

Warwickshire Pension Fund
Business Plan
2026-2027



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1. Introduction

1.1 Warwickshire County Council (WCC) is the Administering Authority of the Warwickshire Pension Fund ('the Fund') administering both the Local Government and Firefighter Pension Schemes. This business plan relates to the Local Government Pension Scheme only.

1.2 This document sets out the business plan for the Warwickshire Pension Fund for 2026/27, including objectives, strategic priorities, and an action plan to achieve them. An action plan of Fund activities is provided at Appendix C which as of last year has been extended to look forwards over three years rather than just one. This year's plan expands on this with the inclusion of the long term plan for policy reviews (Appendix E) and also a medium term financial plan for the Fund (Appendix D).

1.3 The Fund is looking forward to a busy year with business as usual to be delivered alongside developments and changes. The Fund is in the process of implementing changes driven by the Pensions Regulator single code of practice and further changes in governance and investment activity that will be required arising from The Pension Schemes Bill, alongside this are other developments for

example the Pension Dashboard and expanding the update of the Engage online pension portal.

1.4 The past year has seen the abolition of the Lifetime Allowance, changes to Further Education employer guarantees, Pension Dashboard development, a comprehensive review of the Funds compliance with the TPR General Code of Practice, and the simpler final salary pension activity being gradually replaced by more complex calculations for pensions which have to incorporate different rules and retirement ages for different periods of membership. Further changes to the scheme are expected, with some of these changes being consulted on currently

1.5 The LGPS continues to grow in scale and complexity. At January 2026 the total membership of the fund stood at 61,851. This includes active, deferred and pension members of the Fund. This compares to a total of 58,785 in March 2023. The number of employers within the scheme has increased to 253 as at January 2026, and this also continues a long-term trend of an increasing number of active employers. The fund value has continued to increase and was at £3.27bn by the end of September 2025.

This compares to £2.97bn in September 2024.

1.6 Pooling will mean that the Fund no longer directly commissions fund managers, as LGPS pools will take on full responsibility for investment implementation, however the increased complexity in terms of the number of different mandates invested in is expected to remain.

1.8 By the end of March 2026 work will have been completed on the 2025 formal valuation of the Fund with milestones met throughout the year. Membership and financial data was submitted to the Actuary in June 2025, draft Rates and Adjustment certificates, detailing the new employer contribution rates were issued for consultation to all employers along with an updated version of the Funding Strategy Statement (FSS). Employers were given until the 31st January 2026 to respond on their contribution rate and the contents of the FSS. The final Rates and Adjust Certificate and Valuation report will be presented at the March Pension Fund Investment Sub-Committee before publication

1.9 Preparation work has started to meet the requirements of The Pension Scheme Bill 2025 which passes the recommendations of the Fit For the Future Consultation into legislation.

1.10 The new requirements include that all LGPS assets will be managed by pools, which in Warwickshire's case is the Border to Coast Pension Partnership. LGPS Funds will

take principal investment advice from their asset Pool and Funds are required to adopt the majority of the Scheme Advisory Boards Good Governance recommendations and undertake an Independent Governance Review every three years.

1.11 In preparation for these new governance standards Warwickshire Pension Fund started a Governance Action

Plan in August 2025 with actions designed to ensure compliance with the General Code of Practice and the expected changes in the Pension Schemes Bill.



2. Team Structure and Governance

2.1 The role of Scheme Manager for the Warwickshire Pension Fund is undertaken by the Executive Director for Resources.

2.2 The Council delegates to the Staff and Pensions Committee responsibility for the governance and oversight of the Fund. The Staff and Pensions Committee delegates the management of investments to the Pension Fund Investment Sub Committee. These two committees cover all decision making. The Local Pension Board

