ltd	18,687.84	44,878.80
Ormiston Forge Academy	113,278.12	449,490.26
Earls High School (The) - Stour Vale Academy Trust	58,155.34	266,287.15
Interserve Catering Services Ltd (Smethwick)	4,417.91	20,036.75
Park Hall Junior Academy	36,374.49	140,142.97
Joseph Leckie Academy	108,551.15	545,913.95
E-ACT Willenhall Academy	188,101.54	726,887.05
Hall Green Secondary School - An Academy	68,949.40	338,197.63
Rockwood Academy - The Core Education Trust	51,711.87	223,675.87
Birmingham Museums Limited	47,745.75	147,264.52
Bishop Vesey's Grammar School	59,621.60	272,542.08
Mesty Croft Academy	30,506.00	117,760.35
Mytime Active	19,092.55	42,390.77
Wilson Stuart School - Education Impact Academy Trust	138,354.94	495,301.86
Hockley Heath Academy	8,210.05	40,807.92
Warren Farm Primary School	27,169.14	125,772.10
Aldridge School - The Mercian Trust	59,348.11	216,224.38
Moseley Park Academy - Central Learning Partnership Trust	54,845.70	178,637.54
St Johns CofE Primary School	37,842.44	199,847.12
Coundon Court Academy	97,388.32	431,472.20
Barr View Primary & Nursery Academy	35,982.08	196,365.37
Timberley Academy Trust	83,411.06	301,212.15
Engie FM Limited (Broadway School)	3,377.82	13,872.96
Engie FM Limited (Moseley School)	3,100.89	10,284.38
Engie FM Limited (Waverley School)	1,007.61	4,875.62
Victoria Park Primary Academy - Victoria Academies Trust	83,719.86	339,523.62

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Erdington Hall Primary Academy - Summit Learning Trust	13,149.98	46,297.58
Balsall Common Primary Academy - Central Schools Trust	40,026.70	160,868.95
Woodlands Academy of Learning	42,018.23	182,693.89
Acivico (Design Construction and Facilities Management) Ltd	237,531.07	250,213.49
Acivico (Building Consultancy) Ltd	106,073.48	11,582.64
Aston University Engineering Academy Birmingham	47,833.65	159,854.91
Sandwell Community Caring Trust (Sandwell Care Homes)	12,424.97	23,348.33
St Michael's CofE Primary Academy Handsworth - Birmingham Diocesan Multi-Academy Trust	19,995.20	74,424.75
St Mary's CofE Primary Academy & Nursery	28,402.40	147,876.23
Green Meadow Primary School - Excelsior MAT	23,582.70	150,992.47
ARK Tindal Primary Academy	25,520.53	103,543.77
George Dixon Academy	84,827.45	343,935.87
Nansen Primary School- The Core Education Trust	32,579.32	228,379.07
4 Towers TMO Limited	5,345.26	13,874.21
Handsworth Wood Girls Academy - KEVI at Birmingham	47,957.28	237,585.48
Dorington Academy Trust	34,244.52	182,619.10
ARK Kings Academy	74,690.33	303,394.46
Interserve Facilities Management Ltd (OCOS/WODO/Tipton Schools)	4,947.06	57,952.91
Interserve Facilities Management Ltd (Rowley Campus)	2,652.63	9,982.13
St Peters Collegiate CofE Academy Trust	58,357.43	326,367.98
Jubilee Academy Mossley - Academy Transformation Trust	16,122.83	74,061.02
Nechells Primary E-ACT Academy	16,015.26	64,152.30
Ormiston Academies Trust	343,914.87	788,281.75
East Birmingham Network Academy	31,087.44	90,435.87
Croft Primary Academy - The Elliot Foundation Academies Trust	21,509.88	106,998.61
Lordswood Boys School - Central Academies Trust	19,385.01	88,087.07
Chilwell Croft Academy - Equitas Academies Trust	53,340.77	145,916.70
Goldsmith Primary Academy - Windsor Academy Trust	34,295.18	163,427.86
Kings Rise Academy - The Elliot Foundation Academies Trust	47,487.25	206,655.27
Alston Primary School- Leigh Trust	37,442.95	273,466.97
Greenholm Primary School	40,244.78	191,102.26
Blue Coat Church of England (Walsall) Trust	70,659.37	469,773.64
Caludon Castle School - Castle Phoenix Trust	91,407.08	383,645.75
Percy Shurmer Primary Academy- Academies Enterprise Trust	34,786.91	160,872.40
Woden Primary - Central Learning Partnership Trust	31,479.79	101,277.44
West Walsall E-ACT Academy	50,191.25	341,284.73
Birmingham Ormiston Academy	51,883.28	149,402.07
ABM Catering Ltd (Bordesley Green)	1,772.24	8,591.32
Places for People Leisure Limited (Harborne Pool)	2,272.31	5,072.37
SIPS Education Ltd	302,893.60	912,828.62
Engie FM Limited (HM and Stockland Green School)	8,014.09	24,229.05
Aspens-Services Limited (Gosford Park School)	481.41	1,619.24
St Clements CofE Academy Nechells - Birmingham Diocesan Multi-Academy Trust	18,149.64	64,323.52
Oasis Community Learning - Blakenhale Junior	11,083.94	74,194.27

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Oasis Community Learning - Woodview School	121,538.63	368,353.90
Oasis Community Learning - Blakenhale Infants	25,047.98	99,242.59
Lea Forest Primary Academy - Academies Enterprise Trust	35,969.60	168,356.67
Four Dwellings Primary Academy - Academies Enterprise Trust	26,737.11	144,372.47
Tame Valley Academy - University of Wolverhampton MAT	14,555.70	69,298.02
Shirestone Community Academy - The Elliot Foundation Academies Trust	23,371.19	116,640.12
Oasis Community Learning - Short Heath Primary	29,485.18	120,651.56
Aldersley High School - Amethyst Academies Trust	83,312.04	366,507.50
Yardleys School	61,814.90	204,767.32
Woods Bank Academy- The Elliot Foundation Academies Trust	29,674.81	153,943.55
Billesley Primary Academy - The Elliot Foundation Academies Trust	59,716.38	269,092.55
Merritts Brook E-ACT Primary Academy	11,262.38	65,419.99
St Michael's CE Primary School - Birmingham Diocesan Multi-Academy Trust	28,083.15	102,144.58
Reedswood E-ACT Primary Academy	38,853.85	191,046.07
James Brindley School	138,512.43	441,370.00
Oaklands Primary - Summit Learning Trust	26,240.13	91,906.56
Greenwood Academy - Academies Enterprise Trust	79,344.77	343,412.09
Tudor Grange Primary Academy St James - Tudor Grange Academies	14,774.33	51,800.48
Mansfield Green E-ACT Primary Academy	29,926.74	175,243.88
Parkfield Community School - Excelsior Multi-Academy Trust	53,038.83	272,779.59
City Road Academy - Inspire Education Community Trust	26,026.83	187,565.84
Culture Coventry	76,968.99	90,994.21
Bramford Primary School- Griffin Schools Trust	30,677.15	157,917.49
Bristnall Academy - Academy Transformation Trust	73,191.72	317,796.45
Redhill School - Stour Vale Academy Trust	86,550.41	396,193.31
Edgar Stammers Academy - University of Wolverhampton MAT	17,228.27	97,274.70
Knowle CE Primary Academy	35,721.55	184,754.53
St Joseph's - John Paul II Multi-Academy	26,714.22	130,269.24
St Nicholas's - John Paul II Multi-Academy	8,738.20	81,043.18
Holy Cross - John Paul II Multi Academy	9,325.42	74,190.57
Bishop Walsh - John Paul II Multi Academy	51,144.96	342,749.53
Q3 Tipton - Quaerere Academies Trust	71,526.36	347,098.39
St John's and St Peter's CofE Academy - All Saints Multi-Academy Trust	25,649.26	100,760.67
St George's CofE Primary School - Birmingham Diocesan Multi-Academy Trust	20,999.55	79,042.52
Acocks Green Primary School	25,062.98	163,369.14
Premier Support Services Ltd (Alumwell Infant School)	290.96	1,135.34
Washwood Heath Academy- Washwood Heath MAT	221,813.42	993,602.65
Perry Hall Primary School - Perry Hall MAT	43,008.31	218,541.26
Oasis Community Learning - Matthew Boulton	15,445.80	109,199.75
Four Dwellings Academy - Academies Enterprise Trust	36,354.07	193,666.44
Oasis Community Learning - Hobmoor Primary	36,019.36	217,574.97
Timbertree Primary - United Learning Trust	11,983.81	55,693.29
George Betts Academy - The Elliot Foundation Academies Trust	39,933.26	214,589.52
Hamstead Hall Academy - Hamstead Hall Academy Trust	96,345.44	550,835.87

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Corngreaves Primary - United Learning Trust	11,643.55	67,779.59
Shireland Hall Academy - The Elliot Foundation Academies Trust	59,961.44	295,516.78
Stretton Primary Academy - Diocese of Coventry MAT	14,742.60	73,778.59
St Laurence's Primary Academy - Diocese of Coventry MAT	24,774.44	142,002.09
Yarnfield Academy-Summit Learning Trust	39,986.92	145,732.88
President Kennedy School - The Futures Trust	132,200.18	606,922.22
Hawkesley Church Primary Academy - Birmingham Diocesan Multi-Academy Trust	13,914.86	50,670.08
Birchills Academy - St Chads Academies Trust	34,347.67	162,101.60
Montgomery Primary Academy - Academies Enterprise Trust	28,670.94	143,461.96
Fairway Primary Academy - University of Wolverhampton MAT	15,848.91	103,581.49
Cheswick Green Parish Council	1,132.63	4,764.61
Jubilee Park Academy - Summer Park MAT	15,189.88	93,595.28
Ocker Hill Junior Academy- Ocker Hill Academy Trust	23,146.26	108,903.31
Three Spires Academy - RNIB Specialist Learning Trust	27,755.58	138,678.09
Silvertrees Academy Trust	31,795.68	177,766.53
Pegasus Academy - Summit Learning Trust	11,248.56	39,172.05
Alliance in Partnership Ltd (Harborne Primary School)	739.30	3,589.29
St Edmund's Catholic Academy - St Francis and St Clare Catholic MAC	92,598.89	442,885.39
SS Mary & Johns Catholic Primary Academy - St Francis and St Clare Catholic MAC	14,483.62	60,207.43
St Teresa's Catholic Primary Academy - St Francis and St Clare Catholic MAC	11,666.99	57,465.26
Holy Trinity CE Primary Academy (Handsworth) - Birmingham Diocesan Multi-Academy Trust	8,931.94	32,362.37
SS Peter and Paul Catholic Primary Academy and Nursery - St Francis and St Clare Catholic MAC	20,741.19	107,930.02
St Michael's Catholic Primary Academy and Nursery - St Francis and St Clare Catholic MAC	15,441.05	79,432.51
Tiverton Academy - The Elliot Foundation Academies Trust	21,198.06	126,458.44
St Joseph's Academy - St John Bosco Catholic Academy Trust	15,642.15	60,009.54
Bishop Milner Academy - St John Bosco Catholic Academy Trust	62,561.36	261,649.39
St Chads Academy - St John Bosco Catholic Academy Trust	12,070.36	63,424.10
Bentley Heath Church of England Primary School	15,871.79	94,799.68
Reaside Academy - University of Wolverhampton MAT	11,094.02	59,616.91
Aspens-Services Limited (Phoenix Collegiate)	1,572.49	9,544.71
St George's CofE Academy Newtown - Birmingham Diocesan Multi-Academy Trust	22,890.22	83,500.55
St Bartholomew's C of E Primary Academy- Diocese of Coventry MAT	13,331.43	93,392.85
Coventry University Enterprises Ltd	617,240.92	2,136,961.90
Hill Farm Primary School - Castle Phoenix Trust	33,095.97	156,649.89
The Orchards Primary Academy - University of Wolverhampton MAT	17,268.22	122,108.31
Wednesbury Oak Primary Academy	28,678.10	97,650.60
Robin Hood Primary Academy	55,530.77	264,787.44
Woodhouse Primary Academy - University of Wolverhampton MAT	44,983.62	285,365.63
Broadway Academy	100,992.93	499,625.53
Places For People Leisure Limited (Wolverhampton)	453.11	-
Radford Primary Academy - Sidney Stringer Academy Trust	21,650.92	94,563.23
Ernesford Grange Community Academy - Sidney Stringer Academy Trust	76,213.88	422,361.73
Chivenor Primary School - Griffin Schools Trust	23,720.25	166,267.54
Rivers Primary Academy - Windsor Academy Trust	21,078.48	97,480.32

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Walsall Studio School - The Mercian Trust	10,621.33	36,562.28
Waverley Studio College - The Waverley Education Foundation Ltd	12,559.91	42,611.57
Twickenham Primary Academy	39,349.77	214,775.54
Grestone Primary Academy - Hamstead Hall Academy Trust	41,691.15	243,101.30
St Paul's CofE Primary Academy	19,334.15	95,443.63
Kingswood Trust	6,544.24	22,103.49
Leigh Primary School - Leigh Trust	48,441.96	315,294.21
University of Wolverhampton Multi-Academy Trust	38,391.73	102,609.64
Wodensborough Ormiston Academy	69,273.05	383,140.79
Ridgewood High School - Stour Vale Academy Trust	36,561.52	200,683.71
Aspens-Services Limited (Courthouse Green Primary School)	735.33	3,743.61
Wolverhampton Girls High School	51,413.46	271,960.14
St Judes Academy - St Chad's Academies Trust	36,010.61	178,220.46
Oasis Community Learning - Foundry Primary	17,310.36	109,666.24
Riverbank Academy- Sidney Stringer Academy Trust	81,694.81	325,325.58
Berrybrook Primary School - Pery Hall MAT	16,629.41	85,993.07
Reach Free School Trust	18,218.07	54,149.56
WMG Academy for Young Engineers (Coventry)	26,244.11	85,151.94
Cottesbrooke Infant and Nursery School	24,296.64	97,779.65
Alliance in Partnership Ltd (Unity Cluster)	1,126.18	5,365.21
Atalian Servest Food Co Ltd (Synergy Schools)	1,027.67	3,568.61
Smestow School - University of Wolverhampton MAT	36,154.26	299,559.24
Northwood Park Primary Academy - SHINE Academies	58,899.80	207,086.03
Marston Green Infant Academy	45,605.65	193,586.61
Smith's Wood Primary Academy	45,029.92	236,173.08
Police and Crime Commissioner West Midlands	248,818.35	559,374.66
Integral UK Limited (Hill Farm Primary School)	972.00	4,560.00
ABM Catering Limited (Aldermoor Farm Primary School)	19.94	97.87
Northern House School (Solihull)	31,320.62	132,752.53
St Johns CofE Primary Academy - Diocese Coventry MAT	9,838.95	58,324.39
Atalian Servest Food Co Ltd (John Gulson)	356.65	1,536.58
Heathlands Academy - University of Wolverhampton MAT	28,724.96	185,251.97
Wednesfield High Academy - University of Wolverhampton MAT	45,839.19	279,397.66
Albert Bradbeer Primary School- University of Wolverhampton MAT	30,658.86	226,080.96
Alliance in Partnership Ltd (Broadway)	1,781.31	8,874.91
Action Indoor Sports Birmingham CIC Ltd	1,973.20	7,065.57
Pendergate Ltd	670.83	2,915.00
Sacred Heart Academy- Romero MAC	30,586.62	140,442.13
St Gregory's School Coventry - Romero MAC	16,654.55	91,068.05
Good Shepherd Primary School - Romero MAC	18,004.30	91,253.19
SS Peter and Paul Catholic Primary School - Romero MAC	15,638.79	53,632.72
St John Fisher School - Romero MAC	28,982.52	142,235.53
St Patrick's Catholic School - Romero MAC	19,103.76	105,328.82
Cardinal Wiseman Catholic Academy - Romero MAC	75,153.00	418,784.17

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CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Corpus Christi Catholic Primary School - Romero MAC	28,028.16	133,444.70
All Saints National Academy - St Chads Academy Trust	20,704.68	89,370.84
Bournville School - Fairfax Multi-Academy Trust	43,877.06	317,290.21
St Gregory's Catholic Primary Academy - St Catherine of Siena MAC	16,254.99	84,020.24
Our Lady & St Hubert's Catholic Primary Academy- St Catherine of Siena MAC	31,189.36	149,342.68
St Francis Xavier Catholic Primary Academy- St Catherine of Siena MAC	17,134.28	108,933.26
St Philip's Catholic Primary Academy- St Catherine of Siena MAC	23,469.96	121,746.58
The University of Birmingham School	78,933.13	221,103.19
Devonshire Infant Academy - Victoria Academies Trust	40,704.20	251,367.43
Seva Free School- Sevak Education Trust	18,480.39	62,975.77
Devonshire Junior Academy - Victoria Academies Trust	26,125.42	143,160.45
Town Junior School - Plantsbrook Learning Trust	13,218.61	50,052.69
St Brigid's Catholic Primary School - Lumen Christi MAT	33,511.40	118,047.94
St Columba's Catholic Primary School - Lumen Christi MAT	18,543.04	99,503.35
St Joseph's Catholic Primary School - St Nicholas Owen Catholic MAC	11,269.97	55,923.99
Our Lady of Fatima Catholic Primary School - St Nicholas Owen Catholic MAC	14,033.65	79,073.51
St Mary's Catholic Primary School - St Nicholas Owen Catholic MAC	8,224.74	48,429.83
Calthorpe Academy - Thrive Education Partnership	225,805.60	1,066,615.72
Crestwood School - Invictus Education Trust	48,820.42	195,526.99
Hillstone Primary School	50,334.76	275,695.37
Ellowes Hall Sports College- Invictus Education Trust	137,138.84	490,936.59
Wyndcliffe Primary School- Leigh Trust	40,635.36	250,712.79
Brownmead Academy - Washwood Heath MAT	24,091.21	133,555.33
Manor Primary School- Manor Multi-Academy Trust	64,327.39	256,165.48
St Johns CofE Primary Academy - St Chad's Academy Trust	13,942.23	59,656.47
Change Grow Live Ltd	14,924.50	40,218.44
St Martin's C of E Primary School- St Martin's MAT	30,075.53	103,792.43
St Paul's Catholic Primary School - Lumen Christi MAT	18,127.88	87,548.77
St James Catholic Primary School - Lumen Christi MAT	23,876.27	105,462.81
St Joseph's Catholic Primary School - Lumen Christi MAT	16,681.57	81,911.41
St Thomas Aquinas Catholic School - Lumen Christi MAT	108,926.65	499,853.86
Field View Primary School - St Martin's MAT	39,647.18	168,853.97
Futurelets Ltd	20,922.54	70,323.10
NSL Limited (BCC)	5,630.19	20,145.16
Jervoise School - DRB Ignite MAT	10,438.89	76,777.37
Wychall Primary school - DRB Ignite MAT	31,858.05	221,500.08
Holy Rosary Catholic Primary Academy - St Francis and St Clare Catholic MAC	14,657.87	84,306.40
St Mary's Catholic Primary - St Francis and St Clare Catholic MAC	33,961.10	189,084.13
Our Lady & St Chad Catholic Academy - St Francis and St Clare Catholic MAC	49,600.94	250,914.14
Corpus Christi Catholic Primary Academy - St Francis and St Clare Catholic MAC	18,062.55	101,914.16
St Thomas CE Academy - All Saints Multi-Academy Trust	36,790.76	160,478.58
Birmingham Community Leisure Trust (North East Contract)	90,611.85	336,182.98
Birmingham Community Leisure Trust (South West Contract)	31,217.70	126,804.00
Saltley Academy - Washwood Heath Multi-Academy Trust	59,367.20	326,661.09

