

# Appendix A - Business plan key tasks and actions

Information relating to key priorities

Work set out below will be included in the relevant budgets for those years.

Governance and communications key priorities

Key Action/Task	2024/25	2025/26	2026/27	2027/28	2028/29
G1. Review of governance arrangements	✓				
G2. Review Knowledge and Skills policy/delivery	✓				
G3. Review against new TPR Single Modular Code	✓				
G4. Review/development of risk register	✓				
G5. Business Continuity	✓	✓	✓	✓	✓
G6. Diversity, equality and Inclusion	✓	✓	✓	✓	✓
G7. Enhance cybersecurity	✓	✓	✓	✓	✓
G8. Launch and develop new WYPF website	✓	✓			
G9. Improve stakeholder engagement	✓				
G10. Procurement/Tenders	✓	✓	✓	✓	✓
G11. Succession Planning	✓	✓	✓	✓	✓

## G1. Review of Governance arrangements

2024/25

2025/26

2026/27

2027/28

2028/29



A WYPF governance review commenced during 2023 using external specialist support. Initial observations are due to be presented to JAG, IAP and Pension Board members in early 2024.

It has been recognised previously that the WYPF committee structure, terms of reference and schemes of delegations all need to be reviewed and clearly defined.

The revised Governance arrangements will seek to align with the recommendations of the LGPS Scheme Advisory Board's Good Governance project, albeit this has yet to be put into Regulations and guidance by DLUHC.

The Pension Regulator's codes of practice and recommendations from its regulatory supervision process will also be factored in.

It is expected that these tasks can be managed out of the existing budget

## G2. Review knowledge and skills policy/delivery

2024/25

2025/26

2026/27

2027/28

2028/29



The current training policy will be reviewed and updated to be in line with the new CIPFA framework and Code.

Those involved in managing WYPF will undergo a knowledge and skills assessment based on the CIPFA competencies to inform training plans for future years – this will include who has done what training, including any skills training.

The policy relating to Pension Board members (who have legal requirements in relation to obtaining the required knowledge) will be extended to JAG and IAP members – in anticipation of new requirements in this area expected from the Good Governance review.

New members to JAG, IAP or Pensions Board will need to be “onboarded” and provided with sufficient training and access to required information. WYPF is aware of the requirement in TPR’s draft new code of practice that new members undertake required training to carry out the role as soon as possible and within 6 months of appointment.

It is expected that these tasks can be managed out of existing budget and with no additional resource requirement.

### G3. Review against the Pensions Regulator's new Single Code of Practice

2024/25	2025/26	2026/27	2027/28	2028/29
✓				
<p>The Pensions Regulator's (TPR) new General Code was laid in parliament 10th January 2024 and comes into effect on 27th March 2024.</p> <p>It aims to improve pension scheme governance, consolidating ten of the regulator's existing codes and updating them but also introducing some new requirements. This will result in some changes placed on the Fund for example, maintenance of IT systems and further areas of governance.</p> <p>Work is underway to review whether the Fund complies with the requirements within the new Code. After the initial review, ongoing compliance checks will be carried out on a regular basis.</p> <p>Additional resource/budget may be required but the initial intention is to carry out the review internally and seek external assurance.</p>				

### G4. Review / development of Risk Register

2024/25	2025/26	2026/27	2027/28	2028/29
✓				
<p>The risk register will be reviewed to try and make it more concise and user-friendly for JAG, IAP and Pension Board members.</p> <p>The review will consider the following possible developments:</p> <ul style="list-style-type: none"><li>• A 'top-down' approach focussing on the Fund's primary objectives and the risks that could lead to these not being achieved</li><li>• Better alignment of the risk register with the Business Plan</li><li>• Seeking to quantify the impact of the risk mitigations in place</li></ul> <p>No additional resource or budget required.</p>				

## G5. Business Continuity

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓	✓	✓	✓
<p>The Pension Regulator’s General Code of Practice, outlines “Governing bodies should develop and implement continuity plans to ensure that their scheme operations can be maintained, in the event of a disruption to scheme activities.”</p> <p>A new Business Continuity Plan was created in 2023 and was signed off by parties in WYPF and Bradford Council. During 2023 a new back up solution of last resort was implemented, an external cold site solution with ability to host up to 250 staff brought in and WYPF ran its operation from its secondary technology site for a week to test resilience. Again, in 2023 we brought back a secondary source of power supply for our main building.</p> <p>WYPF will continue to maintain, dynamically adapt and add to the Business Continuity plan in real time throughout the year, with a formal review of the plan being made annually.</p>				

## G6. Diversity, Equity and Inclusion

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓	✓	✓	✓
<p>Review engagement with stakeholders, communications, approach to recruitment and feedback from WYPF officers and committee members to ensure sufficient attention is given to diversity and inclusion.</p> <p>Ensure DE&amp;I appropriately considered as part of review of the communication policy and reflected in all media, including the Fund’s website.</p> <p>Initially this is expected to be managed within the existing team and with no additional budget.</p>				