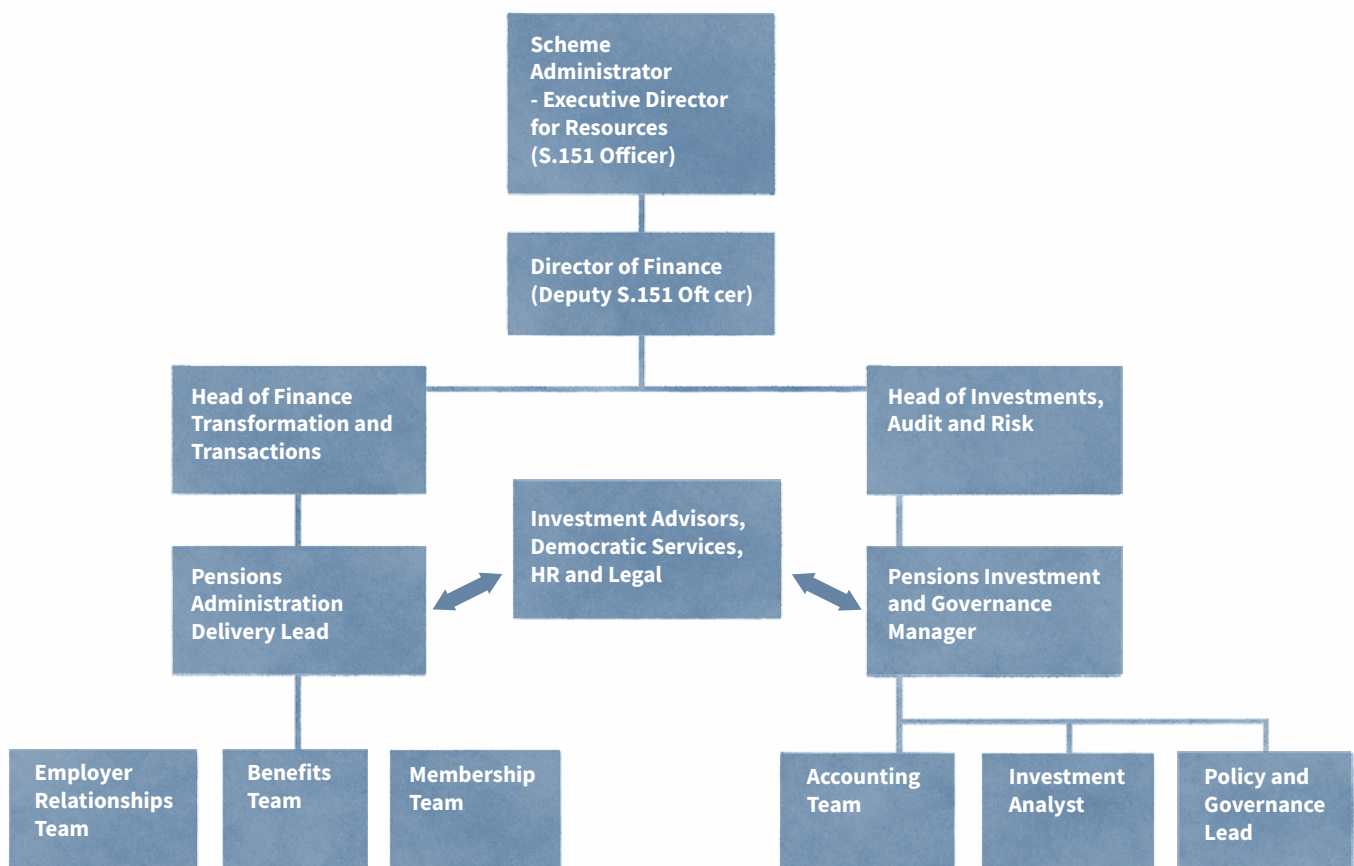
provides additional support and oversight to the governance of the Fund but has no executive decision making role.

2.3 The Staff and Pensions Committee and Pension Fund Investment Sub-Committee are comprised of elected County Council members whilst the Local Pension Board is an equal mix of representatives of employers and scheme members with an independent chair in accordance with the requirements of the Public Services Pension Act 2013.

