



ZEDRA

DO MORE. ACHIEVE MORE.

Chair's annual report

Wesleyan – Staff Group Personal Pension Scheme

- | Year ended 31 December 2023
- | The ZEDRA Governance Advisory Arrangement (GAA)

September
2024



Executive summary

This report on Wesleyan Staff Group Personal Pension Scheme (“the Staff Scheme”), the workplace personal pension plans provided by Wesleyan (“the Firm”), has been prepared by the Chair of the ZEDRA Governance Advisory Arrangement (“the GAA”) for pension policyholders. It sets out our independent assessment of the value delivered to policyholders and our view of the adequacy and quality of the Firm’s policies in relation to Environmental, Social and Governance (ESG) risks, non-financial considerations and stewardship.

Further background on the activity of the GAA and details of the credentials of the GAA can be found in Appendices C and D, respectively. The GAA works under an agreed Terms of Reference, the latest version of which is dated 29 March 2022 and is publicly available (see Appendix D).

As Chair of the GAA for this Firm, I am pleased to deliver this value assessment of the Wesleyan Staff Group Personal Pension Scheme. The GAA has conducted a rigorous assessment of the Value for Money (“VfM”) delivered to policyholders over the period 1 January 2023 to 31 December 2023. The GAA has developed a Framework to assess Value for Money which balances the quality of services and investment performance provided to policyholders against what they pay for those services and investment performance. Further details are set out on page 7.

A COLOUR CODED SUMMARY OF THE GAA ASSESSMENT

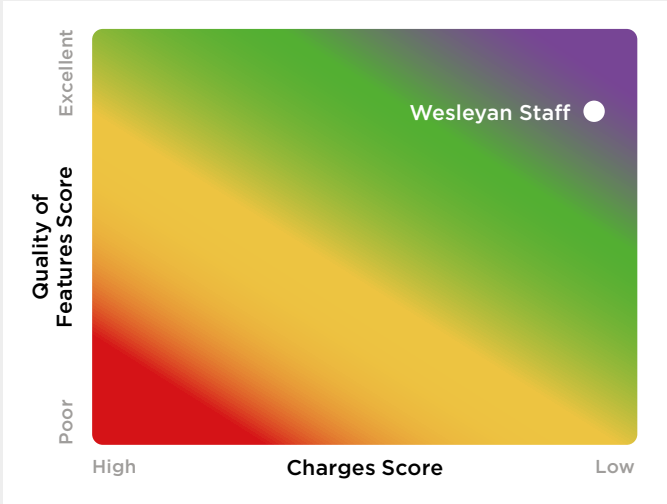
	Weighting toward VfM assessment*	Staff Scheme
1. Product strategy design and investment objectives	13%	●
2. Investment performance and risk	10%	●
3. Communication	17%	●
4. Firm governance	7%	●
5. Security of policyholder benefits	7%	●
6. Administration and operations	10%	●
7. Engagement and innovation	3%	●
8. Cost and charge levels	33%	●
Overall Value for Money assessment	100%	●

* May not add to 100% due to rounding

<p>Quality and investment features</p> <p>● Excellent ● Good ● Satisfactory ● Poor</p>	<p>Cost and charge levels</p> <p>● Low ● Moderately Low ● Moderately High ● High</p>
---	---

How we determine our Value for Money rating is set out on page 7 of this report. The overall Value for Money is visually represented by the heatmap below.

VALUE FOR MONEY SCORING



Our conclusion is that the Wesleyan Staff Scheme provides excellent value for money.

Overall, the GAA has challenged the Firm in the following area:

- Following on from the Staff survey carried out in early 2023, the GAA would like to see a full review into the default option and the wider fund range offered, and more fund options being introduced or evidence provided as to why this is not appropriate. This is consistent with our challenge in last year's report. We note progress has been made in building towards a full review as demonstrated by the staff survey which has taken place in 2023, as well as the considerations currently being given to operational capabilities.

In addition, the GAA has the following observations on areas of ongoing development, including:

- Although Wesleyan have made some updates to their portal, members are yet to have the online functionality to be able to check their account value, change their contribution rates or initiate fund switches online. This ready access is becoming more commonly available and would be a notable step forward if Wesleyan could develop their offering in this area.
- While the overall service level target achievement of 95.5% for 2023 is vastly improved from prior years, and is above Wesleyan's target levels, the statistics around the processing of transfers in remains weak. We hope to see this improved in next year's report.

In our previous report we raised observations of areas of potential improvements and are pleased to be able to report that the Firm has made progress in addressing the following points:

- Service level results were much improved for 2023 (with the exception of transfers in, as mentioned above) and there was a greater clarity in the reporting provided for this.
- A webpage was created specifically aimed at deferred policyholders, a group which we felt was under-represented in terms of efforts to obtain feedback from, when compared to the strong efforts to obtain feedback from the existing staff group.

We also concluded that the Firm's policies in relation to **Environmental, Social and Governance** (ESG) risks, non-financial considerations and stewardship were adequate and well implemented.