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Barr's Hill School Academy - The Futures Trust	69,684.32	313,204.93
Places for People Leisure Limited (Sparkhill)	501.85	2,217.26
Walsgrave C of E Academy - Inspire Education Trust	26,251.01	120,064.10
Clifford Bridge Academy - Inspire Education Trust	31,749.19	141,084.10
Whittle Academy - Inspire Education Trust	22,880.29	109,990.87
Lyndon Academy - Summit Learning Trust	39,815.44	136,108.65
Waverley School - The Waverley Education Foundation Ltd	107,778.63	475,616.98
Academy Transformation Trust	138,190.37	328,069.03
TNS Catering Management Ltd (Moat House School)	118.40	569.27
Heathfield Primary School - Prince Albert Community Trust	23,476.15	146,641.62
Bloxwich Academy - Matrix Academy Trust	37,013.93	124,422.20
Moor Green Primary Academy - REACh2 Academy Trust	24,661.29	117,871.17
Prince Albert Primary School - Prince Albert Community Trust	106,581.42	428,503.38
Beechwood C of E Primary School - DRB Ignite MAT	10,246.87	42,746.97
The British Sikh School - The Khalsa Academies Trust	9,477.24	29,133.19
Northfield Manor Primary Academy - Victoria Academy Trust	46,294.42	239,068.95
ARK Boulton Academy	47,790.08	242,847.75
Atalian Servest Food Co Ltd (Sidney Stringer Academy Trust)	963.22	4,640.67
ABM Catering Ltd (John Shelton Community Primary School)	650.19	2,234.27
Alliance In Partnership Ltd (Coventry South Cluster Group)	1,788.88	6,863.23
The Edge Academy	12,019.85	43,261.01
The Bromley-Pensnett Primary School - DRB Ignite MAT	20,935.94	119,594.57
Manor Way Primary Academy - Windsor Academy Trust	12,821.73	63,906.23
Dickens Heath Parish Council	1,042.54	4,870.47
West Midlands Construction UTC Trust	35,780.51	129,149.82
Alliance in Partnership Limited (St Matthias School)	487.42	646.95
Elston Hall Primary School - Elston Hall Multi-Academy Trust	61,532.15	324,168.82
Sidney Stringer Free Primary School - Sidney Stringer Academy Trust	36,051.32	126,084.03
Health Futures UTC	14,701.88	48,477.24
Bickenhill & Marston Green Parish Council	4,821.99	18,414.89
The King Solomon International Business School	36,992.24	128,573.16
Westcroft Sport and Vocational College - Central Learning Partnership Trust	55,618.18	184,248.64
The Romero Catholic Academy	42,793.99	118,689.64
Inspire Education Trust	48,253.84	138,803.26
Aspens-Services Ltd (Bartley Green)	2,827.04	12,608.52
Aspens-Services Ltd (St Peters Collegiate)	3,761.13	15,891.64
Highfields School	91,209.30	482,814.22
Finham Primary School - Finham Park MAT	23,500.20	81,194.25
Engie Regeneration Holdings Ltd	59,933.46	220,308.56
Manor Park Primary Academy - REACh2 Academy Trust	34,083.02	194,548.78
Northern House School (City of Wolverhampton)	30,776.45	158,266.29
Pool Hayes Academy - Academy Transformation Trust	65,733.74	383,199.13
Nonsuch Primary School - Birmingham Diocesan Multi-Academy Trust	13,538.90	46,875.83
Grove Primary School - St Martin's Multi-Academy Trust	32,162.39	147,350.19

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Highfield Junior and Infant School - Prince Albert Community Trust	36,183.11	209,879.08
Dunstall Hill Primary School - Perry Hall MAT	22,322.73	93,976.74
Aston Tower Community Primary School- Aston Tower Multi-Academy Trust	23,781.03	127,348.16
Wolverhampton Vocational Training Centre- Central Learning Partnership Trust	16,613.23	51,309.78
Compass Contract Services (UK) LTD (Hall Green Secondary School)	2,912.86	12,973.85
Fortem Solutions Limited (BHAM South)	121,910.50	444,678.65
Alliance in Partnership Ltd (Pedmore Primary School)	459.09	2,412.53
Lodge Farm Primary School- Northwood Park Educational Trust - SHINE Academies	25,632.80	133,304.93
Palmers Cross Primary Academy- Elston Hall Multi Academy Trust	19,407.85	87,929.49
Dodd Group (Midlands) Ltd	634.57	2,471.56
Aspens-Services Ltd (Queensbridge School)	1,008.53	4,624.42
Mazars Ltd (Walsall MBC)	2,691.78	8,520.48
Finham Park 2- Finham Park Multi Academy Trust	39,791.92	137,834.83
Prospects Services (Coventry and Warwickshire)	1,563.87	4,937.60
Royal Sutton Coldfield Town Council	16,230.65	40,078.01
Yew Tree Community Junior and Infant School- Inspire Education Community Trust	26,039.37	162,888.05
North Walsall Primary Academy- Academy Transformation Trust	18,532.37	98,198.42
Lyng Hall School- Finham Park MAT	59,729.88	191,634.75
Fibbersley Park Academy - Victoria Academies Trust	45,786.27	230,522.32
Hob Green Primary School- DRB Ignite MAT	17,649.24	97,862.41
Damson Wood Infant Academy - Central Schools Trust	14,261.08	81,321.94
Aspens-Services Ltd (St Peter's Catholic School Solihull)	2,613.12	16,063.37
Compass Contract Services (UK) Ltd (NEW and SWB Academy)	659.37	3,147.30
Streetsbrook Infant and Early Years Academy- Streetsbrook Academy Trust	33,360.71	146,015.26
Princethorpe Infant School- DRB Ignite MAT	16,123.34	76,038.26
The Oval Primary School- DRB Ignite MAT	32,458.68	126,894.03
Audley Primary School- DRB Ignite MAT	57,753.94	353,852.18
Aspens-Services Ltd (Heartlands Academy)	972.97	4,076.27
Aspens-Services Ltd (Merritts Brook Academy)	1,055.03	5,562.99
Aspens-Services Ltd (Shenley Academy)	2,977.16	14,266.80
Aspens-Services Ltd (Mansfield Green Academy)	1,292.03	5,946.05
Gossey Lane Academy- Washwood Heath MAT	14,519.58	101,524.79
Leasowes High School- Invictus Education Trust	55,771.45	265,926.61
Aspens-Services Ltd (West Walsall E-ACT Academy)	1,580.02	8,242.14
Erdington Academy- Fairfax Multi-Academy Trust	66,521.31	284,971.83
Smith's Wood Academy- Fairfax MAT	50,171.74	257,702.60
Summerhill Primary Academy- Summer Park MAT	82,234.92	361,852.77
Conway Primary School- Create Partnership Trust	17,101.99	74,705.75
Greet Primary School- Create Partnership Trust	63,982.85	239,282.16
Alliance in Partnership Ltd (Holy Family Catholic Primary School)	-	355.00
Aspens-Services Ltd (Whitgreave Junior School)	1,480.93	8,654.65
Sodexo Ltd (Oasis Community Learning)	6,966.77	28,144.86
West Midlands Combined Authority	2,515,367.84	1,840,619.91
Alliance in Partnership Ltd (Heart of England School)	1,379.63	6,672.96

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Edward the Elder Primary - Elston Hall MAT	20,535.25	119,609.04
St Bartholomew's CE Primary School - St Bartholomew's CE Multi-Academy Trust	32,426.48	127,517.06
Cleantec Services Ltd (Coventry College)	965.60	5,495.28
Northern House School (City of Wolverhampton) Primary PRU	6,226.75	44,483.27
Tenterfields Primary Academy- Windsor Academy Trust	13,501.94	67,950.97
St Francis CE Primary School and Nursery - Fioretti Trust	17,429.24	114,728.06
Aspens-Services Ltd (Hillcrest School)	272.67	1,396.47
Hill Avenue Academy - Manor MAT	15,007.17	66,407.52
East Park Academy - Manor MAT	59,537.43	291,402.51
Stanton Bridge Primary School - Stanton Bridge Multi Academy Trust	15,461.72	55,702.22
Cromwell Primary School - Cromwell Learning Community Academy Trust	20,001.71	95,055.91
Broadmeadow Special School - Central Learning Partnership Trust	52,412.68	174,967.28
Hearsall Community Academy - Inspire Education Trust	33,735.78	154,423.63
Bushbury Lane Academy - REAch2 MAT	17,994.97	80,276.95
Quinton Church Primary School - Birmingham Diocesan Multi-Academy Trust	10,302.27	37,316.33
Canterbury Cross Primary School- Canterbury Cross Educational Trust	30,502.52	205,720.00
Cedars Academy- Robin Hood MAT	23,435.39	120,536.34
Courthouse Green Primary School- Triumph Multi-Academy Trust	56,156.18	257,607.78
Premier Support Services Ltd (Yew Tree Community School)	208.32	1,340.87
Great Barr Academy - The Shaw Education Trust	88,001.95	684,776.49
Firs Primary School - Washwood Heath MAT	20,726.28	193,619.23
Topcliffe School - Washwood Heath Academies Trust	22,824.71	170,476.89
Parkgate Primary School - The Futures Trust	44,698.92	232,210.83
Phoenix Academy - Academy Transformation Trust	16,984.78	74,916.49
Westminster Primary School - Westminster Academy Trust	26,999.05	164,085.97
Bordesley Village Primary School - Cromwell Community Learning Trust	18,218.64	116,887.45
Stirchley Primary School - Evolve Education Trust	14,106.65	76,161.61
Aspens-Services Ltd (Joseph Leckie Academy)	123.86	619.28
Keresley Grange Academy - The Futures Trust	27,699.03	132,600.89
Heart of Birmingham Vocational College	25,848.92	63,826.35
Miquill Catering Ltd (Colton Hills)	992.43	5,956.99
Miquill Catering Ltd (Woodfield Junior)	2,813.11	15,848.80
Colley Lane Primary Academy - Windsor Academy Trust	39,130.30	254,706.44
Moreton School - Amethyst Academy Trust	70,251.82	350,956.36
Aspens-Services Ltd (Paganel Primary School)	225.79	1,215.12
Cockshut Hill School - Summit Learning Trust	69,139.64	232,331.40
Chandos Primary School - The Elliot Foundation Academies Trust	45,761.62	247,496.99
Woodside Community School and Little Bears Nursery - Hales Valley Multi-Academy Trust	34,448.69	115,490.53
Lutley Primary School - Hales Valley Multi-Academy Trust	41,175.00	153,748.02
Aspens-Services Ltd (St Martin's MAT)	1,489.90	7,637.81
Lapal Primary School - Hales Valley Multi-Academy Trust	20,089.67	68,011.42
Sandwell Children's Trust	1,246,729.42	3,609,702.77
Churchill Contract Services Ltd (Finham Park MAT)	1,086.03	5,592.92
King Edward VI Handsworth Grammar School For Boys - KEVI at Birmingham	50,903.41	246,523.16

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

The Bridge School - Forward Education Trust	42,702.77	238,961.77
Hodge Hill Primary School - Create Partnership Trust	27,820.90	185,141.88
Brays School - Forward Education Trust	86,775.06	347,404.12
Hallmoor School - Forward Education Trust	60,809.07	357,772.00
Compass Contract Services UK Ltd (Arthur Terry LP)	2,847.98	13,408.52
MCS Cleaning & Maintenance Ltd (ARK Academies)	10,060.01	54,027.88
Dame Elizabeth Cadbury School - Matrix Academy Trust	27,376.11	91,709.91
Matrix Academy Trust	37,314.56	121,366.93
Caterlink Ltd (The Futures Trust)	228.12	1,148.86
Foxford Community School - Castle Phoenix Trust	58,333.67	323,005.55
WMG Academy for Young Engineers (Solihull)	13,688.90	49,607.64
Aspens-Services Limited (Fairfax Mat)	4,699.59	20,542.08
Greenwich Leisure Limited	71,493.43	386,748.49
Turves Green Primary School - Excelsior Multi-Academy Trust	26,245.20	146,411.64
Thorns Collegiate Academy - Shireland Collegiate Academy Trust	42,847.50	199,972.93
St Stephen's Church of England Primary School - St Stephen's Church of England MAT	16,049.08	74,800.89
Holyhead Primary Academy - Shireland Collegiate Academy Trust	11,429.66	63,072.27
ABM Catering Ltd (Thornton Primary School)	951.69	5,135.76
Parkfield Primary School - St Stephen's Church of England MAT	11,742.68	62,707.09
Tile Cross Academy - Washwood Heath MAT	32,425.95	178,787.27
Caldmore Primary Academy - Academy Transformation Trust	31,869.81	133,236.43
Aspens-Services Ltd (Merridale Primary School)	172.95	739.05
Aspens-Services Ltd (Bantock Primary School)	599.87	2,846.96
Aspens-Services Ltd (Lanesfield Primary School)	306.15	1,463.95
Stoke Park School - The Futures Trust	62,924.49	267,289.12
KCLS Ltd (St Anne's Primary School)	162.22	701.93
Churchill Contract Services Ltd (Stoke Park School and Community Technology College)	1,229.23	6,034.14
Coventry College	208,951.97	1,041,383.63
Netherbrook Primary School - Learning Link MAT	32,541.64	151,603.21
Dudley Wood Primary School - Learning Link MAT	25,756.41	125,442.26
Ormiston SWB Academy	87,684.05	280,771.09
Barnardo's (Birmingham CC)	65,631.28	229,595.62
Sledmere Primary School - Learning Link MAT	30,891.57	159,099.74
Kates Hill Primary School - Learning Link MAT	30,256.60	154,993.75
Woodfield Primary School - St Bartholomew's COE MAT	40,141.54	211,953.02
Compass Contract Services (UK) Ltd (Smestow School)	517.87	2,231.69
The Link Academy - Dudley Academies Trust	66,874.81	292,043.73
St James Academy- Dudley Academies Trust	33,687.94	150,450.02
Birmingham Diocesan Multi-Academy Trust	60,776.40	170,829.86
The Sixth Form College - Summit Learning Trust	84,458.20	287,182.55
Aspens Services Ltd (Cottesbrooke Infant School)	2,293.61	10,538.04
Olive Hill Primary School - Stour Vale Academy Trust	26,079.93	123,167.62
Caterlink Ltd (Stoke Park School)	40.19	176.84
Cardinal Newman Catholic School - Holy Cross MAC	73,972.21	284,041.57

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Goldthorn Park Primary - Elston Hall MAT	20,403.58	119,099.12
Ormiston NEW Academy	62,699.56	267,438.17
LGPS Central	178,332.55	435,551.76
Churchill Contract Services Ltd (Moat House Primary School)	386.76	1,918.81
Priory Primary School - Hales Valley MAT	29,606.62	100,095.38
Hurst Hill Primary School - Hales Valley MAT	17,250.98	58,113.36
Netherton COE Primary School - Diocese of Worcester MAT	26,837.48	135,540.05
Small Heath Leadership Academy - STAR Academies	44,514.16	282,537.34
Churchill Contract Services Ltd (Archbishop Ilsley Catholic School)	1,680.15	6,730.51
Leigh COE Primary Academy - Diocese of Coventry MAT	19,657.33	95,382.32
The Active Wellbeing Society Limited	2,330.79	13,937.72
OCS Group UK Ltd (Highfields and Pennfields)	1,162.89	6,831.35
Compass Contract Services (UK) Ltd (Uplands Junior School)	252.22	1,297.91
Birmingham Children's Trust Ltd	4,740,208.21	12,974,946.21
Jewson Limited (Dudley MBC)	2,119.92	8,153.44
D'Eyncourt Primary School - Central Learning Partnership Trust	18,234.30	62,552.23
Arden Services (UK) Ltd (Highfields J&I School)	1,429.47	6,431.66
ICE Creates Limited (Coventry City Council)	1,031.58	6,131.60
Churchill Contract Services Ltd (Finham Park School)	705.62	3,685.18
Arden Services (UK) Ltd (Birchfield Primary School)	1,454.53	7,006.57
Miquill Catering Ltd (Rednal Hill)	907.26	4,679.47
Tenon FM Limited (Bournville Junior and Infant School)	835.94	2,963.74
KWB Corporate Cleaning Ltd (Elms Farm Primary School)	198.23	1,227.09
Premier Support Services Ltd (Severne Primary School)	2,185.96	14,328.73
Villiers Primary School - SHINE Academies	41,084.43	202,129.90
City Academy - The Core Education Trust	19,379.47	61,416.36
Jewellery Quarter Academy - Core Education Trust	21,524.48	61,689.57
Arena Academy - The Core Education Trust	24,496.24	99,914.94
Ark Victoria Academy	82,107.97	284,833.26
KWB Corporate Cleaning Ltd (Gilbertstone Primary School)	668.24	3,523.48
Premier Support Services Ltd (Lady Pool Primary School)	689.02	3,257.28
St Thomas More Catholic Academy - Holy Cross MAC	20,599.88	106,400.99
Richard Lee Primary School - Castle Phoenix Trust	28,184.36	160,091.22
Woodthorne Primary School - Pery Hall MAT	16,371.88	80,460.54
Alliance in Partnership Ltd (Holy Trinity C of E Primary School)	1,966.06	8,411.81
Bishop Ullathorne Catholic School - Holy Cross MAC	63,120.34	279,979.42
Alliance in Partnership Ltd (Edgewick Primary School)	1,459.87	7,140.17
Church Support Services Ltd (Braidwood Trust School For The Deaf)	326.54	1,929.69
Churchill Contract Services Ltd (Colmers School and Sixth Form College)	183.10	491.52
Christ The King Catholic Academy - Holy Cross MAC	24,181.26	102,011.45
St Elizabeth's Catholic Academy - Holy Cross MAC	18,671.51	94,879.78
St Augustines Catholic Academy - Holy Cross MAC	22,035.35	113,213.94
Miquill Catering Ltd (Acocks Green Primary School)	2,442.13	11,915.36
Tameside Primary Academy - Shireland Collegiate Academy Trust	37,871.76	239,168.94