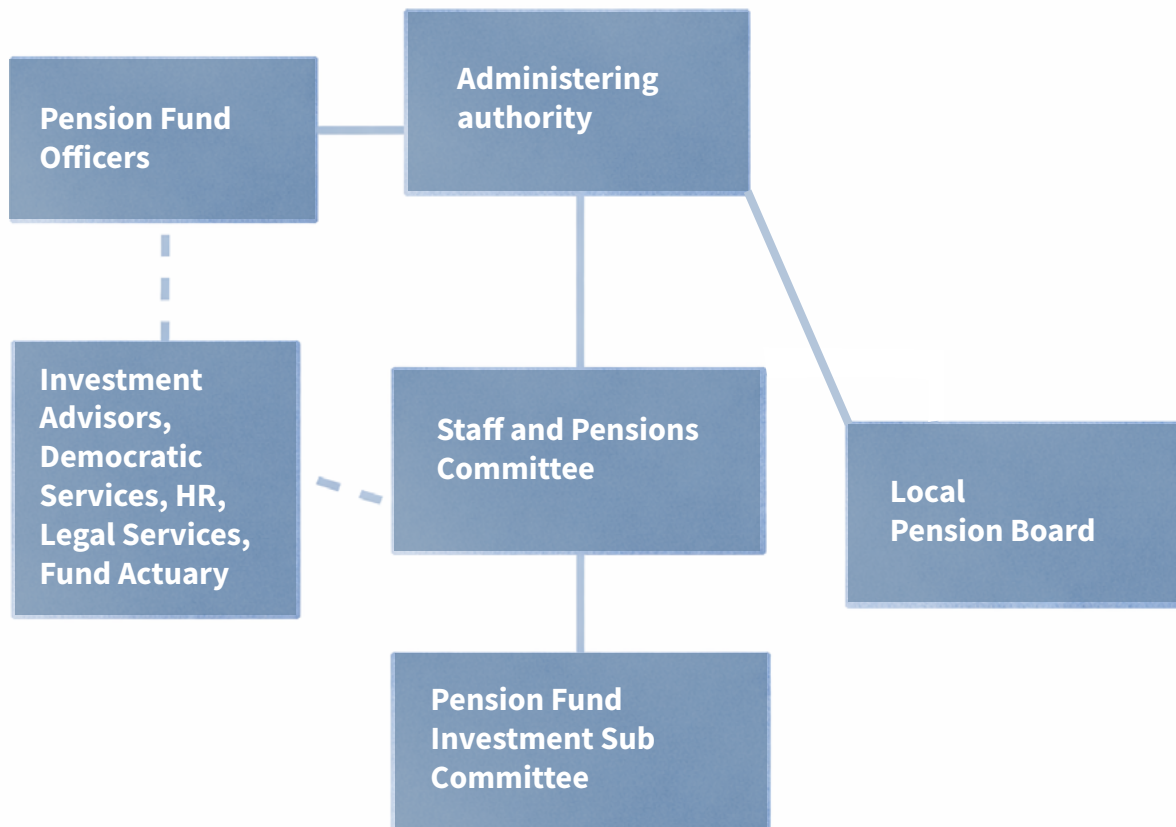
2.4 Warwickshire County Council (WCC) is the Administering Authority of the Warwickshire Pension Fund ('the Fund') administering both the Local Government and Firefighter Pension Schemes. This business plan relates to the Local Government Pension Scheme only.

2.5 The staffing structure committee and board structure are set out below.

TEAM STRUCTURE OF WARWICKSHIRE PENSION FUND



COMMITTEE AND BOARD STRUCTURE



3. Long term objectives

3.1 The Fund's fundamental objectives are that:

- i. Pension benefits are paid to members accurately and on time; and
- ii. The funds are available to pay benefits when they fall due.

3.2 To do this the Fund will:

- i. Ensure the governance arrangements of the Pension Fund allow officers, employers, pension fund

committees and Pension Board members to discharge their responsibilities efficiently and effectively;

- ii. Deliver a high-quality pension administration service, working effectively with scheme employers and maintaining a constant focus on data quality and customer service; and
- iii. Ensure the financial sustainability of the Fund through effective forecasting of long-term liabilities,

determination and collection of appropriate contributions and generation of an appropriate risk adjusted return from the fund's investments.

3.3 The Fund will have regard to other factors as set out in relevant policies, for example in respect of climate change, social impact, and investment in the UK, however those considerations will not take priority over the primary objectives set out above.

4. Key Actions and Performance Measures

4.1 Key actions and performance indicators for the Fund are organised into the categories of administration, investment, and governance / management. These are publicised annually and progress against which are reported to relevant governance channels on a quarterly basis.

Administration

4.2 Administration service performance measures are set out in Appendix A.

4.3 Alongside the key metrics for the administration service a number of key activities will be progressed, including:

- i. Expanding the number of members using the online member self-service portal;
- ii. Preparation for the introduction of, and ongoing support to the Pensions Dashboard.
- iii. Updates as needed for regulation changes arising from the Access and Fairness consultation and LGPS Scheme Improvements: Access and Protection consultation.

Investments

4.4 The Fund needs to ensure that the rates of return required by the triennial valuation are achieved and that enough income is generated to cover in addition to contributions in order to cover the payment of benefits and Fund expenses.