The FCA requires a comparison of your pension product with other similar options available in the market. If an alternative scheme appears to offer better value, we must inform the pension provider. I can confirm that we have not considered it necessary to make this notification this year. Our view on each feature that we are required to make a comparison on is included in the relevant section of the report. Details of how we selected the comparator group is set out in Appendix B.

A joint consultation was launched in early 2023 by the Financial Conduct Authority (FCA), the Department for Work and Pensions (DWP) and The Pensions Regulator (TPR) on the framework for assessing Value for Money. This consultation set out a transformative framework of metrics and standards to assess value for money across all Defined Contribution (DC) pension arrangements including the workplace pensions reviewed by the GAA. The regulators overarching aim is to improve the value savers get from their DC pension by increasing comparability, transparency, and competition across defined contribution (DC) pension schemes, regardless of whether regulated by the FCA or TPR. The consultation does not affect this year's review but may mean a change in the way that Value for Money is assessed in the future.

Where we have used technical pensions terms or jargon, these are explained in the glossary in Appendix E.

Details of the numbers of policyholders and their funds were supplied to ZEDRA for the assessment and are summarised in Appendix F.

I hope you find this value assessment interesting, informative and constructive.

Louisa Harrold

Chair of the ZEDRA Governance Advisory Arrangement
for the Wesleyan Staff Scheme

September 2024



**If you are a policyholder and have any questions, require any further information,
or wish to make any representation to the GAA you should contact:**

Stacey Mason, Wesleyan Assurance Society, Colmore Circus, Birmingham B4 6AR
stacey.mason@wesleyan.co.uk

Alternatively, you can contact the GAA directly at zgl.gaacontact@zedra.com



Contents

Executive summary	2
Overview of the value assessment	7
1. Product strategy design and investment objectives	9
2. Investment performance and risk	12
3. Communication	14
4. Firm governance	16
5. Security of policyholder benefits	18
6. Administration and operations	20
7. Engagement, innovation and improvements for policyholder experience	22
8. Cost and charge levels	24
ESG financial considerations, non-financial matters and stewardship	26
Appendices	
A: Administration charge and transaction cost disclosures	28
B: Approach to comparisons	30
C. GAA activity and regulatory matters	32
D. ZEDRA GAA credentials	34
E. Glossary	35
F. Data table	37



Overview of the value assessment

The GAA has assessed the Value for Money delivered by Wesleyan to its Staff Scheme pension policyholders by looking at costs versus investment and service benefits. More detail about how we have done this is set out below.

Our approach

The GAA believes that value for money is subjective and will mean different things to different people over time, depending on what they consider important at that time.

What is clear is that it is always a balance of cost versus investment and service benefits. Our fundamental approach has therefore been to compare all the costs paid by policyholders against the investment performance and quality of services provided to policyholders.

The key steps for the GAA in carrying out the Value for Money assessment are:

- | Issuing a comprehensive data request to the Firm, requesting information and evidence across a wide range of quality features, including **net investment performance**, as well as full information on all costs and charges, including **transaction costs**.
- | Attending a number of formal meetings with representatives of the Firm to interrogate the data provided and to enable the GAA to question or challenge on any areas of concern. All such meetings have been documented by formal minutes and a log is also maintained containing details of any challenges raised, whether informally or through formal escalation.

- | Once the Firm has provided the information and evidence requested, the GAA has met to discuss and agree provisional Value for Money scoring using the Framework developed by the GAA and to undertake comparisons of the Firm's product against a suitable comparator group of providers for certain Quality of Service and Investment Features and Cost and Charges.
- | The provisional Value for Money score, including a full breakdown, has then been shared and discussed with the Firm.

The Framework developed by the GAA to assess overall Value for Money for policyholders involves rating the Firm against eight different features covering Quality of Service, Investment Performance and Strategy (the "Quality of Service and Investment Features"), and the Costs and Charges borne by the Policyholders. This assessment is undertaken relative to the GAAs view of good practice.

The Quality of Service and Investment Features have been determined based directly on the FCA requirements for assessing ongoing Value for Money set out in **COBS 19.5.5**, including services relating to communications with policyholders and processing of **core financial transactions**. The assessment also includes other aspects the GAA considers important based on our experience of conducting Value for Money assessments over many years, such as the Firm's governance structure, the financial security for policyholders, the Firm's approach to engagement, innovation and service improvement, and a wider overview of the administration quality and processes.

Within each of the Quality of Service and Investment Features are several sub-features. These sub-features are each scored using a numeric scoring system. Scoring is aided by means of score descriptors, developed for each sub-feature, ensuring the GAA adopts a consistent approach to scoring across clients, each outlining what the GAA would expect to see to achieve the relevant numeric score. The scores for each sub-feature are then aggregated to the feature level based on our view of the relative value of the sub-feature to the policyholders ranging from Poor to Excellent.

The GAA will then consider the value represented by the costs and charges which policyholders bear. The assessment of cost and charge is primarily driven by the level of ongoing charges for investment management, administration, and any platform fees. The GAA also considers the underlying transaction costs incurred by the funds invested in and how they are controlled, and any additional costs the policyholders have to pay in managing their policies. The costs and charges are also rated on a scale from Low to High. This rating takes into account information available to the GAA on general levels of costs and charges for pension providers in the marketplace.