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Solo Service Group Ltd (Bordesley Green Girls School)	179.17	771.97
Coppice Performing Arts School - Central Learning Partnership	46,809.98	152,877.34
St John Vianney Catholic Primary School - Holy Cross Academy	13,906.78	56,918.49
Premier Support Services Ltd (Yenton Primary School)	403.92	2,482.29
PeoplesFuture Limited	64,530.76	176,971.07
Pendergate Ltd (Yardley Primary School)	107.92	467.04
Aspens-Services Ltd (Blue Coat CofE Academy)	107.33	583.51
Aspens-Services Ltd (Whitgreave Infant School)	504.91	1,641.34
Genie Cleaning Services Ltd (Bartley Green School)	2,241.82	9,647.86
Cleantec Services Ltd (Four Dwellings Primary Academy)	1,337.71	5,107.52
Dudley Academies Trust	33,138.20	90,405.25
Pendergate Ltd (Tudor Grange Academies Trust)	964.22	4,242.40
St Margaret's CofE Primary School- Birmingham Diocesan Multi-Academy Trust	18,592.17	62,960.89
The Camphill Village Trust Ltd (Dudley MBC)	1,174.10	6,601.04
Holy Trinity Catholic School - St Teresa of Calcutta MAC	52,900.07	327,789.96
St Thomas' C of E Primary School - Manor MAT	10,423.73	42,074.05
St Alban's C of E Primary School - Manor MAT	11,157.28	42,086.28
Archbishop Ilsey Catholic School - St Teresa of Calcutta MAC	69,399.55	421,397.13
The Pedmore High School - Invictus Education Trust	26,392.57	133,209.99
Aspens-Services Ltd (Lordswood Girls School)	3,595.60	17,561.92
Birchfield Primary School - Prince Albert Community Trust	40,441.45	216,268.87
Wilson Stuart UCB Partnership Trust	40,676.23	149,391.39
Compass Contract Services (UK) Ltd (ATT Schools)	9,369.13	45,713.73
Solihull Alternative Provision Academy	63,521.80	188,281.30
Princethorpe Junior School - DRB Ignite MAT	20,158.81	111,530.09
Titan Aston Academy - Titan Education Trust	13,047.94	39,801.14
Computer Systems in Education Limited (CTC Kingshurst Academy)	1,575.38	4,944.13
Bellrock Property and Facilities Management Ltd (Tudor Grange Academies Trust)	2,445.36	9,593.34
SS Mary & John Catholic Primary School - John Paul II Multi-Academy	28,405.00	208,335.38
Ulverley School - Robin Hood MAT	29,658.63	135,374.54
Yenton Primary School - Robin Hood Multi Academy Trust	33,167.71	186,263.88
Mellors Catering Services (Kingswinford Academy)	559.95	2,616.48
Churchill Contract Services Limited (Langley School)	424.70	1,867.22
Brookfields Primary School - Create Partnership Trust	17,781.25	116,981.29
Mellors Catering Services Ltd (Wednesbury Learning Community Trust)	13,580.43	46,651.83
Aspens-Services Ltd (Yardleys School)	1,223.38	6,895.21
Marlborough Infant School - Leigh Trust	35,070.14	208,281.68
SS Peter & Paul Catholic Primary School - John Paul II Multi-Academy	11,473.67	45,941.67
Mayfield School - Education Impact Academy Trust	121,075.56	600,320.64
Queensbury School - Education Impact Academy Trust	56,110.45	314,169.32
The Ladder School - The Mercian Trust	13,781.20	48,265.86
Birmingham and Solihull Mental Health Foundation Trust	14,993.78	55,528.25
Churchill Contract Services Ltd (Ormiston Sheffield Community Academy)	864.69	4,386.32
Accuro FM Ltd (Core Academy Trust)	2,841.61	11,948.94

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Holy Souls Catholic Primary School - St Teresa of Calcutta MAC	26,868.91	190,031.55
Miquill Catering Ltd (Yardley Primary School)	3,531.34	13,324.06
Aspens-Services Ltd (Hargate Primary School)	170.33	634.88
Busill Jones Primary School - SHINE Academies	20,820.16	108,981.65
Springfield Primary Academy - REAch2 Academy Trust	25,819.85	102,469.67
Churchill Contract Services Ltd (Dorridge Primary School)	341.84	1,286.62
Cleantec Services Ltd (Montgomery Primary Academy)	2,032.32	9,939.85
Aspens-Services Ltd (Wheeler Lane Technology College)	2,475.25	9,437.15
Trinity CofE Primary Academy - St Chads Academy Trust	44,149.74	227,095.65
CU Recruitment and Admissions Limited	94,830.80	325,845.34
Pearl Hyde Community Primary School - Finham Park MAT	13,617.59	48,980.17
Miquill Catering Ltd (St Bartholomews CE Primary School)	1,129.83	4,113.80
Greater Birmingham and Solihull Local Enterprise Partnership	184,224.87	499,185.14
RM Education Ltd (Academies Enterprise Trust)	65.70	196.13
King Edward VI Balaam Wood Academy - KEVI at Birmingham	24,570.44	153,321.80
DRB Ignite Multi-Academy Trust	61,125.66	153,037.84
Colmers Farm Primary School - Excelsior Multi-Academy Trust	26,956.21	177,520.78
Pendergate Ltd (Queensbridge School)	641.50	2,484.39
Northfield Road Primary School - Stour Vale Academy Trust	26,725.31	121,776.28
Mellors Catering Services Ltd (Plantsbrook Learning Trust)	333.06	1,314.02
Compass Contract Services (UK) Ltd (Hamstead Hall Academy Trust)	2,093.23	51,193.79
Bespoke Cleaning Services Ltd (Walsall College)	6,402.32	21,278.17
Coombs Catering Partnership Ltd (Moseley High School)	8,202.79	31,767.21
Compass Contract Services (UK) Ltd (King Edward VI academy Trust)	11,201.42	44,908.93
Miquill Catering Ltd (Uffculme School)	944.68	3,584.09
Shireland Technology Primary School - Shireland Collegiate Academy Trust	20,596.97	69,038.92
West Bromwich Collegiate Academy - Shireland Collegiate Academy Trust	32,849.56	109,602.24
Aspens Services Ltd - Pegasus Primary School	852.52	3,033.46
Aspens-Services Ltd (Yarnfield Primary School)	366.98	1,328.08
Compass Contract Services (UK) Ltd (REAch2 Mat)	8,053.29	3,997.67
Tudor Grange Primary Academy Yew Tree - Tudor Grange Academies Trust	20,983.77	96,743.10
Taylor Shaw Ltd (Holy Cross MAC)	1,118.90	4,825.17
Holy Cross MAC - Central Office	20,951.24	65,396.51
Sacred Heart Catholic School - John Paul II Multi Academy	17,387.16	101,583.63
Ham Dingle Primary Academy - United Learning Trust	15,098.02	91,500.81
Coombs Catering Partnership Ltd (Cotteridge/Kings Norton)	7,495.31	27,525.64
Taylor Shaw Ltd (Lighthall School)	2,476.66	9,210.39
St Barnabas C of E Primary School- Fioretti Trust	34,171.71	221,001.41
Sutton Park Primary School - Prince Albert Community Trust	20,376.35	127,642.52
ABM Catering Limited (Raddlebarn Primary School)	547.92	2,012.19
The Olive School - Small Heath - Star Academies	21,359.96	100,276.42
SLM Food & Beverage LTD (Solihull MBC)	1,389.56	7,325.95
SLM Community Leisure Limited(Solihull MBC)	6,804.44	31,820.12
KWB Corporate Cleaning Ltd(Create Partnership Trust)	2,374.55	8,764.43

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Miquill Catering Ltd (Busill Jones Primary School)	1,752.78	5,959.41
Miquill Catering Ltd - Elston Hall Multi Academy Trust	4,851.32	17,853.53
Miquill Catering Ltd (Bushbury Hill Primary School)	1,240.04	4,486.21
Baileys Catering Ltd (Woodthorpe Junior and Infant Sch)	761.86	3,496.93
St Mary's Catholic Primary School - St John Bosco Catholic Academy Trust	15,344.73	77,481.18
St Edmund Campion Catholic Secondary School - John Paul II Multi-Academy	51,335.96	300,040.60
Stuart Bathurst Catholic High School - St John Bosco Catholic Academy Trust	29,819.95	167,934.04
St Thomas More Catholic Primary School - Lumen Christi Catholic Multi-Academy	24,204.57	145,152.85
SIPS Education Limited (Sladfield Primary School)	2,775.03	10,530.50
Pheasey Park Farm Primary School - Elston Hall Multi-Academy Trust	56,142.55	289,459.27
Blowers Green Primary School - Dudley Academies Trust	18,445.88	79,889.43
St Patricks Catholic Primary School - St Francis and St Clare Catholic MAC	14,817.18	76,299.29
St Anthony's Catholic Primary (St Francis & St Clare MAC)	16,296.47	84,676.00
Cherry Tree Learning Centre - The Skylark Partnership	12,130.02	65,773.06
Aspens Services Ltd - St James Church of England Primary School	2,354.34	8,878.83
Caterlink Ltd - (Ham Dingle Primary School)	5,653.59	22,093.13
Cleantec Services Ltd (E-ACT)	16,968.88	62,711.14
Miquill Catering Ltd - (Potters Green Primary School)	979.77	3,455.93
Kier Highways Limited (Birmingham City Council)	275,590.66	918,346.10
ABM Catering Limited - Robin Hood Multi Academy Trust	1,006.29	3,713.97
Newtown Primary School - Stour Vale Academy Trust	13,855.97	76,443.31
Brownhills School - Ormiston Academy Trust	48,052.13	231,046.19
Caterlink Limited (Cockshut Hill School)	3,455.20	12,997.80
Coombs Catering Partnership Ltd (Redhill Infants & Junior School)	3,257.84	11,964.04
Coombs Catering Partnership Ltd (Court Farm Primary School)	4,300.78	15,794.03
Shenstone Lodge School - Manor Hall Academy Trust	51,936.73	231,379.66
Alliance in Partnership (Saint John Wall Catholic School)	1,226.51	4,795.97
Compass Contract Services UK Ltd (St Francis and St Clare MAC)	11,002.31	42,392.34
Lady Katherine Leveson Church of England Primary School - Birmingham Diocesan MA Trust	12,026.26	55,299.66
Compass Contract Services UK Ltd (DRB Ignite Mat)	17,087.56	66,214.03
Mellors Catering Services Ltd (Core Education Trust)	9,457.09	30,769.12
Fit For Sport (Walsall MBC)	1,731.22	6,952.45
Starbank Leadership Academy - Star Academies	113,934.73	764,091.55
Coventry University Services Ltd	83,684.23	199,240.17
Maxim FM Ltd (Matrix Academy Trust)	12,929.64	39,049.73
Caterlink Ltd (Tudor Grange Academies Trust)	25,690.27	91,804.09
Perryfields Academy - Plantsbrook Learning Trust	55,304.58	274,231.93
Caterlink Ltd (Shaw Education Trust)	11,369.72	43,435.13
The Abbey Catholic Primary School - John Paul II Multi-Academy	25,515.25	161,355.37
Wallbrook Primary Academy - Shireland Collegiate Academy Trust	25,626.33	93,141.58
Accuro FM Ltd (Holy Cross MAC)	3,884.32	17,037.84
Blackwood School - Central Co-operative Learning Trust	43,827.75	274,881.14
Aspens Services Ltd (Reedswood EAct Primary Academy)	1,673.47	6,206.86
Coombs Catering Partnership Ltd (Lakey Lane Primary)	1,569.48	5,763.76

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

Mitie Cleaning & Environmental Services Limited (Lyndon Academy)	777.23	2,997.79
Hateley Heath Primary School - Manor Multi-Academy Trust	38,263.51	183,323.46
Foxyards Primary School - Manor Multi-Academy Trust	21,736.26	87,054.30
WV Living Limited	24,976.10	62,956.51
Swanstaff Recruitment Ltd	1,953.60	6,871.44
Caterlink Ltd (Diocese of Coventry Multi Academy Trust)	2,333.35	8,795.25
Aspens-Services Ltd (Academies Enterprise Trust)	25,826.89	90,402.99
St Andrew's Catholic Primary School - Our Lady and All Saints Catholic MAC	14,678.69	85,616.18
Our Lady of Compassion Catholic Primary School - Our Lady and All Saints Catholic MAC	22,214.71	127,531.96
Our Lady of the Wayside Catholic Primary School - Our Lady and All Saints Catholic MAC	29,108.83	167,929.94
Guardian Angels Catholic Primary School - Our Lady and All Saints Catholic MAC	14,850.96	105,998.47
Our Lady's Catholic Primary School - Our Lady and All Saints Catholic MAC	17,048.90	119,782.06
St Anne's Catholic Primary School - Our Lady and All Saints Catholic MAC	28,858.27	168,065.53
St Anthony's Catholic Primary School - Our Lady and All Saints Catholic MAC	21,843.60	128,816.00
St Augustine's Catholic Primary School - Our Lady and All Saints Catholic MAC	9,323.20	53,472.40
St George and St Teresa Catholic Primary School - Our Lady and All Saints Catholic MAC	16,347.52	93,557.78
St John the Baptist Catholic Primary School - Our Lady and All Saints Catholic MAC	18,425.63	104,974.00
St Peter's Catholic School - Our Lady and All Saints Catholic MAC	70,150.38	335,105.64
St Wilfrids Catholic Primary School - Our Lady and All Saints Catholic MAC	18,569.24	149,009.21
Innovate Services Limited (Westwood Academy)	1,364.98	5,252.25
Marston Holdings Ltd (Wolverhampton CC)	2,187.81	6,731.75
Arden Multi-Academy Trust Head Office	112,666.41	315,308.78
King Edward VI Northfields School For Girls - KEVI At Birmingham	46,801.72	290,145.74
Alliance in Partnership Ltd (Sutton Coldfield Grammar School for Girls)	4,200.25	15,475.67
Charter Primary School - Castle Pheonix Trust	23,150.34	106,342.98
St John Fisher Catholic Primary School - Lumen Christi MAC	15,009.29	96,945.13
Alliance in Partnership Ltd (Netherton Primary School)	1,497.80	5,670.39
St John Bosco Catholic Primary School - St John Bosco Catholic Academy Trust	23,238.64	112,191.92
St Bernadette's Catholic Primary School - St John Bosco Catholic Academy Trust	10,464.68	62,627.32
ABM Catering Ltd (S4S Cluster)	4,472.53	16,141.66
Coventry University Online Services	24,016.59	67,612.71
CU Management Services Limited	357,478.36	762,457.34
Alderman's Green Primary School - Triumph Multi-Academy Trust	46,443.82	190,615.36
Turves Green Boys School - Matrix Academy Trust	32,448.40	253,417.89
OCS Group UK Ltd (St Matthias)	2,163.20	10,180.74
Lightwoods Primary Academy - Shireland Collegiate Academy Trust	41,860.19	204,592.16
Prince Albert High School - Prince Albert Community Trust	12,335.78	40,593.95
Coombs Catering Partnership Ltd (Heath Mount Schools)	2,352.04	8,637.49
Compass Contract Services (UK) Ltd (Small Heath Leadership Academy)	6,809.31	35,035.78
Sodexo Ltd (Birmingham Diocesan Multi-Academy Trust)	18,130.65	72,715.16
ABM Catering Ltd (Prince Albert Community Trust)	34,728.45	113,766.25
ABM Catering Ltd (Langley School)	9,682.68	37,703.93
ABM Catering Ltd (Finham Primary School)	1,371.75	5,038.00
Miquill Catering Ltd (John Paul II Multi-Academy Trust)	8,968.86	33,807.55

MANAGEMENT AND FINANCIAL PERFORMANCE

CONTRIBUTIONS RECEIVABLE BY EMPLOYER

ABM Catering Ltd (Leigh Trust)	30,240.71	104,719.05
Miquill Catering Ltd (The Cromwell Trust)	1,116.89	4,365.73
Coventry University College Limited	7,236.22	20,511.83
Mellors Catering Services Ltd (Star Acadmeies)	24,945.06	102,165.96
Lea Hall Academy - Forward Education Trust	24,752.77	103,216.44
High Point Academy - Forward Education Trust	14,790.64	49,697.40
Dolce Ltd (Hill Farm Primary)	3,685.02	14,002.85
Rufford Primary School - Invictus Education Trust	18,397.27	80,267.75
St Joseph's Catholic Primary School - St Teresa Of Calcutta MAC	18,578.62	124,468.25
St Chad's Catholic Primary School - St Teresa of Calcutta MAC	20,942.55	141,227.20
The Rosary Catholic Primary School - St Teresa Of Calcutta MAC	20,871.46	133,731.38
Leycroft Academy - Forward Education Trust	5,719.50	230,430.95
Innovate Services Limited (The Mercian Trust)	6,070.94	21,691.37
Birches Green Junior School - Robin Hood Multi-Academy Trust	21,002.68	92,942.76
Aspens Services (Whitecrest Primary)	1,591.95	5,747.14
Aspens Services (Aldermans Green)	857.82	2,882.33
Alliance In Partnership Ltd (St Patrick's Primary Academy)	966.09	3,821.13
Aspens-Services Ltd (North Birmingham Academy)	5,695.20	19,301.49
Coombs Catering Partnership Ltd (All Saints Multi-Academy Trust)	2,549.28	8,667.49
Brownhills West Primary School - Central Co-Operative Learning Trust	16,432.24	109,894.08
Thrive Education Partnership	17,809.86	43,420.69
BOA Stage and Screen Production Academy - Birmingham Ormiston Academy	4,722.06	13,154.56
St Mark's Catholic Primary School - The St John Bosco MAC	8,833.27	32,673.11
Equans Regeneration Ltd (BCC)	242,003.15	788,435.26
Accuro Fm Ltd (Leigh Trust)	17,351.29	60,290.66
Coventry University London Campus Limited	3,692.04	7,978.66
Compass Contract Services (UK) Ltd (St Thomas More Catholic School)	13,276.70	47,192.26
Dolce Ltd (Charter Primary School)	1,588.10	6,386.81
Dolce Ltd (Foxford Community School)	3,718.61	13,744.72
Alliance In Partnership Ltd (Aldermoor Farm Pri Sch)	939.51	3,484.91
Veolia ES (UK) Ltd (Solihull MBC)	23,171.13	79,933.68
Innovate Services Limited (Alderbrook School)	3,355.51	14,285.25
Penn Hall School - Amethyst Academies Trust	29,449.60	102,231.02
Mellors Catering Services Ltd (Central Co-Operative Learning Trust)	2,849.61	15,412.69
Christ Church CoFE Secondary Academy - Birmingham Diocesan Multi-Academy Trust	12,081.53	40,995.47
Miquill Catering Ltd (Ryder Hayes Academy)	252.95	860.05
Miquill Catering Ltd (Blue Coat CE Academy)	759.99	2,730.83
Boa Digital Technologies Academy - Birmingham Ormiston Academy Group	1,689.43	4,990.93
CU Apprenticeships (Better Futures) Limited	6,138.04	10,748.43
Daylesford Academy - Solihull Alternative Provision Academy	2,624.18	7,433.70
Atalian Servest Food Co Ltd (Holy Cross Mac)	1,441.91	6,317.89
Kings Norton Primary School - The Elliot Foundation Academies Trust	7,670.22	46,293.90
Elm Tree Primary Academy - Victoria Academies Trust	6,574.88	23,426.10
Holland House Infant School And Nursery - Broadleaf Partnership Trust	2,742.64	10,421.39
	143,715,355.33	315,612,749.27

INVESTMENT POLICY AND PERFORMANCE

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 its liabilities can be met.

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

During 2022/23 the Fund undertook its triennial valuation, funding and investment reviews. The valuation and funding review gave an opportunity to reduce the target level of return required from the Fund's assets to meet liabilities. As a result a new long-term asset allocation was agreed in March 2023, which has a lower level of expected investment risk than the current allocation. In determining the new strategy, the Fund also reassessed the economic landscape, risks and opportunities to derive the asset allocation that will best deliver on the Fund's long-term objectives.