## G7. Enhance Cyber Security

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓	✓	✓	✓
<p>The Pension Regulator's General Code of Practice, outlines "Cyber security measures and procedures should be in place and functioning."</p> <p>WYPF and City of Bradford Metropolitan District Council undertook a mock ransomware attack simulation in 2023 to practice responses to a number of recent cyber hacks whilst being externally observed and evaluated. The simulations were highly successful. WYPF and Bradford Council are documenting each organisation's respective roles in a cyber incident.</p> <p>WYPF are undertaking further mock cyber simulations during 2024.</p> <p>In 2022 WYPF updated and upgraded its technology stack which has greatly strengthen its cyber resilience. Three further improvements are due in 2024, 2025 and 2026.</p> <p>Pensions Dashboards will identify significant amounts of money over the internet for the first time. The Pensions Dashboard Programme have identified the cyber security arrangements for all pensions providers to adopt and these will be externally audited prior to live operation.</p> <p>WYPF will also need to consider how the required assurance in relation to cyber risk can be provided to other funds/schemes to which we provide shared service administration whilst maintaining appropriate security around its actual operation.</p> <p>We also note that Regulator recognises that funds may need to access specialist advice in some areas e.g. forensic investigators. This type of specialist activity will require budget.</p> <p>Our budget includes an allowance of £50k per annum in the short term to improve our cyber resilience. We will also add resource of suitable seniority to take ownership of our cyber related activities.</p> <p>WYPF is signed up to both the UK and US daily cyber and malware alerts.</p>				

## G8. Launch and develop new WYPF website

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓			
<p>WYPF's current website has been in place for a number of years and needs to be upgraded. Over the past 12 months WYPF has run member focus groups to establish members' views on the current website, their wants and needs from the new website, and developed an online panel of circa 3,000 members where we can test concepts and content.</p> <p>We have developed a member first website which has been tested with 350 members and some WYPF contact centre staff. The new website does have a discreet corporate area that shows WYPF's third party services.</p> <p>During Spring 2024 we are looking to put this new website live.</p> <p>It is not anticipated that any further resource or budget will be required.</p>				

## G9. Improve stakeholder engagement

2024/25	2025/26	2026/27	2027/28	2028/29
✓				
<p>Improved stakeholder engagement can benefit WYPF in a number of ways, including:</p> <ul style="list-style-type: none"> <li>raising scheme members' awareness of their pension benefits;</li> <li>a higher proportion of employers carrying out the employer role to a satisfactory standard;</li> <li>making it easier to recruit high quality team members;</li> <li>increasing opportunity for collaborative working with others;</li> <li>greater levels of feedback being received allowing for further improvements to WYPF service.</li> </ul> <p>Whilst it is difficult to measure, indications are that particular areas in which engagement could be improved include how we engage some groups of employers (for example increasing attendance at the Employer AGM) and how we communicate positive developments relating to responsible investment to members, employers and the wider public.</p> <p>We will explore different communication methods with employers to increase awareness and employers' understanding of the Fund's aims and requirements.</p> <p>We will look to enhance the content of the responsible investment section of the WYPF website, be more proactive in announcing positive news in relation to responsible investment activity and will explore ways of presenting the WYPF investment portfolio to better highlight the significant levels of 'green' investment such as renewable energy infrastructure.</p> <p>It is not expected that this work will require additional resource requirements or budget for external support.</p>				

## G10. Procurement/Tenders

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓	✓	✓	✓
<p>Several contracts are due to be retendered in the next 5 years covered by the business plan.</p> <ul style="list-style-type: none"> <li>A list of these is provided in the previous section (Business Plan key priorities)</li> <li>The procurement process will be managed within internal teams and with support from Bradford Council and no additional resource or budget is required to be set aside for these exercises.</li> </ul>				

## G11. Succession planning

2024/25

2025/26

2026/27

2027/28

2028/29

✓

✓

✓

✓

✓

There are a number of key individuals in the WYPF Management Team who will be retiring in the next five years, in both the investment, and member services teams.

A comprehensive plan for the recruitment of new individuals and/ or providing sufficient mentoring, training and shadowing to those individuals who will take on the roles will be needed to avoid the consequences of the loss of the significant levels of experience and knowledge of those individuals.

This should not involve any additional budget or resource, but to recruit and/or develop for the required roles may incur some additional costs, so this will be kept under review.

## Funding and investment key priorities

Key Action/Task	2024/25	2025/26	2026/27	2027/28	2028/29
F1. Investment Strategy review / implementation	✓	✓			
F2. Local and impact investment	✓	✓	✓	✓	✓
F3. Developing Northern LGPS Pool	✓	✓	✓	✓	✓
F4. Develop improved cash flow monitoring	✓	✓			
F5. Investment governance best practice	✓	✓			
F6. Investment administration	✓	✓			
F7. Investment compliance	✓	✓	✓		
F8. Responsible Investment, TCFD Reporting and achieving Net Zero	✓	✓	✓	✓	✓
F9. Review requirements for cost transparency collation/reporting	✓	✓			
F10. 2025 actuarial valuation and review of funding strategy	✓	✓			