4.5 To support this aim, the Investment Strategy sets out a Strategic Asset Allocation (Appendix B), and within each investment fund a risk / return profile is targeted. Investment performance is however measured over the medium to long-term.

4.6 In addition to business as usual the following key activities will be undertaken:

- i. Supporting the further development and implementation of the delivery of new services from the Border to Coast Pension Partnership, for example the provision of investment advice and the management of investment cashflow and the management of legacy assets.

- ii. Further developing the Fund's oversight of the pool company both as a shareholder and as a client.

Governance / Management

4.7 In maintaining the good governance of the Fund, additional performance measures will be monitored in relation to governance as set out in Appendix C. These activities are already monitored by the Fund, the intention is to bring together in one place a high level dashboard relating to governance activity.

4.8 In addition to these measures the Fund will be working on governance development activities such as the Governance Action Plan, and these will be monitored quarterly.

5. Key Business Plan Themes

Workforce Planning

5.1 Workforce planning will continue to be undertaken to promote staff retention and maintaining resilience within small and specialized services.

5.2 Staffing capacity will be kept under review. Resources required for specific projects will be identified and approved through business cases and project management approaches.

Ensuring Appropriate Governance

5.3 Following the publication of The Pensions Regulator's General Code of Practice in 2024, the Fund engaged an independent reviewer to assess its governance arrangements and its compliance with the new Code. The findings of this review, together with the emerging requirements of the Pension Schemes Bill 2025, have informed the development of a Governance Action Plan to support officers in meeting the updated governance standards.

Climate Change / ESG Policy

5.4 The Fund will continue to mitigate the Fund's exposure to climate risk and to ensure

climate issues are appropriately considered in its decision making. The implementation of investment management will see the responsible investment policies of the Fund increasingly expressed through the Border to Coast Pension Partnership, who are required to meet the needs of all partner funds. This will create a challenge for the pool to service different requirements from different partner funds, and will also create a challenge for partner funds to need to compromise and coordinate their requirements so that the overall requirements from partner funds are deliverable.

Developing Improved Systems

5.5 The Fund launched a new member self-service platform called Engage which offers scheme members online access to their pension information as well as lifestyle modelling functionality to help retirement planning. Member engagement is encouraged at every Annual Benefit Statement publication, at a series of presentations throughout the year and in written communication when published. Communications are issued to members securely through Engage to encourage member sign up at each stage of LGPS membership.

5.6 Implementation of Pensions Dashboard functionality will continue to be an important activity for the Fund but will be driven by externally set timelines.

Pooling

5.7 The Fund will collaborate with pool partner funds and the Border to Coast Pension Partnership to further develop the performance and activities of the pool and expand the benefits of pooling. This activity will be affected by the direction of the Government's decisions following the passing of the Pension Scheme Bill.

5.8 The Border to Coast Pension Partnership will continue to develop new products and Warwickshire Pension Fund will work with the pool and partner funds to help to shape the products being developed.

Investing in Employer Liaison

5.9 The Fund will work closely with employers, providing information, support, signposting, and training to help employers to meet their responsibilities.

Budget

5.10 The Fund is developing a whole-fund budget for 2026/27, and medium term financial plan covering all revenue income and expenditure. Work on this is in progress and a revised plan including the budget will be presented later in the year. The Fund has financial plans for administrative expenditure, the investment strategy will drive expected investment

returns and associated costs, the valuation results will drive employer contributions, CPI will drive benefits payments, and membership demographics will impact across a number of headings. This budget will bring all of this together for the first time as follows:

- Contributions paid in
- Benefits paid out

- Investment returns received
- Administration costs (including pool governance costs)
- Investment management costs (including pool and non pool fund manager costs)



6. Actions

6.1 Appendix C sets out a summary of the actions planned for the next three years. The activity plan focuses on significant change activity and activity to do with delivering key functions.