Market Summary

The market value of the Fund's assets reduced from £20.2 billion at the start of the period to £19.6 billion at the end of the financial year. Equity markets experienced volatile performance. The economic impact of the Russian invasion of Ukraine saw the value of equities fall during the first half of the financial year, before recovering some ground towards the end of the period. The inflationary impact of the fiscal and monetary policies pursued during the pandemic together with the economic fallout of the pandemic and the conflict in Eastern Europe, resulted in central banks aggressively hiking interest rates. Long-term yields on government and other bonds rose rapidly, resulting in the Fund's fixed income assets falling in value.

We expect uncertainty to remain elevated in financial markets due to continued geopolitical tensions, as well as unpredictability around inflation and the response of governments and central banks.

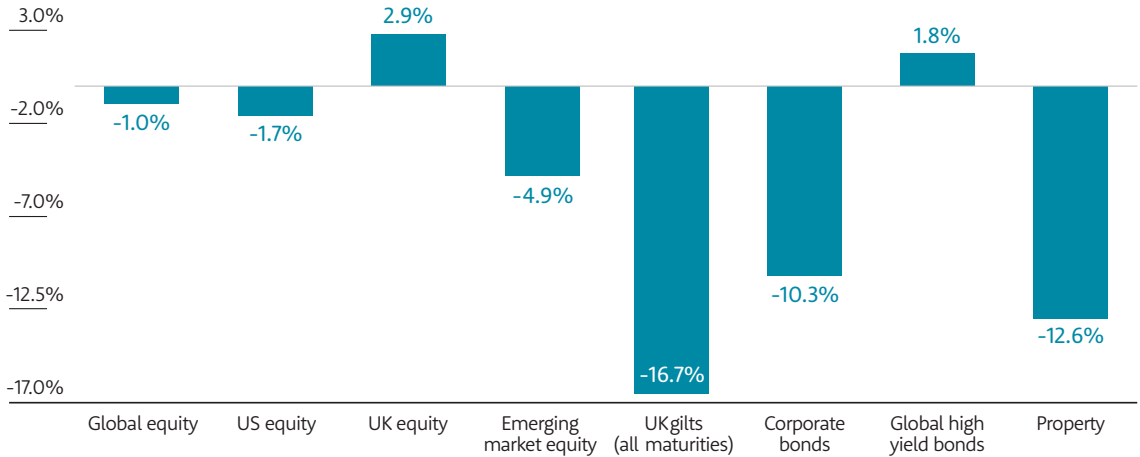
PAUL NEVIN
ASSISTANT DIRECTOR -
INVESTMENT STRATEGY



INVESTMENT POLICY AND PERFORMANCE

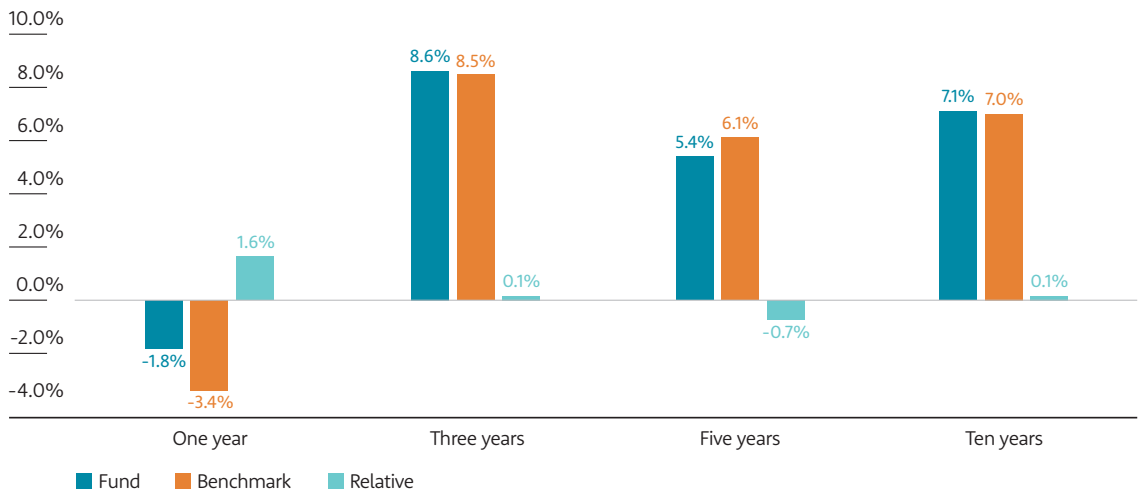
INVESTMENT PERFORMANCE

Market Returns Year Ending 31 March 2023



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 2023 - Main Fund



INVESTMENT POLICY AND PERFORMANCE

INVESTMENT PERFORMANCE

Longer-Term Summary

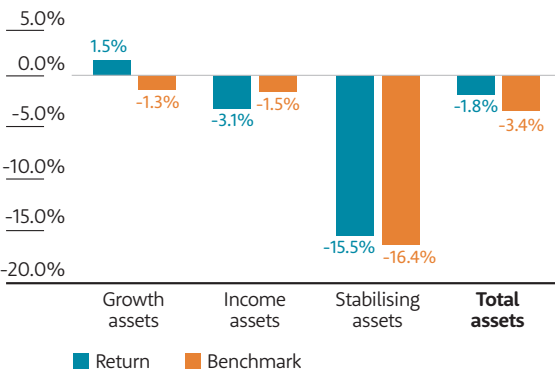
Annual returns over a longer period are shown in the chart below.

Annual Performance Versus Benchmark

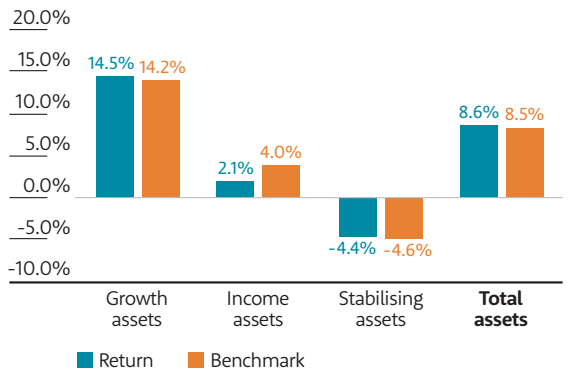


The following graphs illustrate the returns of the Fund's main asset classes for both the year and three years ended 31 March 2023 and compares them to relevant benchmarks.

One-Year Returns: Year Ended 31 March 2023



Three-Year Returns: Year Ended 31 March 2023

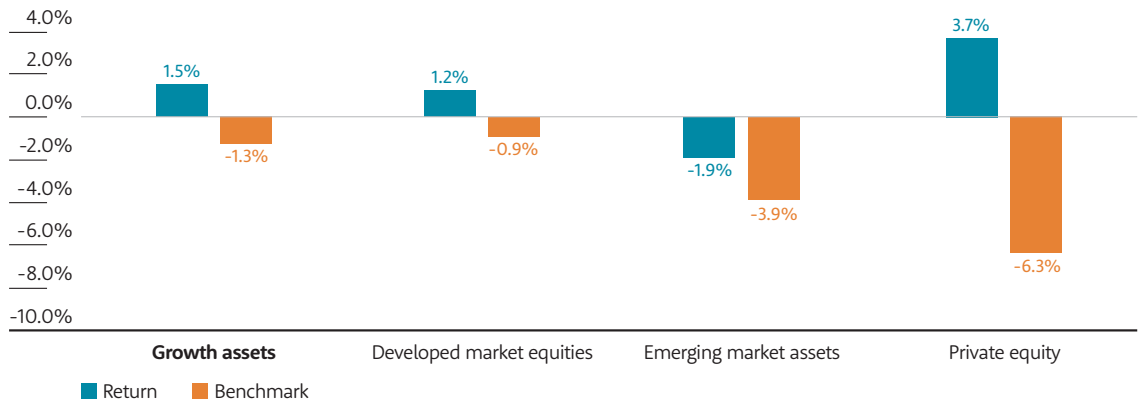


INVESTMENT POLICY AND PERFORMANCE

INVESTMENT PERFORMANCE

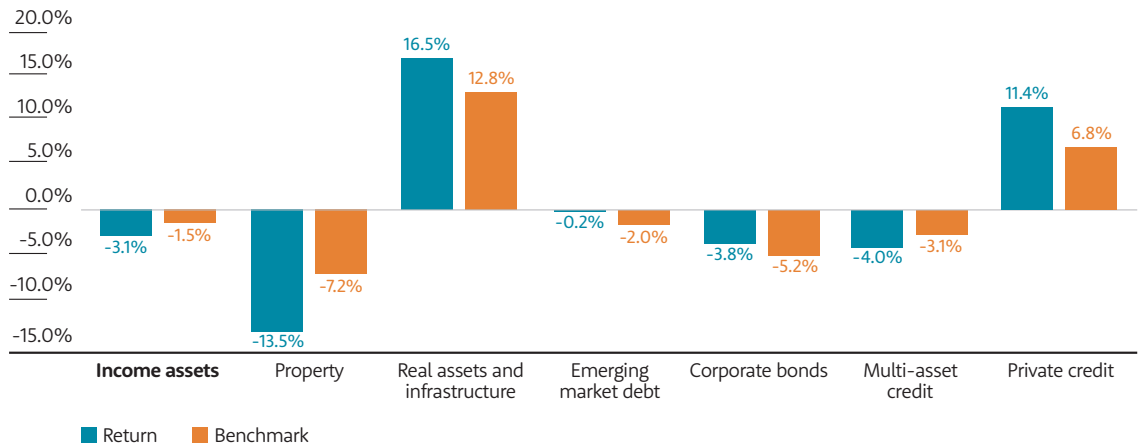
The graph below illustrates the returns of the main elements within the growth asset portfolio during the last financial year.

Growth Asset Returns - Year Ended 31 March 2023



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

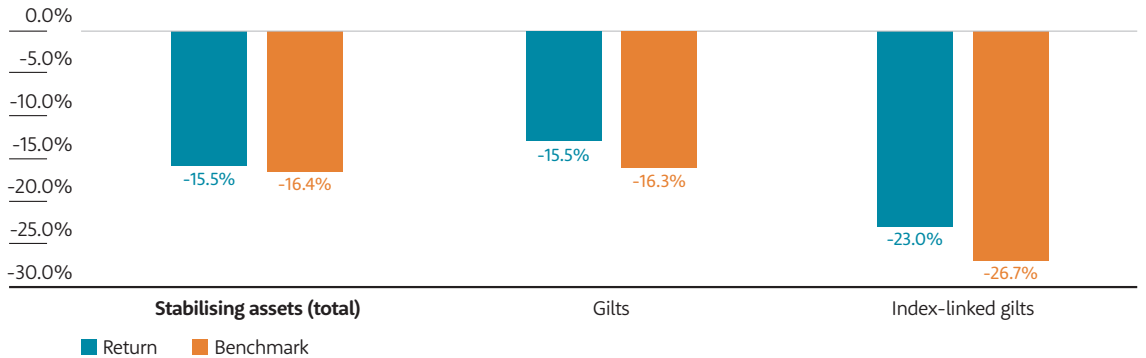
Income Asset Returns - Year Ended 31 March 2023



INVESTMENT POLICY AND PERFORMANCE

INVESTMENT PERFORMANCE

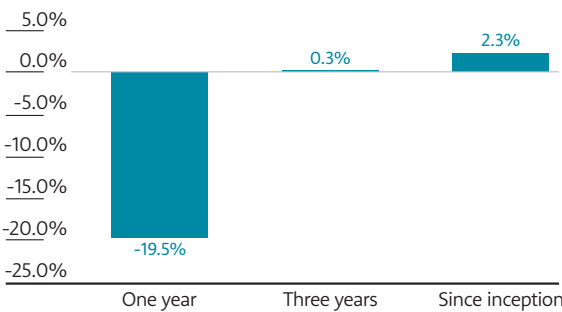
Stabilising Asset Returns - Year Ended 31 March 2023



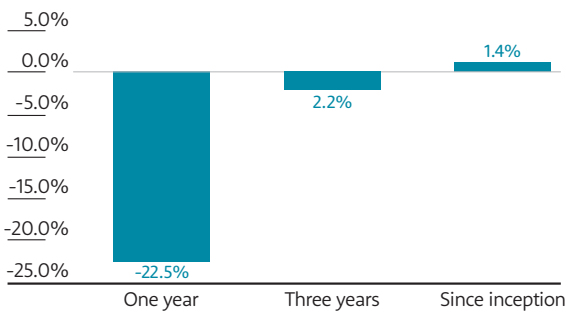
Performance Within the Separate Admission Body Sub-Funds

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 2023*



Preston Bus Performance to 31 March 2023*



* The benchmark for both WMTL & PBL is currently being reviewed and therefore no benchmark numbers have been provided. The negative performance experienced over the one year is predominantly driven by the allocations to fixed income and in particular the liability driven investment (LDI) mandates which saw large falls due to the substantial rise in gilt yields. The LDI allocations are expected to move in a similar fashion to the respective sub-funds' liabilities, stabilising the overall funding level within the admitted body sub-funds.

INVESTMENT POLICY AND PERFORMANCE

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 2023 compared with the strategic targets agreed by the Pensions Committee in operation during the financial year 2022/23.

Asset class	Value (£)*	Allocation (%)	Benchmark (%)	Long-term target	Benchmark vs target
Quoted equities	10,510,360,174	55%	48%	32%	17%
Private equity	1,473,511,786	8%	6%	5%	1%
Opportunistic	291,634,095	2%	2%	1%	1%
Total growth	12,275,506,056	65%	56%	38%	19%
Corporate bonds	1,010,505,475	5%	6%	9%	-3%
Multi-asset credit	655,428,855	3%	5%	4%	2%
Emerging market debt	715,489,874	4%	5%	3%	2%
Private debt	579,341,297	3%	1%	7%	-6%
Infrastructure	1,036,215,801	5%	7%	9%	-2%
Property	1,348,060,562	7%	9%	9%	0%
Liquid stable income	602,081,902	3%	2%	5%	-3%
Total income	5,947,123,766	30%	35%	46%	-10%
Government bonds	240,061,258	1%	3%	4%	-1%
Index-linked bonds	741,251,124	4%	6%	14%	-8%
Total stabilising	981,312,381	5%	9%	18%	-9%
Total	19,203,942,203	100%	100%	100%	

The current asset allocation benchmark referred to above reflects the basis of performance measurement over 2022/23. An investment strategy review was undertaken in 2023 and revised long-term Strategic Asset Allocation (SAA) targets were agreed and documented in the Fund's *Investment Strategy Statement* agreed by the Pensions Committee on 23 March 2023. The new targets reflect a decrease in allocation to liquid growth markets and an increase in allocation to Stabilising assets and Income assets. Allocations have been made to illiquid markets, including private debt and infrastructure. These allocations are building gradually and will further increase over 2023/24.

* Note the assets reported as part of the Main Fund Asset Allocation includes operational cash and additional capitalised expenditure of £31.7m and excludes cash held with CBRE, the Outstanding dividend entitlement and unquoted UK equities amounting to £25.7m.

INVESTMENT POLICY AND PERFORMANCE

ASSET ALLOCATION

The two separate admission body funds within the Fund have their own investment strategy and targets reflecting the closed membership status of these funds, supporting employer covenant and maturity of the liabilities:

Separate Admission Body Fund (WMTL)*

Asset class	Value (£)**	Allocation	Target	Allocation vs target
Equities	56,436,871	24%	8%	16%
Diversified growth funds	21,715,542	9%	0%	9%
Total growth	78,152,413	33%	8%	25%
Multi-asset credit	49,582,555	20%	19%	1%
Private debt	22,990,234	10%	29%	-19%
Corporate bonds	8,742,153	4%	16%	-12%
Total income	81,314,942	34%	64%	-30%
Liquid stable income	11,784,078	5%	0%	5%
LDI	65,484,737	28%	28%	0%
Total stabilising	77,268,815	33%	28%	5%
Total	236,736,170	100%	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 Fund (PBL)

Asset class	Value (£)**	Allocation	Target	Allocation vs target
Equities	1,752,139	12%	0%	12%
Total growth	1,752,139	12%	0%	12%
Multi-asset credit	4,017,438	28%	0%	28%
Corporate bonds	2,573,755	18%	40%	-22%
Total income	6,591,193	46%	40%	16%
Liquid stable income	1,373,931	9%	0%	9%
LDI	4,819,034	33%	60%	-27%
Total stabilising	6,192,965	42%	60%	-18%
Total	14,536,297	100%	100%	

** Note the assets reported as part of the Separate Admission Body Funds uses a commercial approach to the valuation treatment of the LDI where the overall position is £6.1m higher than the values reported within the Net Asset Statement.

INVESTMENT POLICY AND PERFORMANCE

TOP TWENTY FUND DIRECT QUOTED EQUITY HOLDINGS AS AT 31 MARCH 2023

1

Taiwan Semiconductor Manufacturing Co.
£123,187,022

2	AIA Group £74,668,700	3	Tencent Holdings £69,967,015
4	HDFC Bank £56,689,910	5	Alibaba Group Holding £55,047,010
6	iShares MSCI India ETF £50,054,091	7	Microsoft Corporation £48,800,289
8	Pantheon International £40,983,780	9	China Merchants Bank £39,563,125
10	Infosys £37,449,238	11	Ping An Insurance Group Co. of China £35,941,678
12	Jeronimo Martins £31,037,652	13	Haier Smart Home Co. £28,749,762
14	Reliance Industries £28,660,642	15	Samsung Electronics Co £27,175,486
16	Linde Plc £24,751,405	17	Axis Bank £24,533,297
18	Anheuser-Busch InBev SA/NV £23,611,466	19	Thermo Fisher Scientific Inc. £23,565,456
20	Visa Inc £23,023,388		

INVESTMENT POLICY AND PERFORMANCE

TOP TWENTY FUND HOLDINGS AS AT 31 MARCH 2023

1

LGPS Central All World Equity Climate
Multi Factor Fund (Class A Acc)

£2,801,897,950

- | | | | |
|----|---------------------------------------------------------------------------------------------------------|----|-------------------------------------------------------------------------------|
| 2 | LGPS Central Global Ex UK Passive Equity Fund (Class A Acc)
£2,152,417,018 | 3 | LGPS Central UK Passive Equity Fund (Class A Acc)
£1,246,054,200 |
| 4 | LGPS Central Global Equity Active Multi Manager Fund (Class A Acc)
£1,211,892,990 | 5 | Legal & General All Stocks Index-Linked Gilts Fund
£741,251,124 |
| 6 | LGPS Central Global Equity Dividend Growth Factor Fund (Class A Acc)
£626,926,814 | 7 | Capital International Emerging Market Debt Fund
£415,945,574 |
| 8 | CQS Multi Asset Credit Fund (Class E1)
£319,944,214 | 9 | Schroders All Maturities Corporate Bond Fund
£316,795,588 |
| 10 | LGPS Central Global Active Emerging Market Bond Fund
£299,544,300 | 11 | Aegon Global Short Dated Climate Transition Bond Fund
£292,519,315 |
| 12 | LGPS Central Global Multi Manager Multi-Asset Credit Fund
£278,280,000 | 13 | Schroders Focus II Private Credit Fund
£197,284,530 |
| 14 | LGPS Central Global Active Investment Grade Corporate Bond Multi Manager (A Acc)
£176,855,480 | 15 | LGPS Central Private Equity Co-Invest Partnership 2018
£149,974,883 |
| 16 | JP Morgan Infrastructure Investment Fund
£144,253,306 | 17 | Legal & General All Stocks Gilts Index Fund
£142,581,256 |
| 18 | LGPS Central Credit Partnership II LP
£142,040,758 | 19 | LGPS Central Credit Partnership IV LP
£134,646,289 |
| 20 | Olympus Growth Fund Parallel VII
£103,722,756 | | |

INVESTMENT POLICY AND PERFORMANCE

RESPONSIBLE INVESTMENT

Introduction

As long-term asset owners, the Fund believes that the integration of environmental, social and governance (ESG) factors is key to protecting and enhancing the value of the Fund's assets and, therefore, our members' existing and future pensions. The Fund aims to utilise its influence to partake in opportunities that contribute to positive change and support the

long-term sustainability of our people, society, and planet to achieve its core mission and purpose – creating sustainable futures for all.