## F1. Investment Strategy review / implementation

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓			
<p>The Strategic Asset Allocation (SAA) review took place in Q2 2023 following the completion of 2022 actuarial valuation in Q1 2023. The main parts of an updated SAA benchmark were agreed at the IAP in July 2023 and this will be incorporated into an updated Investment Strategy Statement (ISS), which will be consulted on with stakeholders in early 2024. Impacts on requirements for investment office organisation flow from SAA Review.</p> <p>The Review included a meaningful reduction in the proportion of UK listed equities in the SAA benchmark and this has consequential effects on portfolio construction and team resourcing, both of which are underway.</p> <p>The Review also included a larger allocation in the benchmark to a new and wider Alternatives programme, to include opportunities in the UK with impact and levelling up effects, as well as climate transition solutions. Some of these opportunities will be privately originated and/or negotiated, and this will necessitate increasing the number of officers focussing on these areas. This has been allowed for in the budget and recruitment is underway.</p>				

## F2. Local and impact investment

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓	✓	✓	✓
<p>There are a number of drivers for WYPF to invest more in place-based investments in the West Yorkshire area as well as the UK more broadly.</p> <p>(a) Strategic Asset Allocation review in Q2/Q3 2023 and Investment Beliefs review in Q423 supporting the view that there is an opportunity within a well-diversified Total Fund to support the 'levelling-up' agenda. This also aligns with the recent DLUHC consultation that encourages LGPS funds to do more in this space. These local investments could include, for example; investment in sustainable and affordable transport, funding the building of affordable and energy efficient homes, and investment in climate solutions.</p> <p>(b) Many of the opportunities in this space will be private rather than public in nature and will involve greater liaison with relevant entities, including e.g West Yorkshire Combined Authority, British Business Bank and UK Infrastructure Bank. Given the reduction in UK listed equity allocations, capital can be recycled into UK private market opportunities.</p> <p>Investments must meet the twin aims of delivering a positive local impact and generating an appropriate return for WYPF given the risks involved.</p> <p>These investments are often relatively resource intensive and additional officers and specialist advice will be required. However, it is envisaged that many of these investments would be made in conjunction with Northern LGPS Pooling partners, who have considerable experience and resource in this field, which will help reduce cost and risk.</p>				

### F3. Developing Northern LGPS Pool

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓	✓	✓	✓

DLUHC consulted during 2013 on proposed changes to the LGPS Investment Regulations and guidance. Several of the proposals were intended to speed up the progress of pooling of assets across the LGPS in England and Wales.

WYPF will be working with our partners in the Northern LGPS Pool to consider regulation changes and associated guidance (when released) and to create a Pool Business Plan summarising the intended development of the Northern LGPS Pool. At the time of writing it is not expected that there will need to be significant levels of additional resource or budget to deliver this.

### F4. Develop improved cash flow modelling

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓			

Over time, the Fund's investment programme has become a little less concentrated in regular dividend-paying stocks and a little more concentrated in private market and alternative opportunities, with more lumpy and non-contractual cashflows. The changes being made to investment strategy following 2023 review reinforce this trend. Whilst this is acceptable given we remain Total Return focused for now, it is essential to assess the longer term impacts of any maturing of the liabilities of the Fund.

A review of how cashflows (pension contributions, pension payments, and asset related cashflows) are forecast and monitored, and available for regular management review and oversight, should be carried out to ensure this is clear and robust, and is integrated into day to day management of the Fund. As part of this, we will also look for an updated projection of expected future benefit payments to be provided by the Actuary following the 2022 valuation.

This review is expected to be carried out within the existing teams and without the need for additional budget or resources. The cost of any additional support from the Actuary will depend on our precise needs but is expected to be of the order of £3K-£10K.

### F5. Investment governance best practice

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓			

The Regulator’s new Code of Practice has a number of best practice modules which public sector schemes such as the LGPS are encouraged to follow. This includes a module on Investment monitoring. It is expected that WYPF is already compliant with the majority of the recommendations but a review against the Regulator’s suggestions will be carried out.

The review of compliance will consider content within the following best practice investment - related modules:

- Investment governance
- Investment monitoring
- Climate change
- Investment Strategy Statement

The “best practice” compliance review will be carried out by the existing investment team – no additional resource or budget required.

### F6. Investment administration

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓			

The investment administration function plays an important part both in (a) supporting day-to-day investment management activities, as well as (b) supporting the overall governance of the Fund.

In relation to (a), investment administration has become more complex given the addition of asset classes, including private markets, and therefore the capacity for investment administration to support investment management efficiently is potentially under strain. There have been moves towards easing the burden here in 2023, including looking to delegate more activities to our custodian, but there may be further headwinds ahead, including the introduction of T+1 settlement for equities and bonds in the US at end of May 2024.

A review of whether further delegation to our custodian and/or any order management system might be needed is important. This will be done from existing resources.

**F7. Investment compliance**

2024/25	2025/26	2026/27	2027/28	2028/29
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✓	✓	✓		
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A compliance function within a traditional asset manager would ensure that the business adheres to (a) external rules including to protect investors and ensure that markets are fair, efficient and transparent and (b) internal controls. WYPF does not currently have a dedicated compliance function given that its investors (its c450 employers and c.300k members) are in a different position to investors in for example an open-ended mutual fund managed by an external manager. However, WYPF does have to play its part in ensuring markets are operating appropriately and as stated in the ISS, WYPF seeks to follow best practice wherever possible.