6.2 Actions are grouped into the following categories:

- i. Ensuring a high-quality administration service ii.) Actuarial activities
- ii. Maximising Investment

Benefits Ensuring Good Governance

iii. Sustainability



Administration Performance Measures

| Key Performance Indicator | Fund Target (95%) |
|--|--------------------|
| Communication issued with acknowledgement of death of active, deferred, pensioner and dependent member | 5 days |
| Communication issued confirming the amount of dependents pension | 10 days |
| Communication issued to deferred member with pension and lump sum options (quotation) | 15 days |
| Communication issued to active member with pension and lump sum options (quotation) | 15 days |
| Communication issued to deferred member with confirmation of pension and lump sum (actual) | 15 days |
| Communication issued to active member with confirmation of pension and lump sum (actual) | 15 days |
| Payment of lump sums (actives and deferred) | 15 days |
| Communication issued with deferred benefits | 30 days |
| Communication issued to scheme member with completion of transfer in | 15 days |
| Communication issued to scheme member with completion of transfer out | 15 days |
| Payment of refund | 10 days |
| Divorce quotation | 45 days |
| Communication issued following actual divorce proceedings i.e. application of a Pension Sharing Order | 15 days |
| Communication issued to new starters | 40 days |
| Member estimates requested by scheme member and employer | 15 days |

Appendix B

Strategic Asset Allocation

| Asset class | Current Target Asset Allocation (%) | Asset Allocation Range (%) |
|-------------------------------------|-------------------------------------|----------------------------|
| UK equities | 5.0 | +/-1.0 |
| Overseas equities | 17.00 | +/-2.5 |
| Overseas Fundamental global equity* | 12.25 | +/-2.0 |
| Private equity | 5.75 | n/a |
| Total Growth | 40.00 | |
| Property | 10.0 | n/a |
| Infrastructure | 8.95 | n/a |
| Private debt | 6.30 | n/a |
| Multi asset credit | 8.75 | n/a |
| Climate Opportunities | 1.0 | n/a |
| Total Income | 35.00 | |
| UK corporate bonds | 16.00 | +/-2.0 |
| UK index linked bonds | 9.0 | +/-1.5 |
| Total Protection | 25.00 | |
| | | |
| Total | 100.0 | |

Governance Key Performance Indicators

| Key Performance Indicator | Annual Fund Target |
|--|--------------------|
| Publication of Draft Pension Fund Accounts | May 2026 |
| Publication of Final Pension Fund Accounts | January 2027 |
| Publication of Annual Report and Accounts | 1st December 2026 |
| Pension Fund AGM in person | December 2026 |
| Required Rate of Return for 100% Funding Level | 3.8% |
| Member attendance at Staff and Pensions Committee meetings | 100% |
| Member attendance at Pension Fund Investment Sub Committee meetings | 100% |
| Member attendance at Local Pension Board meetings | 100% |
| Local Pension Board, Pension Fund Investment Sub-Committee and Staff and Pensions Committee member attendance at Fund organised training meetings and events | 100% |
| Local Pension Board, Pension Fund Investment Sub-Committee and Staff and Pensions Committee members completion of LGPS Online Learning Academy modules | 100% |

D1. Ensuring a high-quality administration service

| Ref | Action | 2026/27 | 2027/28 | 2028/29 |
|-----|---|---|---|---------------------|
| 1 | Annual Pensioners Newsletter issued by 30th June | By 30th June 2026 | By 30th June 2027 | By 30th June 2028 |
| 2 | Annual benefit statements issued by 31st August | By 31st August 2026 | By 31st August 2027 | By 31st August 2028 |
| 3 | Expand number of users of member portal | Ongoing | Ongoing | Ongoing |
| 4 | Develop online retirement process within member portal | By 30th September 2026 | Ongoing | Ongoing |
| 5 | Annual Allowance statements issued | By 5th October 2026 | By 5th October 2027 | By 5th October 2028 |
| 6 | Employer Engagement/Employer Training | Quarterly | Quarterly | Quarterly |
| 7 | Administration performance – KPIs reported to the Staff and Pensions Committee and Local Pensions Board | Quarterly | Quarterly | Quarterly |
| 8 | Review of Pension Fund website | Ongoing | Ongoing | Ongoing |
| 9 | Review of complaints and compliments received, and report to Staff and Pensions committee during the year | Quarterly | Quarterly | Quarterly |
| 10 | Prepare scheme for increases to minimum to pension ages to 57 | Not applicable | In advance of changes on 6th April 2028 | Not applicable |
| 11 | Data quality review | Ongoing | Ongoing | Ongoing |
| 12 | Launch and support the National Pension Dashboards | Ongoing – We expect the dashboard to be launched to the public during this year | Ongoing | Ongoing |