Our approach to responsible investment is defined in our *Responsible Investment Framework*.

Key Highlights Over 2022/23

Net Zero

As long-term investors, climate change presents risks and opportunities that form a part of our critical thinking in the way we approach investment and our Fund's wider objectives and delivery themes including global influence and delivering for local people. We recognise the need to address climate change on a global scale. Climate-related risks are financially material; we acknowledge our role in ensuring the shift to a low carbon economy and ensuring a "just transition" for workers and communities, with the potential for substantial economic and social benefits.

Our *Climate Change Framework and Strategy* captures our aspirations to address and mitigate climate change including a 50% reduction in our investment portfolio's carbon emissions by 2030 and aiming to align to net zero by 2050 or sooner. Progress against these targets is disclosed annually in our *Climate-Related Financial Disclosures 2022* report.

In 2022 we:

- Renewed our net zero commitments, aligning with the [Paris Aligned Asset Owner Initiative \(PAAO\)](#), by publishing target disclosures aligned with the Institutional Investors Group on Climate Change (IIGCC).
- Committed £400m across a range of infrastructure opportunities including mandates specifically focussed on providing renewable energy and energy transition assets.
- Achieved a 25% reduction in carbon footprint across our listed equity portfolio from the 2019 baseline.

SHIVENTA SRIVANESAN
ASSISTANT DIRECTOR -
INVESTMENT MANAGEMENT
AND STEWARDSHIP



INVESTMENT POLICY AND PERFORMANCE RESPONSIBLE INVESTMENT

Key Highlights Over 2022/23

Strengthening Policy

The Fund reviews all its policies to ensure that our approach is consistent with industry best practice and guidelines to facilitate the delivery of real-world outcomes and meet our underlying fiduciary duty. This includes the strengthening of our *Voting Principles 2023* which placed higher expectations on ethnicity and diversity at board and senior management levels and the inclusion of biodiversity as a theme.

In May 2023, the Fund submitted its third *Annual Stewardship Report* to the Financial Reporting Council (FRC) highlighting the Fund's approach to the stewardship of its assets. Following our submission, we are pleased to announce that the FRC confirmed the Fund's continued signatory status to the UK Stewardship Code.

In 2022, the Fund achieved signatory status to the Principles of Responsible Investment (PRI) for its 2021 submission¹ aiming to assess investors' commitments and approach to responsible investment. The Fund achieved 4 to 5 stars across all its asset class scoring, outperforming the median score for all assessed modules.

¹No submission was required in 2022.

2022/23 Spotlight: West Midlands Co-Investment Fund

The Fund, alongside the West Midlands Combined Authority (WMCA), has launched a co-investment fund focused on accelerating regional growth in the West Midlands region by investing in innovative small to medium-sized enterprises. The co-investment fund aims to target companies in industries such as green technology, advanced manufacturing, life science and the digital sector.

Through this local partnership, the co-investment fund is estimated to secure up to 800 job opportunities while adding value to local businesses and securing our members' pensions and futures.

We are delighted that the Fund won the 'Investment Innovation Award' at the 2023 LAMP Investments Awards for its development of the West Midlands Co-Investment Fund.



INVESTMENT POLICY AND PERFORMANCE RESPONSIBLE INVESTMENT

Working in Partnership

The Fund believes that working collaboratively with like-minded investors and industry participants will accelerate the progress of outcomes, whether this pertains to influencing wider policy, addressing investee company risks, or solving real world issues.

Engagement is embedded into the Fund’s approach in the active stewardship of the assets held. To protect shareholder value, investee companies are engaged on a range of financially material ESG investment factors through external managers and through leveraging partnerships to build influence and scale. Over the year this included:

- EOS at Federated Hermes (stewardship providers contracted through LGPS Central)
- Local Authority Pension Fund Forum (LAPFF)
- Climate Action 100+ (CA100+)
- 30% Investor Group
- Rathbones ‘Votes Against Slavery’ Engagement

The Fund also recognises the importance of shaping the industry that we operate in to align with addressing the long-term issues that affect the value of the investments that we make. This includes the direction of policy, development of best practice and communication with peers to effectively deliver outcomes. Over the year, the Fund actively participated in:

- Institutional Investor Group on Climate Change (IIGCC)
- Transition Pathway Initiative (TPI)
- Occupational Pensions Stewardship Council (OPSC)
- Asset Owner Diversity Charter (AODC)
- Cross-Pool Responsible Investment Group with LGPS Central

Please refer to the Fund’s *Annual Stewardship Report* for more details on these engagement partners and initiatives.



INVESTMENT POLICY AND PERFORMANCE RESPONSIBLE INVESTMENT

Engagement Over the Year ¹²

Engagement took place with the Fund’s portfolio companies through LGPS Central’s engagement provider, EOS at Federated Hermes (“EOS”). EOS engages on a wide variety of ESG factors, often engaging on multiple topics with one company.

Here is a summary of the engagement in terms of issues and geography.

Australia and New Zealand

EOS engaged with **333** companies



Emerging and Developing Markets

EOS engaged with **108** companies



North America

EOS engaged with **291** companies



Global

EOS engaged with **1,247** companies



Developed Asia

EOS engaged with **240** companies



Europe

EOS engaged with **151** companies



United Kingdom

EOS engaged with **124** companies



¹Data from 30 March 2022 – 30 March 2023

²Note: Totals may not sum to 100% due to rounding.

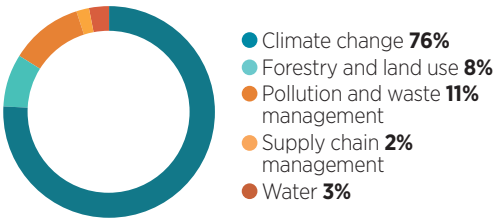
INVESTMENT POLICY AND PERFORMANCE RESPONSIBLE INVESTMENT

Engagement Over the Year

Over the year, EOS engaged on 4,282 engagement topics with 1,247 companies in the Fund's portfolio.

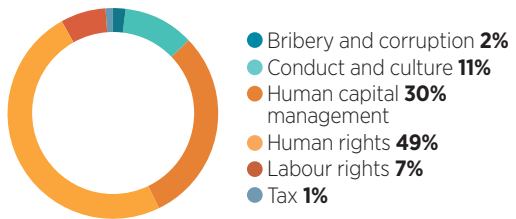
Environmental

Environmental topics featured in **1,484** engagements



Social

Social topics featured in **1,042** engagements



Governance

Governance topics featured in **1,249** engagements



Strategy, Risk and Communication

Strategy, risk and communication featured in **507** engagements



INVESTMENT POLICY AND PERFORMANCE RESPONSIBLE INVESTMENT

Voting Over the Year ¹²

The Fund carries out its right to vote by delegating the execution of votes to LGPS Central. LGPS Central votes in alignment with the Fund's Voting Principles, which set out the Fund's views and expectations with regards to voting.

Global

We voted at **2,769** meetings (**35,875** resolutions)



Australia and New Zealand

We voted at **136** meetings (**804** resolutions)



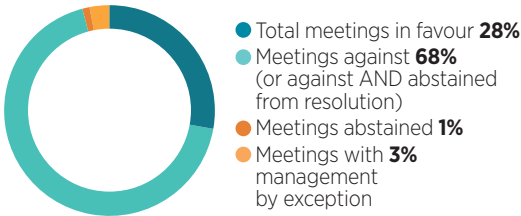
Developed Asia

We voted at **784** meetings (**8,201** resolutions)



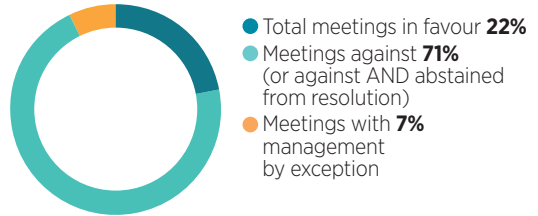
Emerging and Developing Markets

We voted at **240** meetings (**2,836** resolutions)



Europe

We voted at **549** meetings (**9,419** resolutions)



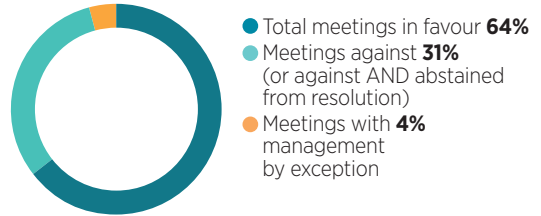
North America

We voted at **627** meetings (**7,781** resolutions)



United Kingdom

We voted at **433** meetings (**6,384** resolutions)



¹Data from 30 March 2022 – 30 March 2023

²Note: Totals may not sum to 100% due to rounding.

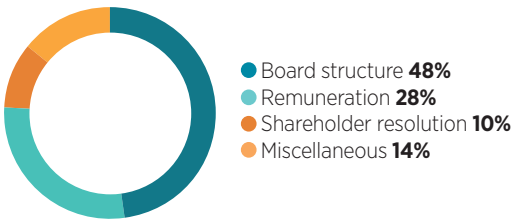
INVESTMENT POLICY AND PERFORMANCE RESPONSIBLE INVESTMENT

Voting Over the Year

We voted against management or abstained for the following votes:

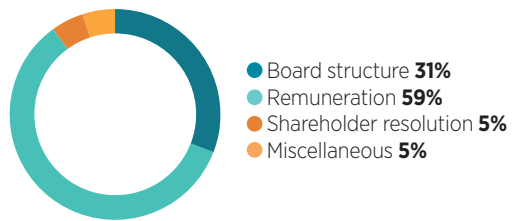
Global

We voted against or abstained on **5,270** resolutions



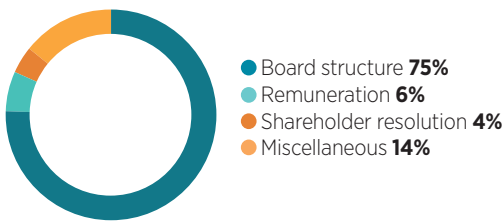
Australia and New Zealand

We voted against or abstained on **301** resolutions



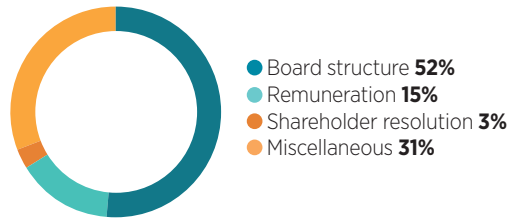
Developed Asia

We voted against or abstained on **1,064** resolutions



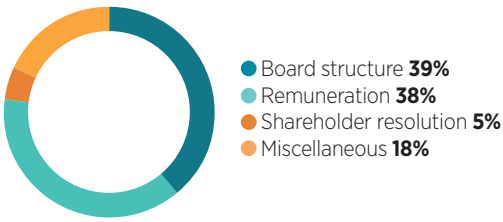
Emerging and Developing Markets

We voted against or abstained on **662** resolutions



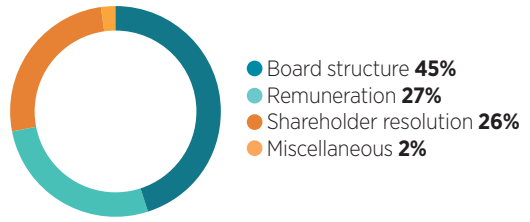
Europe

We voted against or abstained on **1,533** resolutions



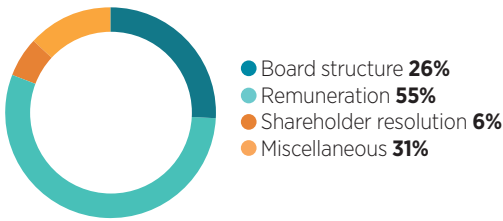
North America

We voted against or abstained on **1,455** resolutions



United Kingdom

We voted against or abstained on **253** resolutions



Data from 30 March 2022 – 30 March 2023

INVESTMENT POLICY AND PERFORMANCE

ASSETS HELD AS AT 31 MARCH 2023

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 circa 230 stocks.

2) Equities Fund

- LGPS Central All World Equity Climate Multi Factor Fund
- LGPS Central Global Equity Dividend Growth Factor Fund
- LGPS Central Global Ex UK Passive Equity Fund
- LGPS Central Global Equity Active Multi Manager Fund
- LGPS Central UK Equity Passive Fund
- 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

3) Specialist Vehicles

Real Assets and Infrastructure

- Alterna Core Capital Asset Fund
- AMP Capital Asian Giants Infrastructure Fund
- Black River Agriculture Fund 2
- Blackrock (First Reserve) Energy Infrastructure Fund
- Columbia Threadneedle ESIF Feeder Vehicle 1 SCSp
- EISER Infrastructure Capital Equity Partners
- EQT Infrastructure Fund
- Global Infrastructure Partners
- Goldman Sachs International Infrastructure Fund
- Gresham House BSI - West Midlands PF
- Gresham House BSI Housing LP
- Gresham House BSI Infrastructure LP
- Hg Renewable Power Partners
- Impax Energy
- Impax New Energy Fund II

- Infracapital Partners
- Innisfree PFI Secondaries
- Insight Global Farmland Fund
- JP Morgan IIF
- JPMorgan Asian Infrastructure & Related Resources Opportunity Fund
- LGPS Central Core/Core Plus Infrastructure Partnership LP
- LGPS Central Value Add/Opportunistic Infrastructure Partnership LP
- PIP Dalmore
- EDF Windfarm
- PIP Multi Strategy Infrastructure 2-5%
- PIP Multi Strategy Infrastructure PPP
- Red Funnel
- SteelRiver Infrastructure Fund North America
- Thames Tideway
- Waste Resources Fund
- Welcome Break

Absolute Return/Opportunistic

- Cairn Pathfinder Fund I
- CATco Series A sub 41SP 2019
- CATco Sub 3 SP 2018
- CEMOF II Master Co-Investment Partners
- Coriolis Horizon Fund Class E
- Credit Suisse IRIS Fund S01 - SO4 Side Pockets
- Dorchester Capital Secondaries Offshore Fund IV
- Dorchester Capital Secondaries Offshore Fund V
- Help to Own
- Finance Birmingham Ltd
- Frontier Development Capital
- Frontier Development Capital Debt Fund

Indirect Property

- AEW European Property Investors Special Opportunities Fund
- Beacon Capital Strategic Partners VI
- Blackrock Residential Opportunities Fund
- Bluehouse Accession Property III
- Bridges Property Alternatives III
- Bridges Property Alternatives IV
- Bridges Sustainable Property Fund Unit Trust
- Dune Real Estate Fund II
- Hearthstone Residential Fund
- Igloo Regeneration Partnership
- Kames Capital Property Unit Trust
- Kames Capital UK Active Value Unit Trust II
- Mansford UK Feeder A
- Morgan Stanley AIP Phoenix Fund

- Newcore Strategic Situations IV LP
- North Haven Real Estate Fund VII
- Phoenix Asia IV Limited
- Phoenix Asia V Ltd
- Rockspring Peripheral Europe Ltd (PELP)
- RREEF European Value Added Fund
- Silk Road Asia Value Partners
- Vision Brazil Real Estate Opportunities Fund II

Private Equity

The Fund has investments in the following:

- Advent Ventures Life Sciences Fund
- Advent Ventures Life Sciences Fund II
- Altor Fund III, L.P.
- Apax Europe VII, L.P.
- ASOF II Feeder Fund
- Astorg IV
- Atomico Ventures II
- Axiom Asia PCF II
- BC European Capital VII
- BlackRock Private Opportunities Fund IV
- Blackstone Capital Partners VI, L.P.
- Bomgar
- Bridgepoint Europe III
- Bridgepoint Europe IV
- Bridgepoint Europe V
- Bridges Community Ventures
- Bridges Ventures III
- Capital Dynamics Asia
- Carlyle Asia Partners III, L.P.
- Carlyle Asia Partners IV, L.P.
- Carlyle Asia Partners V, L.P.
- Carlyle Europe Partners IV
- Carlyle Partners V, L.P.
- Carlyle Partners VI, L.P.
- Chicago Growth Partners II, L.P.
- Clayton, Dubilier & Rice VIII, L.P.
- Cressey & Company Fund IV, L.P.
- DCM VI, L.P.
- Dominus Capital Partners
- Doughty Hanson & Co. Fund III, L.P.
- Doughty Hanson & Co. IV, L.P.
- Doughty Hanson & Co. Tech II, L.P.
- ECI 8, L.P.
- Eduko
- Epiris Fund II
- Exponent PEP II
- Francisco Partners V, L.P.
- Francisco Partners III, L.P.
- Graphite Capital Partners VII
- Graphite Capital Partners VIII
- Graphite IX
- HarbourVest Partners VIII - Venture
- HG Capital 6
- HG Capital 8
- HIPEP V-Asia Pacific & RoW