A review of what that should mean for WYPF, is merited and may include recommending centralising compliance controls within a small internal Legal & Compliance team. This can be done from existing resources.

**F8. Responsible Investment, TCFD Reporting and achieving Net Zero**

2024/25	2025/26	2026/27	2027/28	2028/29
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✓	✓	✓	✓	✓
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**Responsible Investment**

Through its Investment Strategy Statement, WYPF has made a public pledge to integrate Environmental, Social and Governance considerations into its investment decisions. The Fund is also a signatory to the Stewardship code reflecting its ambition to be an active, engaged, and responsible investor.

We recognise that Responsible Investment protocols and guidelines are evolving rapidly and commit to review our approach regularly and to adopt and integrate best practise wherever possible. We closely monitor the approaches of other LGPS and Pools, the LGPS Scheme Advisory Board and its Responsible Investment sub-committee, regulatory bodies and other pertinent organisations.

We believe that our corporate engagements are most effective when conducted in collaboration with other like-minded investors. We will continue seek out such partnerships to maximise our engagement influence.

We will report on our Responsible Investment approaches and outcomes in our annual Stewardship Report and aim to introduce a ESG scorecard to provide a relatively simple snapshot of progress.

**Climate**

We have recognised that climate change is the single greatest ESG challenge facing the Fund. In January 2022 the Fund prepared a TCFD statement explaining how we identify, measure and mitigate climate change risk. We intend to update this document on a bi-annual basis to report on the progress that the Fund has made. Any update will incorporate the pending recommendations and guidance expected from DLUHC following their Autumn 2022 consultation.

**Achieving net zero**

In conjunction with our partners in the Northern LGPS Pool; in March 2021 WYPF made a Paris Aligned net zero commitment to decarbonise the fund by 2050. We will review the progress made toward this commitment in our next TCFD statement.

WYPF will be reviewing its engagement with the oil and gas sector during 2024 and is seeking to commission some external specialist support for this work. This has been allowed for in the budget.

## F9. Review requirements for cost transparency collation/reporting

2024/25

2025/26

2026/27

2027/28

2028/29



WYPF is not FCA regulated but is looking to broadly follow the requirements of MiFID II and the SAB Code of Transparency and new standardised disclosure templates. The information and data provided should be 'fair, clear and not misleading'. We have investment management costs as well as related execution costs.

### Investment management costs

The challenge arises for WYPF from the fact that c.75% of the assets are managed directly in-house with costs clearly able to be identified and included in the official accounts. Of the remaining 25% of assets that are managed through funds and/or other private vehicles, it is not as straightforward to establish the look-through costs of engaging external managers. There is now an online system (Byhiras) put in place by SAB for submission of manager information, including a check against the MiFID II total cost. This works well for listed assets, where we already understand a majority of the costs. But not for private market assets. We have engaged our private market managers to submit ILPA cost templates for the money we have invested with them.

So in aggregate and on a look through basis, our investment management costs comprise:

- Direct listed assets (costs known and go through official WYPF accounts)
- Listed assets managed by external managers (WYPF has asked managers to submit on Byhiras)
- Private markets assets managed by external managers (WYPF has asked managers to submit their ILPA templates)

We are looking in 2024 to consolidate our understanding of all of the above costs through an external vendor CEM. If successful, this will allow Finance to consider what costs can be incorporated into official accounts and/or notes to the accounts, taking into account CIPFA guidance.

### Execution costs

There are a number of other costs, including brokerage, research, FX and similar and whilst WYPF is not FCA regulated, we should review whether we are getting best execution, albeit we should recognise that sometimes these costs cannot easily be disentangled from the broader relationship added value of our suppliers. It is not currently expected that this work will result in additional budget requirements or resources.

## F10. 2025 actuarial valuation and review of funding strategy

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓			

A formal actuarial valuation of the Fund detailing the solvency position and other financial metrics must be carried out as at 31st March 2025. It is a legal requirement of the LGPS Regulations. It determines the contribution rates payable by the employers to fund the cost of benefits and make good any existing shortfalls as set out in the Funding Strategy Statement.

This is considered in conjunction with the strength of covenant for each employer participating in the Fund. The deadline for completion of the work is 31 March 2026.

Reviews of the Funding Strategy Statement may also be required outside of the actuarial valuation cycle; for example in order to make changes to the methodology for calculating exit payments/credits when employers exit the fund, or to reflect regulatory changes.

As part of the actuarial valuation process IAP and JAG may wish to consider whether to create alternative investment strategies for certain employers or groups of employers, recognising the increasing divergence of employer funding targets and objectives.