| Ref | Action | 2026/27 | 2027/28 | 2028/29 |
|-----|--|--|--------------------------------------|--|
| 13 | Overseas proof of life procurement | Contract procurement in advance of 31st October 2026 | Ongoing use of new contractor | Ongoing use of new contractor |
| 14 | Procurement for Fire Pension Scheme administration provider | Contract procurement in advance of 31st March 2027 | Ongoing administration with provider | Ongoing administration with provider |
| 15 | Internal audit of Pension Administration Service | Expected in 2026/27 | Interim Audit expected | Expected in 2027/2028 |
| 16 | Prepare for tax changes to death benefits payable from the fund | In advance of changes on 6th April 2027 | Ongoing | Ongoing |
| 17 | Explore options for moving hosting of pension administration servers | Ongoing | Ongoing | Ongoing |
| 18 | Complete upcoming schemes actions for regulation changes for Access and Protection and Access and Fairness (including back dated recalculations) | Ongoing | Ongoing | Expect completed |
| 19 | Procurement of Pension Administration System | Not applicable | Not applicable | Contract Procurement in advance of June 2028 |

D2. Actuarial Activities

| Ref | Action | Timescale 26/27 | Position for 27/28 | Position for 28/29 |
|-----|---|-----------------|--------------------|--------------------|
| 19 | Monitor employer contribution performance through the year | Monthly | Monthly | Monthly |
| 20 | Data cleansing exercise in advance of 2028 triennial valuation | Not applicable | September 2027 | Not applicable |
| 21 | Planning for 2028 triennial valuation | Not applicable | July 2027 | Not applicable |
| 22 | Publication of final 2028 Valuation report and Results and Adjustment Certificate | Not applicable | Not applicable | March 2029 |

D3. Optimising Investment Risk and Return

| Ref | Action | Timescale 26/27 | Position for 27/28 | Position for 28/29 |
|-----|---|---------------------------------|---------------------------------|---------------------------------|
| 23 | Support the development of new Border to Coast fund products | As funds launch | As funds launch | As funds launch |
| 24 | Continue to move the investment mix towards the long-term Strategic Asset Allocation | Ongoing – reviewed periodically | Ongoing – reviewed periodically | Ongoing – reviewed periodically |
| 25 | Appropriate engagement with the governance of Border to Coast via the Joint Committee, and officer groups | Ongoing | Ongoing | Ongoing |
| 26 | Work with BCPP to meet local UK investment requirements | September 2026 | Not applicable | Not applicable |
| 27 | Work with BCPP to implement new advisory requirements | March 2027 | Not applicable | Not applicable |
| 28 | Ensure Investment Strategy Statement meets new regulatory and guidance requirements | September 2026 | Not applicable | Not applicable |

D4. Ensuring Good Governance

| Ref | Action | Timescale 26/27 | Position for 27/28 | Position for 28/29 |
|-----|---|--|--|--|
| 29 | Deliver the Pension Fund Annual General Meeting, aiming for positive feedback from all stakeholders | December 2026 | December 2027 | December 2028 |
| 30 | Production of draft statement of accounts | June 2026 | June 2027 | June 2028 |
| 31 | Publication of Annual Pension Fund Report | November 2026 | November 2027 | November 2028 |
| 32 | Review of Policy Register and schedule for regular review and the timely delivery of policy updates | Ongoing at Intervals as agreed by Fund | Ongoing at Intervals as agreed by Fund | Ongoing at Intervals as agreed by Fund |
| 33 | Maintenance of business continuity planning and cyber security arrangements – periodic updating and testing | Ongoing at Intervals as agreed by the Fund | Ongoing at Intervals as agreed by the Fund | Ongoing at Intervals as agreed by the Fund |
| 34 | Meeting the new Governance Requirements set out in the Pension Scheme Bill 2025 | March 2027 | Not applicable | Not applicable |
| 35 | Develop fund-wide medium term financial planning and monitoring | Ongoing | Ongoing | Ongoing |

D5. Sustainability

| Ref | Action | Timescale 26/27 | Position for 27/28 | Position for 28/29 |
|-----|--|-----------------|--------------------|--------------------|
| 36 | Further develop the Fund's Climate Risk Strategy and the Fund's approach ESG, including the development of goals and milestones and monitoring of metrics and ensuring alignment with Border to Coast policies | December 2026 | December 2027 | December 2028 |
| 37 | Implement and update TCFD disclosure requirements | March 2027 | March 2028 | March 2029 |