INVESTMENT POLICY AND PERFORMANCE

ASSETS HELD AS AT 31 MARCH 2023

- HIPEP VI - Emerging Markets
 - HIPEP VI-Asia Pacific Fund
 - IK VII
 - I-MED
 - Industry Ventures Fund V, L.P.
 - Industry Ventures VI, L.P.
 - Key Capital Partners IV
 - Key Capital Partners VI
 - Khosla Ventures
 - Lexington Middle Market Investors II, L.P.
 - LGPS Central Co-Investment 2018
 - LGPS Central Co-Investment 2021
 - LGPS Central PE Primary
 - LGPS Central PE Primary 2021
 - Madison Dearborn Capital Partners VI, L.P.
 - Menlo Ventures XI, L.P.
 - MVM Fund III, L.P.
 - New Enterprise Associates 13, L.P.
 - New Leaf Ventures II, L.P.
 - Newbury Equity Partners II
 - Olympus Growth Fund VI, L.P.
 - Olympus Growth Fund VII AIV (Cayman), L.P.
 - Olympus Growth Fund VII, L.P.
 - Opus Capital VI
 - Pantheon Asia Fund V
 - Pantheon Global Secondary Fund III, L.P.
 - Pantheon USA Fund
 - Pantheon USA Fund II
 - Pantheon USA Fund III, L.P.
 - Permira V
 - Permira VI, L.P.
 - Pflugsten Partners IV
 - Pomona Capital VII, L.P.
 - Pomona Co-Investment Fund
 - Quadriga Capital Private Equity Fund III, L.P.
 - Scottish Equity Partners IV
 - SEP V
 - TA Atlantic & Pacific VI
 - The Triton Fund III
 - Unigestion Direct Opps 2015
 - Unigestion Secondary Opp II
 - Vestar Capital Partners V, L.P.
- LGPS Central Global Active Investment Grade Corporate Bond Multi Manager Fund (A Acc)
 - Schroders All Maturities Corporate Bond Fund
- Income: Multi-Asset Credit**
- CQS Credit Multi-Asset Fund (Class Ei)
 - LGPS Central Global Active Multi Asset Credit (MAC) Multi Manager Fund (A Acc)
- Income: Emerging Market Debt**
- Capital International Emerging Market Debt Fund
 - LGPS Central Global Active Emerging Market Bond Multi Manager Fund (A Acc)
- Income: Diversified Private Credit**
- LGPS Central Credit Partnership I LP
 - LGPS Central Credit Partnership II LP
 - LGPS Central Credit Partnership III LP
 - LGPS Central Credit Partnership IV LP
 - Schroders Focus II Fund
 - Schroders Focus III Fund
- Stabilising: Government Bonds**
- Legal & General Overseas Bond Index Fund
- Stabilising: Index-Linked Bonds**
- Legal & General All Stocks Index-Linked Gilt Index Fund
- Stabilising: Low Risk Corporate Bonds**
- RLAM Segregated Mandate
- Stabilising: Other Fixed Interest**
- Goldman Sachs Mezzanine Partners V Offshore, LP
 - Highbridge Speciality Loan Fund III LP
 - Newton Global Dynamic Bond Fund
 - Park Square Capital Partners II, LP
- London Park Royal
 - Horsham (Parsonage Way)
 - London Powergate Business
 - London (Waxlow Road)
 - London Medway - Commercial Park
 - Southampton Unit 43 Nursling Industrial
 - Southampton (Canberra Rd)
 - Weybridge (Brooklands)
 - Basingstoke (W.H Ind Est)
- Offices**
- Bath (Manvers St)
 - Birmingham (Colmore Row)
 - Birmingham (St Philips Place)
 - Birmingham (Newhall St)
 - Bristol (1 Rivergate)
 - Edinburgh (Citypoint)
 - Leeds (City Point)
 - London (Wardour St)
 - London (Southwest House)
 - London (Whitfield Street)
 - Reading (Thames Valley)
- Retail Warehouses**
- Bristol (Longwell Green)
 - Hayes (Uxbridge Road Retail park)
 - Pontefract (Racecourse Retail park)
 - South Ealing (Wickes)
 - Sydenham (Bell Green)
- Retail**
- Bury St Edmunds (Arc)
 - Glasgow (Buchanan Street)
 - High Wycombe Sytner Car Showroom
- Supermarket**
- Birmingham (Great Barr)
 - Morrisons Wood Green
- Student Accommodation**
- University of York

4) Direct Property Holdings

The Fund has investments in the following:

Agricultural

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

Industrial

- Birmingham, Merlin Park
- Birmingham (Midpoint Park)
- Birmingham (Alliance Unit)
- Bristol (Kingswood Industrial Estate)
- Coventry Ryton on Dunsmore (Network Rail DC)
- Hayes (Elystan Business Centre Unit)

Fixed Interest

Income: Corporate Bonds

- Aegon Global Short Dated Climate Transition Fund
- Legal & General Active Corporate Bond - All Stocks Fund
- Legal & General Investment Grade Corporate Bond - All Stocks Index Fund

ACTUARIAL STATEMENT FOR 2022/23

This statement has been prepared in accordance with Regulation 57(1)(d) of the Local Government Pension Scheme Regulations 2013. It has been prepared at the request of the administering authority of the Fund for the purpose of complying with the aforementioned regulation.

Description of Funding Policy

The funding policy is set out in the Administering Authority's *Funding Strategy Statement (FSS)*, dated March 2023. In summary, the key funding principles are as follows:

- to take a prudent long-term view of funding 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.
- 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.
- to ensure that pension benefits can be paid as and when they fall due over the lifetime of the Fund.
- to set levels of employer contribution rates to target an appropriate funding level over a relevant 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.

The FSS sets out how the administering authority seeks to balance the conflicting aims of securing the solvency of the Fund and keeping employer contributions stable. For employers whose covenant was considered by the administering authority to be sufficiently strong, contributions have been stabilised to have a sufficiently high likelihood of achieving the funding target over 17 years. Asset-liability modelling has been carried out which demonstrate that if these contribution rates are paid and future contribution changes are constrained as set out in the FSS, there is at least a 70% likelihood that the Fund will achieve the funding target over 17 years.

Funding Position as at the Last Formal Funding Valuation

The most recent actuarial valuation carried out under Regulation 62 of the Local Government Pension Scheme Regulations 2013 was as at 31 March 2022. This valuation revealed that the Fund's assets, which at 31 March 2022 were valued at £20,334 million, were sufficient to meet 103% of the liabilities (i.e. the present value of promised retirement benefits) accrued up to that date. The resulting surplus at the 2022 valuation was £679 million.

Each employer had contribution requirements set at the valuation, with the aim of achieving their funding target within a time horizon and likelihood measure as per the FSS. Individual employers' contributions for the period 1 April 2023 to 31 March 2026 were set in accordance with the Fund's funding policy as set out in its FSS.

Principal Actuarial Assumptions and Method Used to Value the Liabilities

Full details of the methods and assumptions used are described in the 2022 valuation report and FSS.

Method

The liabilities were assessed using an accrued benefits method which takes into account pensionable membership up to the valuation date; and makes an allowance for expected future salary growth to retirement or expected earlier date of leaving pensionable membership.

ACTUARIAL STATEMENT FOR 2022/23

Assumptions

A market-related approach was taken to valuing the liabilities, for consistency with the valuation of the Fund assets at their market value.

The key financial assumptions adopted for the 2023 valuation were as follows:

Financial assumptions	31 March 2023
Discount rate	4.75%
Salary increase assumption	4.00%
Benefit increase assumption (CPI)	3.00%

The key demographic assumption was the allowance made for longevity. The life expectancy assumptions are based on the Fund's VitaCurves with improvements in line with the CMI 2021 model, with a 0% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long term rate of 1.50% p.a. Based on these assumptions, the average future life expectancies at age 65 are as follows:

	Males	Females
Current pensioners	20.7 years	23.7 years
Future pensioners*	21.6 years	25.1 years

*Aged 45 at the 2022 Valuation.

Copies of the 2022 valuation report and *Funding Strategy Statement* are available on request from the administering authority to the Fund and on the Fund's website.

Experience Over the Period Since 31 March 2022

Markets continued to be disrupted by the ongoing war in Ukraine and inflationary pressures, impacting on investment returns achieved by the Fund's assets. High levels of inflation in the UK (compared to recent experience), have resulted in a higher than expected LGPS benefit increase of 10.1% in April 2023. Despite this, the funding level of the Fund is likely to be higher than reported at the 31 March 2022 funding valuation due to the significant rise in interest rates which reduces the value placed on the Fund's liabilities.

The next actuarial valuation will be carried out as at 31 March 2025. The *Funding Strategy Statement* will also be reviewed at that time.

Tom Hoare FFA

Date: 5 June 2023

For and on behalf of Hymans Robertson LLP

STATEMENT OF ACCOUNTS

FOR THE YEAR ENDING
31 MARCH 2023



32,062	30,653	25,4
112,000	92,756	96,
255,000	175,416	24,
35,260	28,445	3
434,322	327,270	3
500,000	400,000	
350,000	200,000	
850,000	600,000	
1,284,322	927,270	
10,000,000	10,000,000	
1,000,000	1,000,000	
165,000	165,000	

Independent Auditor's Statement to the Members of City of Wolverhampton Council on the Pension Fund Financial Statements of West Midlands Pension Fund Included Within the Pension Fund Annual Report and Accounts

Opinion

We have examined the pension fund financial statements of West Midlands Pension Fund (the 'pension fund') for the year ended 31 March 2023 included within the pension fund Annual Report and Accounts, which comprise the Fund Account, the Net Assets Statement, and the notes to the pension fund statements, including the summary of significant accounting policies.

In our opinion, the pension fund financial statements are consistent, in all material respects, with the audited financial statements of City of Wolverhampton Council for the year ended 31 March 2023 and comply with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

Respective Responsibilities of the Deputy Chief Executive and the Auditor

As explained more fully in the Statement of Responsibilities, the Deputy Chief Executive is responsible for the preparation of the pension fund's financial statements in accordance with applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

Our responsibility is to state to the members of City of Wolverhampton Council our opinion on the consistency of the pension fund financial statements within the pension fund Annual Report and Accounts with the financial statements of City of Wolverhampton Council.

We also read the other information contained in the pension fund annual report and accounts and consider the implications for our statement if we become aware of any apparent misstatements or material inconsistencies with the pension fund financial statements. The other information comprises the information included in the pension fund annual report and accounts, other than the pension fund financial statements and our auditor's statement thereon.

We conducted our work in accordance with Auditor Guidance Note 07 – Auditor Reporting, issued by the National Audit Office. Our report on the financial statements of City of Wolverhampton Council describes the basis of our opinion on those financial statements.

Use of this Auditor's Statement

This statement is made solely to the members of City of Wolverhampton Council, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our work has been undertaken so that we might state to the members of City of Wolverhampton Council those matters we are required to state to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than City of Wolverhampton Council and the members of City of Wolverhampton Council, as a body, for our work, for this statement, 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: 1 May 2024

STATEMENT OF ACCOUNTS

FOR THE YEAR ENDING 31 MARCH 2023

FUND ACCOUNT

2021/22 £m		Note	2022/23 £m
Contributions & Benefits			
420.1	Contributions receivable	8	451.8
19.1	Transfers in	9	19.7
13.2	Other income	10	13.0
452.4	Total contributions and other income		484.5
(673.4)	Benefits payable	11	(722.7)
(34.8)	Payments to and on account of leavers	12	(40.9)
(0.2)	Other payments		-
(708.4)	Total benefits and other expenditure		(763.6)
(256.0)	Net additions/(withdrawals) from dealings with members		(279.1)
(117.8)	Management expenses	13	(110.1)
Returns on Investments			
84.4	Investment income	14	78.2
1,719.6	Changes in value of investments	16	(355.4)
(11.0)	Revaluation of bulk annuity insurance buy-in contract	17	(42.0)
1,793.0	Net return on investments		(319.2)
1,419.2	Net increase/(decrease) in the Fund during the year		(708.4)
18,915.2	Net assets of the Fund at the beginning of the year		20,334.4
20,334.4	Net assets of the Fund at the end of the year		19,626.0

STATEMENT OF ACCOUNTS

FOR THE YEAR ENDING 31 MARCH 2023

NET ASSETS STATEMENT

31 March 2022 £m	Note	31 March 2023 £m
Investment Assets (at Market Value)	15	
563.7 Bonds		215.3
57.2 UK equities		43.0
2,539.7 Overseas equities		2,389.4
15,049.1 Pooled investment vehicles		15,121.9
1,142.8 Property		1,007.9
12.3 Derivatives – Futures		–
2.6 Derivatives – Swaps		–
617.0 Foreign currency holdings		114.0
136.4 Cash deposits		548.4
16.6 Other investment assets		–
6.4 Outstanding dividend entitlement and recoverable withholding tax		5.7
20,143.8 Investment assets		19,445.6
Investment Liabilities (at Market Value)	15	
(7.4) Derivatives – Forward foreign exchange		–
– Derivatives – Swaps		(2.4)
(7.4) Investment liabilities		(2.4)
20,136.4 Net investment assets		19,443.2
174.0 Bulk annuity insurance buy-in contract	17	118.0
11.4 Long-term debtors	19	6.0
45.0 Current assets	20	82.2
(32.4) Current liabilities	21	(23.4)
20,334.4 Net assets of the Fund at the end of the year		19,626.0

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.

STATEMENT OF ACCOUNTS

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 2023, the Fund had 804 actively participating employers and 345,241 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 2022 No.		31 March 2023 No.
112,431	Active members	113,854
114,897	Pensioner members	115,725
111,263	Deferred members	115,662
338,591	Total	345,241

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 2022/23. Membership of the Committee and Board can be found on the City of Wolverhampton Council website: <https://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 Local Government Pension Scheme (LGPS) Regulations 2013 and range from 5.5% to 12.5% of pensionable pay for the financial year ending 31 March 2023. In addition to employee contributions, employers' contributions are paid as set based on triennial actuarial funding valuations. The triennial actuarial valuation applicable to contributions payable in relation to contribution rates payable for 2021/22 and 2022/23 was conducted at 31 March 2019. Employer contribution rates during 2022/23 ranged from 15.5% to 38.6% of pensionable pay.

Scheme-wide benefit changes were made with effect from April 2014, with the most material change moving from an accrual of pensions based 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.

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Further to direction from the 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 has been in operation since 1 April 2018.

As at 31 March 2023, WMPF had assets of £9,575m managed in LGPSC sub-funds comprising £8,794m managed through Authorised Contractual Scheme (ACS) sub-funds and a further £781.5m managed through vehicles.

Additions and changes to LGPS Central Limited sub-funds continue to be made in collaboration with LGPS Central investment asset pool Partner Funds. WMPF continues to engage in the development and review of sub-funds, taking decisions to transition assets on a case-by-case basis dependent on sub-funds meeting the strategic asset allocation and risk and return 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 several advisory arrangements in place with LGPSC to support with monitoring and oversight of investments outside of LGPSC sub-funds which may also facilitate execution on the underlying assets of legacy portfolios managed directly by the Fund. The advisory mandates are regularly reviewed and are expected to reduce but remain in place for some time due to the illiquid nature of the underlying investments and the cost effectiveness of transition.

Note 2 - Basis of Preparation

The Statement of Accounts summarises the Fund's transactions for the 2022/23 financial year and its financial position as at 31 March 2023. The accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (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.

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.

b) Contribution income

Normal contributions, both from the members and from the employers, are accounted for on an accruals basis. Member contributions are made in accordance with the LGPS (Amendment) Regulations 2018 using common percentage rates for all schemes which rise according to pensionable pay. Employer contributions are set at the percentage rate recommended by the Actuary, in the payroll period to which they relate.

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NOTES TO THE PENSION FUND STATEMENTS

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 remittance advice 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 2023, 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. Bulk transfers in and out, where the receiving scheme has agreed to accept the liability prior to receipt and the necessary employee consents have been obtained, are accounted for in accordance with the bulk transfer terms signed by qualified actuaries appointed by the two pension schemes involved in the bulk transfer.

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 (income) from pooled funds are recognised at the date of issue. Investment income arising from the underlying investments of pooled investment vehicles is distributed back into the pooled investment vehicles throughout the year.

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

STATEMENT OF ACCOUNTS

NOTES TO THE PENSION FUND STATEMENTS

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 2023. Any amounts due but unpaid are disclosed in the Net Assets Statement as current liabilities.

g) Financial assets

Financial assets are included in the Net Assets Statement on a fair value basis as at the reporting date with some financial assets held at amortised cost where this is appropriate. 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 fair value is established in accordance with IFRS 13 for each category of investment by obtaining sufficient data as follows:

- i) Market-quoted investments are valued on the basis of the bid price (or, if unavailable, most recent transaction) on the relevant stock market. Fixed interest securities are recorded at net market value based on their current yields;
- ii) Unquoted securities are valued by the Fund managers at the year-end in accordance with generally accepted guidelines. Unquoted private equities are valued by the investment managers in accordance with International Private Equity and Venture Capital Valuation Guidelines (2022) using guidelines of the British Venture Capital Association. This includes the use of discounted cash flow models which are independently valued; and

- ii) Pooled investment vehicles are valued at the closing price under single pricing system, or bid price under dual pricing system, as advised by the respective fund manager.

Investment assets are allocated and disclosed within the fair value hierarchy, being within Levels 1, 2 or 3. The LGPS Central pool trading company, LGPS Central Limited, became licensed to trade on 1 April 2018. The Pension Fund's view is that as at 31 March 2023, cost remains an appropriate estimate of the fair value of shares held in this company.

h) Freehold and leasehold properties

Properties including farmlands and commercial properties are valued annually by independent valuers on a fair value basis in accordance with Royal Institute of Chartered Surveyors (RICS) valuation standards.

i) Foreign currencies

Assets and liabilities in foreign currencies are expressed in sterling at the rates of exchange ruling at the year-end. Foreign currency transactions are translated into sterling at the spot exchange rate at the date of the transaction. Gains and losses arising on conversion or translation are accounted for as part of the change in market value.

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 and swap contract settlements are reported as gross receipts and payments.

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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

Financial liabilities are included in the Fund Account at fair value if they exist at the reporting date with some liabilities held at amortised cost where this is appropriate. 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 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.

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 6).

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).

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NOTES TO THE PENSION FUND STATEMENTS

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 2022/23.

Note 5 - Assumptions Made About the Future and Other Major Sources of Estimation Uncertainty

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 applied to future benefit payments due, the rate at which salaries and pensions are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. Hymans Robertson LLP, the Fund's appointed Actuary, is 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 Actuary below:

Change in assumptions - year ended 31 March 2023	Approx. % increase in liabilities	Approx. monetary value £m
0.1% p.a. decrease in discount rate	2%	350.0
1 year increase in member life expectancy	4%	791.0
0.1% p.a. increase in salary increase rate	0%	39.0
0.1% p.a. increase in CPI inflation	2%	316.0

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.

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/understated in the accounts. The total value of Level 3 investments is £4,698.1m at 31 March 2023 (£4,417.2m at 31 March 2022). 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 previous Actuary, G Muir of Barnett Waddingham LLP, as part of the triennial actuarial valuation of the Fund made as at 31 March 2019. The triennial actuarial valuation of the Fund as at 31 March 2022, undertaken by the Fund's current Actuary, C McFadyen of Hyman Robertson LLP, has determined the contribution rates applicable for the period 1 April 2023 to 31 March 2026 and funding position at 31 March 2022.

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NOTES TO THE PENSION FUND STATEMENTS

On the basis of the assumptions adopted, the 2019 valuation revealed that the value of the Fund's assets of £15,634m represented 94% of the funding target of £16,648m 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 £15.0m (£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 £14.0m	18.1% plus £14.6m	20.0% plus £6.8m (£28.8m)	20.0% plus £7.1m	20.0% plus £7.3m

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NOTES TO THE PENSION FUND STATEMENTS

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:

	2022	2019
Rate of return on investments	4.3% per annum	4.6% per annum
Rate of pay increases	3.9% per annum	3.6% per annum
Rate of increases in pensions in payment (in excess of guaranteed minimum pension)	2.9% per annum	2.6% per annum

The assets were assessed at market value.

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

The 31 March 2022 Actuarial Valuation report can also be found on the Fund's website with the results of this report implemented from 1 April 2023.