## Administration key priorities

Key Action/Task	2024/25	2025/26	2026/27	2027/28	2028/29
Administration					
A1. Implement McCloud / Sargeant / Matthew remedies	✓	✓			
A2. Implement employer self-service on-line functionality to all employers	✓	✓			
A3. Omni-channel member self-service	✓	✓	✓	✓	✓
A4. Trivial Commutation / small pots options exercise	✓	✓			
A5. Frozen refund clearance exercise	✓	✓			
A6. Automation and analytics	✓	✓	✓	✓	✓
A7. Oracle transition to SQL	✓	✓	✓		
A8. GMP Reconciliation & Equalisation	✓	✓	✓		
A9. Implement changes required for national pensions dashboards	✓	✓			
A10. Further develop key performance indicators	✓	✓	✓	✓	✓
A11. Administration shared service	✓	✓			

**A1. Implement McCloud / Sargeant / Matthews remedies**

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓			

Court of Appeal judgements (McCloud and Sargeant) in 2018 found that transitional provisions in the CARE schemes for Firefighters and Judges in April 2015 gave rise to unlawful age discrimination. This impacts the LGPS as the new CARE scheme from April 2014 included a statutory underpin for older members. Remedies have recently been issued by Government to remove the inequality in the schemes, which will result in changes to scheme benefits, some of which will be retrospective.

WYPF has established a project team for the LGPS funds we administer to identify the affected members so their benefits can be amended.

Changes for the Fire scheme are potentially more material given members are to be given the choice over what scheme will apply over the remedy period. In addition, a separate rectification exercise is also taking place (Matthews) relating to retained firefighters’ eligibility to join the Scheme prior to 2006, which then interacts with the Sargeant remedy. A project team has been set up to manage the changes for the Fire authorities we administer.

These works areas have been allowed for in the 2024/25 budget (see Appendix B). A significant proportion of the spend is in relation to amendments to the pensions administration software. It is possible that spend against budget and the timing of spend may be materially different to projections due to the timing of release and implications of guidance and the timing of pensions administration software changes.

**A2. Implement employer self-service on-line functionality to all employers**

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓			

WYPF has been working on new on-line functionality for all employers participating in the Fund. This will ultimately require all employers to upload pension information on a monthly basis to the Fund’s on-line employer self-service facility to ensure the Fund's pension records are up to date. As well as improving the integrity of the Fund's data, this will introduce increased efficiencies for all parties.

WYPF is in the process of moving to a new version of the software which can better manage online submission of forms as currently around half of the forms are still submitted outside of the online self service approach. The new system will include functionality which moves data straight from these systems onto member records without individual staff member intervention, reducing the risk of errors.

This project is in its latter stages so is expected to be completed in 2024



### A3. Omni-channel member self-service

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓	✓	✓	✓

WYPF's online member self-service needs development to optimise the member experience and enable more functionality to be undertaken online, – for example on-line retirement, CETV calculations.

It is intended to bring the online system in house, allowing WYPF to be platform neutral i.e. it can implement the best in class software at any point or change suppliers without this affecting clients or scheme members. Development work has started and it is not expected that this work will require additional budget.

### A4. Trivial commutation / small pots options exercise

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓			

Trivial commutation is where a member who is entitled to a small pension can elect to give up the entirety of that pension and instead receive their benefit as a single lump sum payment. A project will be carried out to identify any pensioners and dependants who may be eligible for trivial commutation and to offer it to them. This will reduce the administrative burden on the Fund paying a large number of very small pensions over a number of years as well as providing greater clarity from a funding perspective. The government has a limit for members to trivially commute their pension in relation to a single pension (£10,000 value – called a "small pot") and total benefits (£30,000 – called "trivial commutation").

As well as reducing the number of pensioner payments that require ongoing payment this could also reduce a fund's liabilities. It will also be welcomed by a number of pensioners who would prefer a one-off lump sum payment rather than ongoing smaller payments of little value.

This option is already offered to members at retirement but the shared service administration team will continue to carry out trivial commutation projects over the next 5 years. This will also involve a review of existing procedures to ensure that trivial commutation is offered in appropriate cases. No additional resource or budget will be required.

#### A5. Frozen refund clearance exercise

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓			

Members who leave the scheme without meeting the 'vesting period' (the minimum period to qualify for benefits) are only entitled to a refund of their own contributions. Since 1 April 2014 the regulations have required that this must be paid within five years of the member leaving the scheme, but before that many members did not claim their refunds in case they rejoined the scheme in the future and could then count that service.

This has meant that the Fund has built up a number of "frozen refunds" i.e. refunds that have not yet been claimed. WYPF has carried out a review of these cases and is in the process of paying as many as possible. This will help the Fund meet legal requirements that all benefits must be paid before the member's 75th birthday and will also reduce the Fund's liabilities.

This is being resourced through existing teams and with no additional budget required.

#### A6. Automation and Analytics

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓	✓	✓	✓

After initial positive results in relation to linking deferred benefit records, we will continue to deploy automation into both administration and finance processes in an agile way driving down the number of administration and finance tasks that need human intervention, alleviating cost and error. The simpler tasks will continue to be automated first, with a move up in complexity as we learn. In this way software will be released as early as possible in order to benefit the organisation as early as possible.

Data analytics will be used to further develop our advancing online and client Management Information needs.

#### A7. Transition from Oracle to SQL

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓	✓		

All Local Government Pensions Administration Software systems now run from SQL. WYPF's technology teams need to complete the task of converting our administration operation to SQL by Jan 2026. This is a significant piece of work and there will be implications for resourcing, reprogramming, training and licences as well as procurement etc .