Policies, Projects, and Contracts Review Programme

| | 2026/27 | | | | 2027/28 | | | | 2028/29 | | | | 2029/30 | | | | Years between normal reviews |
|--|---------|----|----|----|---------|----|----|----|---------|----|----|----|---------|----|----|----|------------------------------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | |
| Policy Reviews | | | | | | | | | | | | | | | | | |
| Administration Strategy | | | | | | | | | | | | | | | | | 1 |
| Admissions and Terminations Policy | | | | | | | | | | | | | | | | | 2 |
| Anti-Fraud and Corruption Policy | | | | | | | | | | | | | | | | | 3 |
| Breaches Policy | | | | | | | | | | | | | | | | | 2 |
| Climate Risk Policy | | | | | | | | | | | | | | | | | 3 |
| Communications Policy | | | | | | | | | | | | | | | | | 2 |
| Business Continuity Plan | | | | | | | | | | | | | | | | | 1 |
| Conflicts of Interest Policy | | | | | | | | | | | | | | | | | 3 |
| Cyber Security Policy | | | | | | | | | | | | | | | | | 1.5 |
| Funding Strategy Statement | | | | | | | | | | | | | | | | | 3 |
| Investment Strategy Statement | | | | | | | | | | | | | | | | | 3 |
| Data Retention Policy | | | | | | | | | | | | | | | | | 2 |
| Governance Compliance Statement | | | | | | | | | | | | | | | | | 1 |
| IDRP Policy | | | | | | | | | | | | | | | | | 3 |
| Overpayments Policy | | | | | | | | | | | | | | | | | 3 |
| Responsible Investment Policy | | | | | | | | | | | | | | | | | 3 |
| Risk Policy | | | | | | | | | | | | | | | | | 2 |
| Training Policy | | | | | | | | | | | | | | | | | 2 |
| Fund Discretions Policy | | | | | | | | | | | | | | | | | 3 |
| Voting Policy | | | | | | | | | | | | | | | | | 1 |
| LPB Recruitment and Retention Policy | | | | | | | | | | | | | | | | | 3 |
| Risk Register Annual Update | | | | | | | | | | | | | | | | | 1 |
| Accounts | | | | | | | | | | | | | | | | | 1 |
| Annual Business Plan | | | | | | | | | | | | | | | | | 1 |
| Local Pension Board Terms of Reference | | | | | | | | | | | | | | | | | 3 |
| Pension Committee Terms of Reference | | | | | | | | | | | | | | | | | 3 |

The schedule shows a multi year timescale in order to map out reviews that in some cases are less frequent than annually. In this way the next review of all policies is mapped. The exact timing of reviews may be adjusted to spread workloads more efficiently but ensuring that time critical reviews are prioritised.

| | 2026/27 | | | | 2027/28 | | | | 2028/29 | | | | 2029/30 | | | |
|--|---------|----|----|----|---------|----|----|----|---------|----|----|----|---------|----|----|----|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| Strategic Environment | | | | | | | | | | | | | | | | |
| Pension Schemes Bill | | | | | | | | | | | | | | | | |
| Pooling - New Services Implemented | | | | | | | | | | | | | | | | |
| Fund Triennial External Governance Review | | | | | | | | | | | | | | | | |
| Local Government Reorganisation Shadow Authority/s | | | | | | | | | | | | | | | | |
| Local Government Reorganisation New Entity/s | | | | | | | | | | | | | | | | |
| LGPS Valuation 2028 | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |
| Special Projects | | | | | | | | | | | | | | | | |
| Governance Action Plan | | | | | | | | | | | | | | | | |
| Internal audit of governance | | | | | | | | | | | | | | | | |
| External review of governance | | | | | | | | | | | | | | | | |
| 2028 Valuation | | | | | | | | | | | | | | | | |
| National Pensions Dashboard | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |
| Contract Letting | | | | | | | | | | | | | | | | |
| Committee professional adviser | | | | | | | | | | | | | | | | |
| Pension administration system | | | | | | | | | | | | | | | | |
| Actuarial | | | | | | | | | | | | | | | | |

The “Strategic Environment” timings provided to set out any key environmental or circumstantial matters that are relevant to the Fund and which drive actions in the Funds business plan.

Contract letting indicates the periods of time when the Fund will be required to tender for key services. Note that services provided by the Council and by the Border to Coast Pensions Partnership do not require contract tenders.