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 2022	31 March 2023
Rate of return on investments (discount rate)	2.70% per annum	4.75% per annum
Rate of pay increases:	4.20% per annum	4.00% per annum
Rate of increases in pensions in payment (in excess of guaranteed minimum pension):	3.20% per annum	3.00% per annum

The following demographic assumptions on average future life expectancies at age 65 are summarised below:

31 March 2023	Males	Females
Current pensioners	20.7 years	23.7 years
Future pensioners (assumed to be 45 at the valuation date)	21.6 years	25.1 years

31 March 2022	Males	Females
Current pensioners	21.1 years	23.9 years
Future pensioners (assumed to be 45 at the valuation date)	22.0 years	25.4 years

The total value of the Fund's promised retirement benefits for the purposes of IAS 26 as at 31 March 2022 was estimated as £27,503m. The impact of the changes in actuarial financial assumptions between 31 March 2022 and 31 March 2023 as described above is to decrease the liabilities by £7,560m. The impact of the change in demographic assumptions between 31 March 2022 and 31 March 2023 is to decrease the actuarial present value by £172m.

The net effect of all the above is that the estimated total value of the Fund's promised retirement benefits as at 31 March 2023 is therefore £19,771m.

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NOTES TO THE PENSION FUND STATEMENTS

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 benefiting 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

2021/22 £m		2022/23 £m
	From employers	
228.1	Contributions	249.9
43.3	Past service deficit	45.9
15.8	Additional cost of early retirement	12.3
287.2		308.1
	From members	
132.3	Basic contributions	143.0
0.6	Additional contributions	0.7
132.9		143.7
420.1	Total contributions	451.8

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

2021/22 £m		2022/23 £m
32.3	Administering authority	36.0
344.4	Other scheduled employers	370.2
43.4	Admitted employers	45.6
420.1	Total	451.8

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NOTES TO THE PENSION FUND STATEMENTS

Note 9 – Transfers In

2021/22 £m		2022/23 £m
	From employers	
19.1	Individual transfers	19.7
19.1	Total	19.7

Note 10 – Other Income

2021/22 £m		2022/23 £m
	Benefits recharged to employers	
6.9	Compensatory added years	6.6
6.3	Pensions increases	6.4
13.2	Total	13.0

Note 11 – Benefits Payable

Benefits payable by type

2021/22 £m		2022/23 £m
	Pensions	
510.3	Retirement pensions	538.7
34.8	Widows' pensions	36.3
1.1	Children's pensions	1.2
7.2	Widowers' pensions	8.0
0.2	Ex-spouses' pensions	0.3
0.2	Equivalent pension benefits	0.2
0.4	Cohabiting partners' pensions	0.5
0.1	Civil partnership	0.2
0.1	Amounts due to estate	-
554.4	Total pensions	585.4
	Lump sum benefits	
102.9	Retiring allowances	117.9
16.1	Death grants	19.4
119.0	Total lump sum benefits	137.3
673.4	Total benefits payable	722.7

Benefits payable by employer

2021/22 £m		2022/23 £m
52.4	Administering authority	54.9
564.4	Other scheduled employers	606.3
56.6	Admitted employers	61.5
673.4	Total	722.7

Note 12 – Payments To and On Account of Leavers

2021/22 £m		2022/23 £m
32.7	Individual transfers	38.7
2.1	Refunds of contributions	2.2
34.8	Total	40.9

Note 13 – Management Expenses

2021/22 £m		2022/23 £m
7.3	Administrative costs	10.4
106.7	Investment management expenses	95.4
3.8	Oversight and governance costs	4.3
117.8	Total	110.1

Included in administrative costs of £10.4m above are anticipated external audit fees of £85,000 (2021/22: £73,000). External audit for the Fund are appointed by the City of Wolverhampton Council through the PSAA (Public Sector Audit Appointments) framework.

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.

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NOTES TO THE PENSION FUND STATEMENTS

Note 13 i) - Investment Management Expenses

	Total £m	Management fees £m	Performance-related fees £m	Transaction costs £m
2022/23				
Equities	13.5	10.5	-	3.0
Pooled investments	29.9	11.3	-	18.6
Private equity	28.5	12.7	15.8	-
Property	6.4	4.2	0.3	1.9
Infrastructure	12.1	6.1	5.9	0.1
Absolute return	3.9	1.1	2.8	-
Derivatives	0.9	0.2	-	0.7
Cash, cash equivalents and fx contracts	0.1	0.1	-	-
	95.3	46.2	24.8	24.3
Custody fees	0.1			
Total	95.4		24.8	

	Total £m	Management fees £m	Performance-related fees £m	Transaction costs £m
2021/22				
Equities	25.3	16.9	-	8.4
Fixed interest	0.4	0.4	-	-
Pooled investments	24.5	14.7	-	9.8
Private equity	40.5	14.3	26.0	0.2
Property	5.7	4.7	0.3	0.7
Infrastructure	9.5	7.2	2.3	-
Absolute return	0.1	0.1	-	-
Derivatives	0.4	0.2	-	0.2
Cash, cash equivalents & fx contracts	0.1	0.1	-	-
	106.5	58.6	28.6	19.3
Custody fees	0.2			
Total	106.7			

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NOTES TO THE PENSION FUND STATEMENTS

Note 14 - Investment Income

2021/22 £m		2022/23 £m
	Dividends and interest	
	Bonds	
9.2	UK private sector – quoted	10.8
	Equities	
0.6	UK private sector – quoted	-
20.8	Overseas	23.1
	Pooled investment vehicles	
0.7	UK private sector – quoted	0.2
6.3	Overseas equities	6.7
-	Interest on cash deposits	4.8
0.7	Stock lending	0.8
38.3	Total dividends and interest	46.4
60.2	Property management income	45.2
(14.1)	Property management expenses	(13.4)
46.1	Total property management	31.8
84.4	Total investment income	78.2

Stock lending

As at 31 March 2023, £291.7m 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 2022: £583.1m). The loans were covered by non-cash collateral in the form of equities, gilts, Delivery by Values (DBVs) and G10 sovereign debt totalling £308.2m and giving a margin of 6.0% (31 March 2022, £631.5m, margin of 8.0%).

Collateral is marked to market, adjusted daily and held by a third-party agent on behalf of the Fund. Net income from stock lending amounted to £0.8m during the year (2021/22: £0.7m). 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.

There are no liabilities associated with the loaned assets.

Note 15 - Net Investment Assets

31 March 2022 £m		31 March 2023 £m
	Bonds	
235.5	UK companies - segregated	215.3
328.2	Overseas sovereign - index linked	-
563.7		215.3
	UK equities	
55.2	Quoted	41.0
2.0	Unquoted	2.0
57.2		43.0
	Overseas equities	
155.4	Quoted	115.0
2,384.3	Quoted - segregated (external)	2,274.4
2,539.7		2,389.4
	Pooled investment vehicles	
	Managed funds	
668.9	UK fixed interest	947.0
2,167.3	Other fixed interest	2,139.7
1,011.2	UK quoted, index linked	741.3
1,349.4	UK quoted equities (pooled assets)	1,325.7
6,801.8	Overseas quoted equities (pooled assets)	6,846.8
830.3	Infrastructure	1,036.2
1,439.2	Private equity	1,396.9
257.7	UK absolute returns	190.6
82.6	Overseas absolute returns	101.1
208.4	UK property	196.4
117.2	Overseas property	104.7
	Unit trusts	
115.1	UK property	95.5
15,049.1		15,121.9

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NOTES TO THE PENSION FUND STATEMENTS

Note 15 - Net Investment Assets (continued)

31 March 2022 £m		31 March 2023 £m
	Property	
1,096.5	UK freehold	969.9
46.3	UK leasehold*	38.0
1,142.8		1,007.9
	Derivative contracts	
12.3	Futures	-
2.6	Swaps	-
14.9		-
	Foreign currency holdings	
0.5	Australian dollars	0.5
0.6	Canadian dollars	0.6
1.5	Czech koruna	2.2
0.6	Danish kroner	0.6
133.8	Euro	44.7
33.8	Hong Kong dollars	-
0.7	Hungarian forints	0.8
4.9	Japanese yen	4.8
2.6	Mexican peso	3.6
0.5	New Zealand dollars	0.5
0.5	Norwegian kroner	0.4
0.5	Polish zloty	0.5
1.5	Singapore dollars	1.6
2.9	Swedish kroner	2.7
5.2	Swiss francs	5.6
0.4	Turkish lira	0.3
426.5	United States dollars	44.6
617.0		114.0
	Cash deposits	
128.8	UK	164.2
7.6	US	384.2
136.4		548.4

	Other investments	
16.6	Broker balances	-
6.4	Outstanding dividend entitlement and recoverable withholding tax	5.7
23.0		5.7
20,143.8	Total investment assets	19,445.6
	Investment liabilities	
	Derivative contracts	
(7.4)	Forward currency contracts	-
-	Swaps	(2.4)
(7.4)		(2.4)
(7.4)	Total investment liabilities	(2.4)
20,136.4	Net investment assets	19,443.2

* 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.

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NOTES TO THE PENSION FUND STATEMENTS

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

31 March 2022			31 March 2023	
Market value £m	% of total market value		Market value £m	% of total market value
Security				
2,754.3	13.7	LGPS Central Global Ex UK Passive Equity Fund	2,152.4	11.1
2,140.4	10.6	LGPS Central All World Equity Climate Multi Factor Fund	2,801.9	14.4
1,210.7	6.0	LGPS Central UK Passive Equity Fund	1,246.1	6.4
1,195.6	5.9	LGPS Central Global Equity Active Multi-Manager Fund	1,211.9	6.2
1,011.2	5.0	Legal & General – All Stocks Index-Linked Gilts Fund	741.3	3.8

**Legal & General – All Stocks Index-Linked Gilts Fund has been included in the above disclosure for comparative purposes only.*

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

31 March 2022			31 March 2023	
Market value £m	% of total market value		Market value £m	% of total market value
Investments managed by LGPS Central Limited regional asset pool				
6,712.4	33.4	Authorised Contractual Schemes (ACS) – Global equities	6,793.1	35.0
1,210.7	6.0	Authorised Contractual Schemes (ACS) – UK equities	1,246.1	6.4
811.4	4.0	Authorised Contractual Schemes (ACS) – Fixed interest	754.7	3.9
284.7	1.4	Non ACS Private markets	781.5	4.0
9,019.2	44.8		9,575.4	49.3
Investments managed outside of LGPS Central Limited regional asset pool				
2,116.3	10.5	In-house: property, cash, quoted and unquoted equities	1,769.2	9.1
122.1	0.6	Managers: UK quoted	99.9	0.5
1,363.6	6.8	Managers: emerging markets	1,306.4	6.7
1,110.2	5.5	Managers: global equities	1,078.5	5.5
3,617.5	18.0	Managers: fixed interest	2,941.7	15.3
325.6	1.6	Managers: indirect property	301.1	1.5
830.3	4.1	Managers: infrastructure funds	936.2	4.8
414.0	2.1	Managers: absolute return	313.3	1.6
1,194.7	5.9	Managers: private equity	1,115.8	5.7
11,094.3	55.2		9,862.1	50.7
23.0		Outstanding dividend entitlement and recoverable withholding tax	5.7	
20,136.3		Net investment assets	19,443.2	

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NOTES TO THE PENSION FUND STATEMENTS

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 2022/23, the Fund completed this transition and has ended its exposure to futures accordingly.

b) Forward foreign currency

To reduce the volatility associated with fluctuating currency rates, the Fund previously had a passive currency programme in place. The Fund commenced its currency hedging programme in 2017/18 following approval by Committee to amend the Strategic Investment Allocation Benchmark to reflect the passive currency management programme. The Fund's hedging programme aimed to protect returns in sterling terms and reduce currency risk. The Fund concluded this programme in 2022/23.

Prior year comparative

Open forward currency contracts at 31 March 2022	(7.4)
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Net forward currency contracts at 31 March 2022	(7.4)
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c) Swap contracts

As part of the LDI (Liability Driven Instrument) scheme held within the admitted body separate funds, the Fund holds a series of swap contracts to support its risk management strategy:

Open swap contracts at 31 March 2022	2.6
Open swap contracts at 31 March 2023	(2.4)

d) Open exchange traded futures contracts

Type	Expires	Economic exposure £m	Market value 31 March 2022 £m	Economic exposure £m	Market value 31 March 2023 £m
Assets					
UK equity	Under one year	55.5	3.6	-	-
Overseas equity	Under one year	141.4	10.0	-	-
UK bond	Under one year	148.3	(1.3)	-	-
Total assets		-	12.3	-	-

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NOTES TO THE PENSION FUND STATEMENTS

Note 16 - Investment Market Value Movements Analysis

	Value as at 31 March 2022 £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 2023 £m
Bonds	563.6	213.9	(464.5)	-	(97.7)	215.3
UK equities	57.2	-	-	-	(14.2)	43.0
Overseas equities	2,539.7	0.1	(0.1)	-	(150.3)	2,389.4
Pooled investment vehicles	15,049.2	715.5	(630.3)	(77.2)	64.7	15,121.9
Property	1,142.8	93.9	(19.3)	-	(209.5)	1,007.9
	19,352.5	1,023.4	(1,114.2)	(77.2)	(407.0)	18,777.5
Derivative contracts						
Swaps	2.6	-	-	-	(5.0)	(2.4)
Futures	12.3	-	(12.3)	-	-	-
Forward foreign exchange	(7.4)	-	7.4	-	-	-
	19,360.0	1,023.4	(1,119.1)	(77.2)	(412.0)	18,775.1
Broker balances	16.6	-	-	-	-	-
Outstanding dividend entitlement and recoverable withholding tax	6.4	-	-	-	-	5.7
Foreign currency holdings	617.0	-	-	-	-	114.0
Cash deposits	136.3	-	-	-	56.6	548.4
Total investments	20,136.3	1,023.4	(1,119.1)	(77.2)	(355.4)	19,443.2

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 £24.8m (2021/22: £19.3m). In addition to the transaction costs, 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.

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NOTES TO THE PENSION FUND STATEMENTS

The change in the value of investments during 2021/22 is set out below:

	Value as at 31 March 2021 £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 2022 £m
Bonds	508.4	124.1	(88.6)	-	19.8	563.7
UK equities	27.0	-	(32.2)	-	62.4	57.2
Overseas equities	2,567.5	-	-	-	(27.8)	2,539.7
Pooled investment vehicles	13,640.8	643.3	(614.8)	(87.6)	1,467.4	15,049.1
Property	1,014.0	-	(62.3)	-	191.1	1,142.8
	17,751.7	767.4	(797.9)	(87.6)	1,712.9	19,352.5
Derivative contracts						
Swaps	-	-	-	-	2.6	2.6
Futures	(2.3)	-	-	-	14.6	12.3
Forward foreign exchange	3.1	-	-	-	(10.5)	(7.4)
	17,758.5	767.4	(797.9)	(87.6)	1,719.6	19,360.0
Broker balances	19.2	-	-	-	-	16.6
Outstanding dividend entitlement and recoverable withholding tax	7.5	-	-	-	-	6.4
Foreign currency holdings	399.6	-	-	-	-	617.0
Cash deposits	498.2	-	-	-	-	136.4
Total investments	18,683.0	767.4	(797.9)	(87.6)	1,719.6	20,136.4

Note 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:

2021/22 £m	2022/23 £m
1,014.0	1,142.8
- Additions	93.9
(62.3) Disposals	(19.4)
191.1 Net change in market value	(209.4)
1,142.8	1,007.9

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 2022 £000	31 March 2023 £000
40,028	37,539
140,018	130,352
182,744	152,479
362,790	320,370
Total future lease payments due under existing contracts	

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.

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NOTES TO THE PENSION FUND STATEMENTS

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 2023.	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 2023.	n/a	n/a
Unquoted bonds	2	Average of broker prices.	Evaluated price feeds.	n/a
Pooled investment vehicles - 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 2023.	Exchange rate risk.	n/a
Freehold and leasehold properties	3	Valued at fair value at the year-end using the investment valuation reports of appointed independent valuers. 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 specialist independent valuers 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.
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, discounted cash flows, 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.

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NOTES TO THE PENSION FUND STATEMENTS

Asset type	Valuation level	Basis of valuation	Observable and unobservable inputs	Key sensitivity
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 held within one of the admitted body separate funds and most recently valued as part of the Fund's triennial actuarial valuation as at 31 March 2022 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 4.75%, consistent with the 2023 valuation of the admitted body separate 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 appointed independent investment consultants. 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 2023 and 31 March 2022:

Level 3 assets	Valuation range* % (+/-)	Valuation at 31 March 2023 £m	Valuation increase £m	Valuation decrease £m
Freehold and leasehold property	11.9	1,007.9	1,127.5	888.3
Private equity	30.6	1,396.9	1,823.9	969.8
Infrastructure	12.7	1,036.2	1,167.3	905.1
Absolute return/diversified growth	17.5	313.3	368.1	258.6
Unit trusts - UK property	11.9	234.8	262.7	207.0
Foreign property	11.9	104.7	117.2	92.3
Fixed interest	11.6	604.3	674.4	534.2
Total		4,698.1	5,541.1	3,855.3

Level 3 assets	Valuation range % (+/-)	Valuation at 31 March 2022 £m	Valuation increase £m	Valuation decrease £m
Freehold and leasehold property	11.8	1,142.8	1,277.7	1,008.0
Private equity	31.2	1,439.2	1,888.2	990.0
Infrastructure	13.3	830.3	940.7	719.9
Absolute return/diversified growth	14.0	414.0	472.0	356.0
Unit trusts - UK property	11.8	260.8	291.5	230.0
Foreign property	11.8	117.2	131.0	103.4
Fixed interest	12.1	212.9	238.7	187.2
Total		4,417.2	5,239.8	3,594.5

*The valuation range % figures for each asset class are based on the modelling of West Midlands Pension Fund's asset allocation as at 31 March 2023

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NOTES TO THE PENSION FUND STATEMENTS

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 2023	Adjustment	Valuation at 31 March 2023 £m	Valuation increase £m	Valuation decrease £m
Adjustment to discount rate	(+/-) 1%	118.0	141.6	94.4
Adjustment to life expectancy assumptions	(+/-) 1 year	118.0	136.2	113.3

Change in assumptions - year ended 31 March 2022	Adjustment	Valuation at 31 March 2022 £m	Valuation increase £m	Valuation decrease £m
Adjustment to discount rate	(+/-) 0.5%	174.0	181.0	167.0
Adjustment to life expectancy assumptions	(+/-) 1 year	174.0	197.0	151.0

Note 17 i) Fair Value Hierarchy

The valuation of investment assets 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

investment assets 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

Investment assets 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

Investment assets 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.

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NOTES TO THE PENSION FUND STATEMENTS

	Quoted market price Level 1 £m	Using observable inputs Level 2 £m	With significant unobservable inputs Level 3 £m	Total £m
Value at 31 March 2023				
Financial instruments				
Financial assets at fair value through profit and loss	10,684.8	3,394.5	3,690.2	17,769.5
Non-financial assets at fair value through profit and loss	-	-	1,007.9	1,007.9
Financial liabilities at fair value through profit and loss	-	(2.4)	-	(2.4)
	10,684.8	3,392.1	4,698.1	18,775.0
Bulk annuity insurance buy-in at fair value through profit and loss	-	-	118.0	118.0
Net assets	10,684.8	3,392.1	4,816.1	18,893.0

Some of our indirect property holdings are now considered level 3, and one of our bond segregated mandates is now considered Level 1. The below table shows prior year figures as stated in last year's accounts followed by the figures adjusted for as part of these reclassifications.