Work has commenced to identify elements requiring conversion and whether this needs internal resource to build or can be passed to external developers. Conservatively 116 months development time is required to convert to SQL; this excludes conversion of client take on frameworks which would require a further 2 year re-development. areas have been identified and these are being progressed i.e. Payroll. Code developed in the UPM teams also requires conversation and is a further 8/10 months.

Additional resource/budget will be required but the intention is to carry out substantial part of the work internally,

## A8. GMP reconciliation and equalisation

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓	✓		

### GMP Reconciliation

Prior to the removal of “contracted-out” status in April 2016, pension schemes including the LGPS had to ensure the benefits they paid met a minimum level, one element of which was a Guaranteed Minimum Pension (GMP) figure that accrued individually for each scheme member up to April 1997. Following the end of contracting out HMRC is no longer maintaining GMP and other contracting out member records so individual pension schemes must ensure that the contracting out and GMP data they hold matches that held by HMRC.

The WYPF data has been extracted from HMRC ahead of the facility being discontinued and the number of cases that it will be required to look at has been identified. The high level stages to complete the project are as follows:

- Active members - Stage 1 (identify data mismatches)
- Active members - Stage 2 (finalise data reconciliation)
- Deferred and Pensioner reconciliation completion (all data reconciled)
- Stage 3 GMP Rectification

This reconciliation project will inevitably result in identifying some pensioners and dependents whose pension has been overpaid or underpaid (albeit some by very small amounts). Some of these under or overpayments will have been in place for several years and back payments made or collected in accordance with industry guidance. Stage 1 and 2 have been completed with work due to start on stage 3.

### GMP Equalisation

The courts have determined that it is necessary to revisit pension benefits for members who accrued a GMP to ensure equal treatment between men and women. In March 2021 the Government confirmed that the solution for LGPS funds was to apply full indexation on all GMP (i.e. all pension) for those members who reached state pension age after 5 April 2016. This has been implemented by WYPF but we are likely to have to revisit transfers-out over a number of years to ensure the correct amount was paid in respect of the GMP element. It is not expected that this work will require additional staff or budget.

### A9. Implement changes required for national pensions dashboards

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓			
<p>Pension dashboards are a Government initiative first announced in the Budget 2016 with the legal framework contained in the Pension Schemes Act 2021. The idea is to allow pension savers in the UK access to view the values of all of their pension pots, including the State Pension, through one central platform. Public service pension schemes are expected to connect to the dashboard ecosystem in September 2025 and we will need to ensure that WYPF and the other schemes we administer are ready for implementation. This is a significant piece of work which will have significant ongoing impacts for both administration and technology.</p> <p>WYPF has made good progress in this area to date with a procurement already completed for a Integrated Service Provider (ISP) to connect WYPF to the dashboard system's central digital architecture.</p> <p>Additional resource/budget will be required but the intention is to carry out substantial part of the work internally,</p>				

### A10. Further develop key performance indicators

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓	✓	✓	✓
<p>The WYPF Administration Section currently sets performance targets for delivering 22 common administration tasks within a set timeframe and tabulates the number of outstanding and completed tasks. This provides a reasonable indication of the performance of the Administration Section and is useful in terms of allocating resources and strategic planning. However, it is unlikely to provide a complete picture of administration workloads and performance. Weaknesses include:</p> <ul style="list-style-type: none"> <li>• The age of outstanding tasks is not clear on the management information</li> <li>• Where the target timeframe is not met for a task, no indication is provided of how close to the deadline the task was completed</li> <li>• The source of delays to completing a task is not always clear (i.e. delays caused by inaccurate information supplied by member/employer)</li> </ul> <p>It is proposed that WYPF work with its shared service administration partners to further develop its key performance indicators to try and address any weaknesses such as those highlighted above. This improvement in Management Information should ultimately result in a more efficient administration service.</p> <p>It is not envisaged that any additional resource of budget is required.</p>				

## A11. Administration Shared Service

2024/25	2025/26	2026/27	2027/28	2028/29
✓	✓			

WYPF currently provides an administration shared service to three other LGPS funds and over half of the Fire Authorities in England. All costs are shared equally on a per-member basis.

During 2024 we will look to work with the shared service partners to carry out a strategic review of the shared service arrangements to ensure partners' and WYPF's interests are aligned and risks to WYPF of hosting the service are appropriately managed. One of the matters to consider is whether the shared service would benefit from a 'brand', in a similar manner to several other LGPS shared service arrangements (Local Pensions Partnership, Peninsula Pensions etc...)

# Appendix B - Business Plan

## Budget

Operating Cost Budget and forecast 2022/23 to 2028/2029

WYPF TOTAL SERVICE COST	22/3 BUDGET	22/3 OUTTURN	23/4 BUDGET	23/4 FORECAST	24/5 FORECAST YR1	25/26 FORECAST YR2	26/27 FORECAST YR3	27/28 FORECAST YR4	28/29 FORECAST YR5
	£000	£000	£000	£000	£000	£000	£000	£000	£000
01 PENSION ADMINISTRATION	5,250	5,270	6,265	5,970	7,307	7,550	7,625	7,701	7,779
03 OVERSIGHT	1,004	1,009	998	942	1,017	1,029	1,039	1,050	1,060
<b>PENSION ADMIN &amp; OVERSIGHT</b>	<b>6,254</b>	<b>6,284</b>	<b>7,263</b>	<b>6,912</b>	<b>8,324</b>	<b>8,579</b>	<b>8,665</b>	<b>8,751</b>	<b>8,839</b>
02 INVESTMENT MANAGEMENT	8,496	7,322	9,346	7,669	10,174	10,510	10,615	10,721	10,829
<b>TOTAL WYPF NET EXP</b>	<b>14,750</b>	<b>13,601</b>	<b>16,609</b>	<b>14,581</b>	<b>18,498</b>	<b>19,089</b>	<b>19,280</b>	<b>19,473</b>	<b>19,667</b>
PER MBR		£42.68	£51.01		£57.34	£59.18	£59.77	£60.37	£60.97
MBR NUMBER		319,489	325,630		322,581	322,581	322,581	322,581	322,581

WYPF TOTAL SERVICE COST	22/3 BUDGET	22/3 OUTTURN	23/4 BUDGET	23/4 FORECAST	24/5 FORECAST YR1	25/26 FORECAST YR2	26/27 FORECAST YR3	27/28 FORECAST YR4	28/29 FORECAST YR5
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Accommodation	261	345	371	398	424	432	437	441	445
Actuary	350	317	301	200	200	202	204	206	208
CBMDC Support Services	463	559	567	604	851	860	868	877	886
Computer	1,216	1,902	1,893	2,298	2,328	2,426	2,450	2,475	2,500
Contingency - Invest to save	1,000	0	750	0	750	758	765	773	780
Employees	10,643	9,842	12,240	11,303	13,253	13,743	13,881	14,019	14,159
Other Running Costs	1,027	1,179	1,060	1,220	1,244	1,257	1,270	1,283	1,296
Printing & stationery	299	402	350	376	376	380	384	387	391
Transaction Costs	2,500	2,320	2,500	1,861	2,750	2,745	2,773	2,800	2,828
<b>WYPF TOTAL SERVICE EXP</b>	<b>17,759</b>	<b>16,866</b>	<b>20,032</b>	<b>18,260</b>	<b>22,176</b>	<b>22,803</b>	<b>23,031</b>	<b>23,261</b>	<b>23,494</b>
Other Income	-179	-237	-200	-271	-271	-274	-276	-279	-282
Shared Service Income	-2,830	-3,024	-3,222	-3,408	-3,408	-3,442	-3,477	-3,511	-3,546
<b>WYPF TOTAL SERVICE NET EXP</b>	<b>14,750</b>	<b>13,605</b>	<b>16,610</b>	<b>14,581</b>	<b>18,497</b>	<b>19,087</b>	<b>19,278</b>	<b>19,471</b>	<b>19,665</b>
PER MBR sf3		£42.68							
PER MBR		£42.58	£51.01		57.34	£59.17	£59.76	£60.36	£60.96
MBR NUMBER		319,489	325,630		322,581	322,581	322,581	322,581	322,581

## Appendix C – Communications plan

The aim of the Fund's communications strategy is to make sure that all stakeholders are engaged with and kept informed of developments within the Fund. We want to ensure transparency and an effective communication process will help to maintain the efficient running of the scheme. An outline communications plan for 2024 to 2025 is set out below.

### Communications events 2024/25 – Local Government Pension Scheme (LGPS)

Communication	Format	Frequency	Method of distribution
<b>LGPS active members (including representatives of active members and prospective members)</b>			
	Newsletter	2/3 per year becoming more frequent and modular as electronic communications increase	Bulk email and mail if members have opted out of electronic communications
	Annual meeting	1 per year	Meeting (WYPF/HPF)
	Annual Pension Statement	1 per year	E-mail and mail if members opted out of electronic communications
	www.wypf.org.uk	Constant	Web
	Member fact card	On request/constant	Print and web
	Member fact sheets	Constant	Web
	Introduction to WYPF	On employer request	Virtual or in person
	Presentation – Your pension explained	On employer request	Virtual or in person
	Presentation – Pre retirement	On employer request	Virtual or in person
	Pension surgeries/drop in's	On employer request	Virtual
	Engage with your LGPS pension	Monthly	Virtual events held online
	Pension Awareness Week	Once per year (Sept)	Virtual events held online
	Planning for a successful retirement	At least monthly	Held by Affinity Connect
	WYPF Contact centre and LPF satellite office	8.45 to 4.30 Monday to Friday	Face-to-face/ phone/email
	Scheme booklet	Constant	Web
	New member pack	On joining	Mail
	Social media	Constant	Web
	YouTube channel	Constant	Web

**LGPS deferred members  
(including  
representatives of  
deferred members)**

Newsletter	1 per year becoming more frequent and modular as electronic communications increase	Bulk email and mail if members opted out of electronic communications
Deferred Benefit Statement	1 per year	Email
Annual meeting	1 per year	Meeting (WYPF/HPF)
www.wypf.org.uk	Constant	Web
WYPF Contact centre and LPF satellite office	8.45 to 4.30 Monday to Friday	Face-to-face/ phone/email
Social media	Constant	Web
YouTube channel	Constant	Web