	Quoted market price Level 1 £m	Using observable inputs Level 2 £m	With significant unobservable inputs Level 3 £m	Total £m
Value at 31 March 2022 Before restatement				
Financial instruments				
Financial assets at fair value through profit and loss	10,589.6	4,695.6	2,939.4	18,224.6
Non-financial assets at fair value through profit and loss	-	-	1,142.8	1,142.8
Financial liabilities at fair value through profit and loss	-	(7.4)	-	(7.4)
	10,589.6	4,688.2	4,082.2	19,360.0
Bulk annuity insurance buy-in at fair value through profit and loss	-	-	174.0	174.0
Net assets	10,589.6	4,688.2	4,256.2	19,534.0

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NOTES TO THE PENSION FUND STATEMENTS

Value at 31 March 2022 Adjustment	Quoted market price Level 1 £m	Using observable inputs Level 2 £m	With significant unobservable inputs Level 3 £m	Total £m
Financial instruments				
Financial assets at fair value through profit and loss	176.2	(511.2)	335	-
Non-financial assets at fair value through profit and loss	-	-	-	-
Financial liabilities at fair value through profit and loss	-	-	-	-
	176.2	(511.2)	335	-
Bulk annuity insurance buy-in at fair value through profit and loss	-	-	-	-
Net assets	176.2	(511.2)	335	-

Value at 31 March 2022 After restatement	Quoted market price Level 1 £m	Using observable inputs Level 2 £m	With significant unobservable inputs Level 3 £m	Total £m
Financial instruments				
Financial assets at fair value through profit and loss	10,765.8	4,184.4	3,274.4	18,224.6
Non-financial assets at fair value through profit and loss	-	-	1,142.8	1,142.8
Financial liabilities at fair value through profit and loss	-	(7.4)	-	(7.4)
	10,765.8	4,177.0	4,417.2	19,360.0
Bulk annuity insurance buy-in at fair value through profit and loss	-	-	174.0	174.0
Net assets	10,765.8	4,177.0	4,591.2	19,534.0

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NOTES TO THE PENSION FUND STATEMENTS

Note 17 ii) Reconciliation of Fair Value Measurements Within Level 3

	Market value 31 March 2022 £m	Purchases during the year £m	Sales during the year £m	Unrealised gains/ losses* £m	Realised gains/ losses £m	Market value 31 March 2023 £m
Freehold and leasehold property	1,143	94	(19)	(210)	-	1,008
Private equity	1,439	123	(247)	(37)	119	1,397
Infrastructure	832	128	(63)	139	-	1,036
Absolute return/diversified growth	414	56	(156)	(38)	37	313
Unit trusts - UK property	378	4	(39)	(5)	2	340
Fixed interest	211	376	(27)	39	5	604
Total	4,417	781	(551)	(112)	163	4,698

*Unrealised gains/losses presented includes management fees deducted at source.

**Unrealised and realised gains and losses are recognised in the changes in value of investment line of the Fund account.

***Following a reclassification of the Fair Value Hierarchy of several assets in the current year, the opening positions have been restated.

Bulk annuity insurance buy-in contract

The transfer of assets from the former WMITA Fund to admitted body separate funds (ABSFs) within WMPF 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 former West Midlands Travel Limited 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 relevant ABSF) 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 2022 £m	31 March 2023 £m
200.0 Bulk annuity insurance buy-in contract value at start of year		174.0
Actuarial revaluation of insurance contract:		
2.0 Interest on buy-in		3.0
(2.0) Change in demographic assumptions		(14.0)
(11.0) Change in actuarial assumptions		(33.0)
- Actuarial experience		2.0
(11.0)		(42.0)
(15.0) Level pensions paid by insurer		(14.0)
174.0 Bulk annuity insurance buy-in contract value at end of year		118.0

The change in demographic assumptions results from updating mortality assumptions to use the latest CMI_2021 Model. The change in actuarial assumptions is a result of increasing the discount rate from 1.68% at 31 March 2022 to 4.75% at 31 March 2023 consistent with the rate used in the 2023 valuation of the admitted body separate fund.

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NOTES TO THE PENSION FUND STATEMENTS

Note 18) Investment Capital Commitments

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

31 March 2022 £m		31 March 2023 £m
1,469.6	Non-publicly quoted equities and infrastructure	2,042.3
65.4	Property	44.6
1,535.0	Total	2,086.9

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 2022 £m		31 March 2023 £m
6.4	Early retirement costs	-
5.0	Reimbursement of lifetime tax allowances	6.0
11.4	Total	6.0

The Fund has agreed for certain employers to defer payment of amounts due to meet early retirement costs and £nil is due after the following financial year (2021/22: £6.4m). The instalments due in 2022/23 are reported in Current Assets.

Note 20) Current Assets

31 March 2022 £m		31 March 2023 £m
	Receivables and prepayments	
	Contributions receivable	
20.7	- Employers' future service	20.3
3.7	- Employers' past service deficit	3.7
12.5	- Members	12.1
8.1	Other receivables	15.1
45.0	Total receivables and prepayments	51.2
	- Cash at bank	31.0
45.0	Total current assets	82.2

Note 21) Current Liabilities

31 March 2022 £m		31 March 2023 £m
	Payables and receipts in advance	
(3.5)	Pensions and lump sum benefits	(2.0)
(0.7)	Receipts in advance	(0.1)
(23.8)	Other payables	(21.3)
(4.4)	Cash at bank	-
(32.4)	Total	(23.4)

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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 2022			31 March 2023	
Utmost Life	Prudential		Utmost Life	Prudential
£m	£m		£m	£m
1.7	37.2	Opening value of the Fund	1.5	36.6
0.1	6.0	Income	0.1	4.9
(0.3)	(6.1)	Expenditure	(0.3)	(7.3)
-	(0.5)	Change in market value	-	9.0
1.5	36.6	Closing value of the Fund	1.3	43.2

Note 23) Financial Instruments

Net gains and losses on financial instruments:

31 March 2022			31 March 2023	
£m			£m	
1,730.2	Financial assets - Fair value through profit and loss			(355.4)
(10.5)	Financial liabilities - Fair value through profit and loss			-
1,719.7	Total			(355.4)

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NOTES TO THE PENSION FUND STATEMENTS

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 2022			31 March 2023		
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
			Financial assets		
563.6	-	-	215.3	-	-
57.2	-	-	43.0	-	-
2,539.7	-	-	2,389.4	-	-
15,049.1	-	-	15,121.9	-	-
15.0	-	-	-	-	-
174.0	-	-	118.0	-	-
-	753.3	-	-	693.4	-
-	23.0	-	-	5.7	-
-	45.8	-	-	57.2	-
18,398.6	822.1	-	17,887.6	756.3	-
			Financial liabilities		
(7.4)	-	-	(2.4)	-	-
-	-	(31.0)	-	-	(23.4)
18,391.2	822.1	(31.0)	17,885.2	756.3	(23.4)
19,182.3			18,618.1		

All realised gains and losses arise from the sale or disposal of financial assets that have been derecognised in the financial statements. The Fund has not entered into any financial guarantees that are required to be accounted for as financial instruments.

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NOTES TO THE PENSION FUND STATEMENTS

Note 24 – The Nature and Extent of Risks Arising from Financial Assets

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 value of an illiquid asset, when realised upon sale, 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. This is split into the following subsections:
 - **Currency risk** – the risk that the fair value of future cash flows of a financial asset 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 asset or its issuer, or factors affecting all similar financial assets traded in the market.

Investment risk

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 its liabilities assessed 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 instruments within the Fund's illiquid investments and those used to hedge certain risks, such as 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 review undertaken by Fund officers using 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 credit rating, same-day access and minimum assets under management being prerequisite.

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The tables below outline the Fund's money market and bank deposit holdings, by long-term Fitch rating, as at 31 March 2022 and 31 March 2023:

Credit rating sensitivity analysis Fund/Account	Long-term Fitch rating ¹	Value at 31 March 2022 £m ²	Valuation 31 March 2023 £m ³
Money market funds			
HSBC GBP Liquidity Fund Class H	Aaa-mf	5.8	13.3
HSBC USD Liquidity Fund Class H	Aaa-mf	7.6	384.2
LGIM GBP Liquidity Fund	AAAmmf	4.0	13.3
Insight GBP Liquidity Fund	AAAmmf	8.0	13.4
Invesco GBP Liquidity Fund	AAAmmf	2.4	13.2
Custody and deposit accounts			
CBRE Client Account West Midlands Met Authority		21.2	17.2
HSBC GBP Cash	AA-	87.3	93.8
HSBC Non-GBP Cash ⁴	AA-	493.4	114.0
Total		629.7	662.4

¹ Moody's rating used if no Fitch rating available. Sourced as at 31 March 2023.

² Sourced from the West Midlands Pension Fund's and admitted body separate fund's Q4 2021/2022 Net Asset Statements.

³ Sourced from the West Midlands Pension Fund's and admitted body separate fund's Q4 2022/2023 Net Asset Statements.

⁴ Includes various foreign currency balances. Total value expressed in GBP.

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 that can be found in these investments where appropriate.

Valuation risk

Valuation risk represents the risk that the value of an illiquid asset, when realised upon sale, 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.

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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 £4,816.3m as at 31 March 2023 (2022: £4,591.2m), which represents 26% of total assets (2022: 24%). 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.

Market risk - currency risk

Currency risk represents the risk that the fair value of future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.

The Fund is exposed to currency risk on any financial assets 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 one-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 and exchange traded futures contracts, which are held to hedge certain currency exposures for the purpose of risk reduction. The extent of this hedging activity is subject to change over time.

Currency risk - sensitivity analysis

Asset type	Asset value as at 31 March 2023 £m	Potential market movement £m ¹	Value on increase £m	Value on decrease £m
Equities ²	9,293.0	800.1	10,093.1	8,492.9
Property	104.7	10.0	114.7	94.7
Fixed interest ³	907.7	76.1	983.8	831.6
Private equity	847.7	72.2	919.9	775.5
Alternatives ⁴	486.9	43.0	529.9	443.9
Liquid assets	498.2	45.8	544.0	452.4
Total⁵	12,138.2	1,047.2	13,185.4	11,091.0

¹ Accounts for diversification between currencies but not any currency hedging via derivatives

² Currency exposures of the overseas equity holdings have been calculated using generic indices.

³ Includes exposure to fixed interest gilts, index-linked gilts, overseas government bonds, corporate bonds, emerging market debt, multi-asset credit and private credit.

⁴ Includes exposure to absolute return and infrastructure investments.

⁵ Excludes exposure to derivative contracts.

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Asset type	Asset value as at 31 March 2022 £m	Potential market movement £m	Value on increase £m	Value on decrease £m
Equities*	9,341.5	784.7	10,126.2	8,556.8
Property	117.2	10.8	128.0	106.4
Fixed interest**	1,190.8	100.3	1,291.1	1,090.5
Private equity	940.9	81.9	1,022.8	859.0
Alternatives***	448.9	38.4	487.3	410.5
Liquid assets	624.6	52.7	677.3	571.9
Total****	12,663.9	1,068.8	13,732.7	11,595.1

* 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 of a 100 basis points (bps) interest rate movement on the value of the Fund's fixed income assets, 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.

Asset type	Carrying amount as at 31 March 2023 £m'	Change in year in the net assets available to pay benefits	
		+100BPS £m	-100BPS £m
Index-linked gilts	764.4	(129.6)	129.6
Gilt future	186.2	(21.7)	21.7
Overseas government bonds	97.5	(6.8)	6.8
Corporate bonds	1,021.8	(54.4)	54.4
Emerging market debt	715.5	(43.4)	43.4
Multi-asset credit	707.0	(16.6)	16.6
Private credit ²	602.1	(1.6)	1.6
Swaps ³	(2.4)	(0.2)	0.2
Total	4,092.1	(274.3)	274.3

¹ Sourced from the West Midlands Pension Fund's and admitted body separate fund's Q4 2022/2023 Net Asset Statements.

² Excludes legacy and immaterial positions (total: £2.0m).

³ Includes interest rate, inflation and total return swaps in the WMTL and PBL LDI portfolios. The impact of a 100bps increase/decrease has been calculated based on PV01.

Note: Durations are as at 31 March 2023.

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NOTES TO THE PENSION FUND STATEMENTS

Asset type	Carrying amount as at 31 March 2022 £m	Change in year in the net assets available to pay benefits	
		+100BPS £m	-100BPS £m
Index-linked gilts	1,034.5	(209.7)	209.7
Gilts*	206.2	(27.9)	27.9
Gilt future	(1.3)	(11.7)	11.7
Overseas government bonds	99.6	(7.6)	7.6
US TIPS	328.2	(36.9)	36.9
Corporate bonds	1,129.1	(70.8)	70.8
Emerging market debt	717.2	(43.4)	43.4
Multi-asset credit	741.3	(26.2)	26.2
Private credit**	206.5	(0.2)	0.2
Swaps	2.6	(17.5)	17.5
Total	4,463.9	(451.9)	451.9

* The impact of a 100bps increase/decrease has been calculated using the exposure provided by the Future (£140.9m).

** Excludes legacy and immaterial positions (total: £6.4m).

Note: Durations are as at 31 March 2022.

Market risk - other price risk

The Fund is exposed to other market risks, such as share and derivative price risks, 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	Value as at 31 March 2023 £m ¹	Assumed 1 year volatility of asset class ² £m	Value on increase £m	Value on decrease £m
UK equities	1,350.5	18.6%	1,601.7	1,099.3
Global equities (ex UK)	9,236.2	16.0%	10,714.0	7,758.4
Property	1,347.4	11.9%	1,507.7	1,187.1
Fixed interest ³	4,096.8	4.8%	4,293.4	3,900.2
Private equity	1,396.9	30.6%	1,824.4	969.4
Alternatives ⁴	1,349.6	11.8%	1,508.9	1,190.3
Total Fund⁵	18,777.4		21,450.1	16,104.7

¹ Sourced from the West Midlands Pension Fund's and admitted body separate fund's Q4 2022/2023 Net Asset Statements.

² Volatility figures for each asset class are based on the modelling of West Midlands Pension Fund's asset allocation as at 31 March 2023.

³ Includes exposure to fixed interest gilts, index-linked gilts, overseas government bonds, corporate bonds, emerging market debt, multi-asset credit and private credit.

⁴ Includes exposure to absolute return and infrastructure investments.

⁵ Excludes derivative contracts, cash deposits, foreign currency holdings and the outstanding dividend entitlement.

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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 £21,516.0m and the total value on decrease is £16,152.4m. 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	Value as at 31 March 2022 £m	Assumed 1 year volatility of asset class £m	Value on increase £m	Value on decrease £m
UK equities	1,337.6	19.0%	1,591.9	1,083.4
Global equities (ex UK)	9,341.5	16.2%	10,851.7	7,831.3
Property	1,520.8	11.8%	1,700.3	1,341.3
Fixed interest*	4,469.0	5.1%	4,696.9	4,241.1
Private equity	1,439.2	31.2%	1,888.3	990.0
Alternatives**	1,244.3	12.8%	1,403.7	1,084.9
Total Fund *** (See note below)	19,352.4		22,132.8	16,572.0

*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 £22,132.8m and the total value on decrease is £16,572.8 m. 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.

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NOTES TO THE PENSION FUND STATEMENTS

Note 25 - Impairment for Bad and Doubtful Debts

The following write offs of pension payments were reported in this financial year, in line with the Fund's policy:

Write off analysis 2022/23			Write off analysis 2021/22		
Individual value	Number	Total £	Individual value	Number	Total £
Less than £100	6	181	Less than £100	408	18,289
£100 - £500	-	-	£100 - £500	11	2,306
Over £500	-	-	Over £500	3	48,125
Total	6	181	Total	422	68,720

Note 26 - Related Parties

Pensions administration and certain investment functions are performed by the City of Wolverhampton Council and the costs shown in note 13 above are recharged to the Fund. Contributions of £24.7m were receivable from the City of Wolverhampton Council for 2022/23 (2021/22: £31.8m) - City of Wolverhampton Council had paid its 2022/23 future service contributions in advance as part of a lump sum payment of £57.3m on 30 April 2019. Balances owed by and to the Council at the year-end are included within notes 19, 20 and 21.

Pensions Committee

Eight members of the Pensions Committee are also members of the Fund as set out below:

Pensioner: Councillors: M Jaspal, P Page, P Davis, and T Singh.
Trade union representatives: M Clift and M Cantello

Beneficiary Pensioner: Councillor A Underhill

Deferred: None to report

Active: Trade union representative: J Wadrup

Each member of the Pensions Committee is required to declare any interests relevant to the matters being discussed at each meeting.

There are five employing bodies of the Fund in which a member of the Committee has declared an interest for 2022/23. Contributions from each of these employers are set out below:

Contributions receivable 2021/22 £000		Contributions receivable 2022/23 £000
-	Birmingham City Council	26,299
-	Goldthorne Park Primary School	140
27	Kingswood Trust	29
4,624	Sandwell Children's Trust	4,856
2,239	West Midlands Combined Authority	4,356
4,953	Wolverhampton Homes	-

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Help to Own

In 2021, the Fund invested in the Help to Own scheme, a joint venture between City of Wolverhampton Council and the West Midlands Combined Authority to pilot an affordable housing project; Help to Own. Help to Own helps to address the issue that many potential buyers in work have when looking to buy a home; in raising the deposit to secure a mortgage. As at 31 March 2023, within the investment bounties, the Fund had a £12.7m loan (2021/22: £6.6m) to the scheme.

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.

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.

The Fund has agreed a number of advisory agreements covering a range of asset classes for which LGPS Central has provided services to the Fund. The charges in respect of these services totalled £2.15m in 2022/23 (2021/22: £2.085m). The amount outstanding in respect of these services at 31 March 2023 was £0.552m (31 March 2022: £0.958m).

As part of the Pool Cost Sharing Arrangement, the Pension Fund was invoiced £2.873m in respect of Governance, Operator Running and Product Development costs by LGPS Central Limited for 2022/23 (2021/22: £2.017m). The amount outstanding in respect of these services at 31 March 2023 was £0.742m (31 March 2022: £0.633m). LGPS Central Limited previously let office space from City of Wolverhampton Council from 1 April 2018 to 1 April 2022 on a sub leasing arrangement. The rental income and rates receivable by City of Wolverhampton Council from LGPS Central Limited in 2022/23 totalled £nil (2021/22: £68,549) and the reimbursement of associated utilities and maintenance charges for 2022/23 totalled £nil (2021/22: £13,455).

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 2023 were £613,900 (2021/22: £519,800).

Key management personnel

The Fund has identified the Executive 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:

2021/22 £000		2022/23 £000
146	Short-term benefits	146
35	Post-employment benefits	38
181	Total	184

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NOTES TO THE PENSION FUND STATEMENTS

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 “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. The Government has undertaken a number of consultations from 2020, with the most recent being received in May 2023, and due to close in June 2023. The remedy will be implemented in two phases; Phase one involves moving all remaining active members of legacy schemes (members with protection) into the new schemes on 1 April 2022 so that, going forward, all accruals will be in the new schemes (and so all active members will be treated equally). Phase two is implementation of the deferred choice underpin. That is, giving eligible members a choice between legacy scheme and new scheme benefits for service between 1 April 2015 and 31 March 2022. The final regulations are expected in the late summer of 2023.