**LGPS pensioner  
members (including  
representatives of retired  
members)**

Newsletter	1 per year becoming more frequent and modular as electronic communications increase	Bulk email and mail if members opted out of electronic communications
Annual meeting	1 per year	Meeting (WYPF/HPF)
www.wypf.org.uk	Constant	Web
WYPF Contact centre and LPF satellite office	8.45 to 4.30 Monday to Friday	Face-to-face/ phone/email
Pension advice	As and when net pension changes by £5.00 or more	Mail if not registered with My Pension
P60	1 per year	Web unless opted out of electronic communications
Social media	Constant	Web
YouTube channel	Constant	Web

## Communications events 2024 – firefighters

Communication	Format	Frequency	Method of distribution
<b>Firefighter active members (including representatives of active members and prospective members)</b>			
Newsletter		At least 1 per year becoming more frequent and modular as electronic communications increase	Bulk email and mail if members opted out of electronic communications



Annual Benefit Statement	1 per year	E-mail and mail if members opted out of electronic communications
www.wypf.org.uk	Constant	Web
New recruit presentation	On employer request	Virtual or in person
Presentation – Your pension explained	On employer request	Virtual or in person
Presentation – Pre retirement	On employer request	Virtual or in person
Pension surgeries/drop in's	On employer request	Virtual or in person
Planning for a successful retirement	2 to 4 per year	Held by Affinity Connect
WYPF Contact centre and LPF satellite office	8.45 to 4.30 Monday to Friday	Face-to-face/ phone/email
Scheme booklet	Constant	Web

**Firefighter deferred members (including representatives of deferred members)**

Annual Benefit Statement	1 per year	E-mail and mail if members opted out of electronic communications
www.wypf.org.uk	Constant	Web
WYPF Contact centre and LPF satellite office	8.45 to 4.30 Monday to Friday	Face-to-face/ phone/email

**Firefighter – pensioner members (including representatives of pensioner members)**

www.wypf.org.uk	Constant	Web
WYPF Contact centre and LPF satellite office	8.45 to 4.30 Monday to Friday	Face-to-face/ phone/email
Pension advice	As and when net pension changes by £5.00 or more	Mail if not registered with My Pension
P60	1 per year	Web unless opted out of electronic communications

## Communications events 2024 – councillors

Communication	Format	Frequency	Method of distribution
<b>Councillor members (including representatives of members)</b>			

Newsletter	1 per year	Bulk email and mail if members opted out of electronic communications
Annual meeting	1 per year	Meeting (WYPF/HPF)
Deferred Benefit Statement	1 per year	E-mail and mail if members opted out of electronic communications
www.wypf.org.uk	Constant	Web
Ad hoc meetings	When required	Virtual/meeting/face-to-face
WYPF Contact centre and LPF satellite office	8.45 to 4.30 Monday to Friday	Face-to-face/phone/email
Social media	Constant	Web

## Communications events 2024 – employing authorities

Communication	Format	Frequency	Method of distribution
<b>Employing authorities</b>			
Employer Pension Fund Representatives		8.30 to 4.30 Monday to Friday	Virtual / face-to-face / email / phone
Website		Constant	Web
Fact card		1 per year	Web
Fact sheets		Constant	Web
Employer guide		Constant	Web/electronic document
Employer webcasts		Weekly	Held on-line with recordings made available
Ad hoc training		When required	Face-to-face/virtual
Update sessions		Up to 2 per year	Meeting
Annual meeting		1 per year	Meeting
Manuals/toolkits		Constant	Web/electronic document
Pension Matters and round-up		12 per year and when required	Wordpress blog and gov. delivery bulk email
Social media		Constant	Web
Ad hoc meetings		When required	Face-to-face

## Appendix D - Business Plan activities for LGPS and Fire Authority shared service partners

Key Action/Task	2022/23	2023/24	2024/25	2025/26	2026/27
<b>Governance and communications</b>					
G3. Review against new TPR Single Modular Code	✓				
G4. Review/development of risk register	✓				
G5. Business Continuity	✓	✓	✓	✓	✓
G6. Diversity, equality and Inclusion	✓	✓	✓	✓	✓
G7. Enhance cybersecurity	✓	✓			
G8. Launch and develop new WYPF website	✓	✓			
G10. Procurement/Tenders	✓	✓	✓	✓	✓
G11. Succession Planning	✓	✓	✓	✓	✓

Key Action/Task	2024/25	2025/26	2026/27	2027/28	2028/29
<b>Administration</b>					
A1. Implement McCloud / Sargeant / Matthew remedies	✓	✓			
A2. Implement employer self-service on-line functionality to all employers	✓	✓			
A3. Omni-channel member self-service	✓	✓	✓	✓	✓
A4. Trivial Commutation / small pots options exercise	✓	✓			
A5. Frozen refund clearance exercise	✓	✓			
A6. Automation and analytics	✓	✓	✓	✓	✓
A7. Oracle transition to SQL	✓	✓	✓		
A8. GMP Reconciliation & Equalisation	✓	✓	✓		
A9. Implement changes required for national pensions dashboards	✓	✓			
A10. Further develop key performance indicators	✓	✓	✓	✓	✓
A11. Administration shared service	✓	✓			