The scores for each feature are then combined using the weightings set out in the table in the Executive Summary to determine an Overall Value for Money rating. The weightings used are based on the GAA's views of the relative importance to the policyholders of each feature. The weightings are tilted towards the features which have been identified in the regulations relevant to forming this assessment of value. Where possible, we have taken into account the likely needs and expectations of this group of policyholders.

In the sections on the following pages, we have described the Firm's approach to delivering each of the features, and the rating the GAA has awarded, together with any areas for improvement we have identified.

In addition, there is a section setting out the GAA's views on the adequacy and quality of the Firm's policies on ESG financial considerations, non-financial considerations, and stewardship. Whilst this is a largely qualitative assessment the GAA has considered the Firm's policies in comparison to others the GAA has knowledge of.

A comparative assessment of the Firm's pension product has also been made of the net investment performance, quality of communication and quality of the administration service including processing of core financial transactions, and costs and charges relative to a suitable comparator group of product providers. Comments on the outcome of these assessments is included in the sections for the relevant Features. We have also considered whether overall an alternative provider would offer better Value for Money so that we can inform the Firm if we believe this to be the case. Details of how the comparator providers and products were determined is set out in Appendix B.

1. Product strategy design and investment objectives

Value score: Excellent Good Satisfactory Poor

What are we looking for?

We expect to see an investment strategy for the default that is designed and managed taking the needs and interests of policyholders into account, evidenced by appropriately defined risk ratings, and consideration of the investment time horizon and age profile of the membership.

We want to see that all investment options have clear statements of aims and objectives – in particular that as well as qualitative objectives, there are quantitative objectives in place, that investment performance outcomes can objectively be measured against. Ideally, we would like to see evidence that these objectives link back to the needs of policyholders.

We are also looking for evidence of a robust ongoing review process for all investment options, including the default, and evidence that the Firm has taken steps to implement changes to investment options, where appropriate, to ensure alignment with policyholders' interests.

Whilst policies on ESG financial considerations and non-financial matters are considered separately on page 26, we expect to see evidence of how these matters are taken into account in the design of the investment strategy and in investment decision making.

The Firm's approach

The Staff Scheme has a default investment strategy which was designed and implemented by Wesleyan in 2019, reflecting the requirements and choices being made by policyholders.

The default option incorporates a lifestyle strategy, whereby monies in members' accounts are gradually transitioned from the Managed fund (which is the default until nearing retirement) to a combination of the Low Risk/Reward fund, along with the Managed fund, over a nine year period prior to selected retirement age. This is designed to provide the prospect of good investment returns over the long term whilst helping to manage investment risks at each stage of the policyholder's lifetime. It is aimed at providing a strategy suitable for policyholders entering income drawdown at retirement. The suitability of the default strategy and the range of investment funds offered are considered by the Staff GPP Governance Committee.

An alternative lifestyle is available, incorporating a transition to 100% Deposit fund by selected retirement age, suitable for policyholders who wish to take their benefits as a cash lump sum at retirement.

Alongside the lifestyle strategies, there are five funds available in a self-select capacity; these include a With-profits fund and a High Risk/Reward fund.

In relation to ESG, Wesleyan has a Sustainable Investing Policy which sets out sustainability targets, and Wesleyan's "three pillar approach" which covers the areas of reducing harm, having a positive impact, and driving change.

Wesleyan are signatories of the UK Stewardship Code, the UN-sponsored Principles for Responsible Investment, Climate Action 100+, Access to Medicine Foundation, and the FAIRR initiative. Wesleyan has made a commitment to be net carbon neutral operationally by 2023 and net zero by 2050.

Over 95% of funds were covered by the Wesleyan Sustainable Investment Policy. External funds (which includes the High Risk/Reward fund, out of those available under the Staff workplace scheme) have not yet been covered by the requirements of the policy but Wesleyan has instead an ESG questionnaire that must be completed by the external fund manager.

The Firm's strengths

When designing the current investment options and default strategy in 2019, Wesleyan undertook a thorough process with the assistance of an external advisory firm. As you would expect, the default option has the largest fund holding, however there is a significant minority of staff who invest in the self-select options - this reflects the nature of a large proportion of employees being financial consultants and the popularity of the Wesleyan With-profits fund which does not form part of the default.

All funds have a risk rating with clear aims and objectives, included on the fund factsheets, which are readily available on the Wesleyan website. The factsheets are reviewed monthly, and the risk levels of the funds are monitored internally and have guidelines around which each fund should operate, including a red/amber/green status highlighting when funds are drifting outside of previously agreed risk zones and when action would be required.

The funds available are designed to cover a range of risk appetites, but do not cater for specific niche areas (e.g., there is no property fund, or ethical fund etc). While the fund range was designed to satisfy a range of risk appetites, in practice there are some gaps, and the range is limited for policyholders who might wish to have a greater diversification of assets.

Wesleyan remain conscious of the need to keep the fund options and default lifestyle approach under regular review. Although the funds and lifestyle strategy are reviewed on an ongoing basis, an in-depth fundamental review on suitability of strategy has not been carried out since 2019. To help inform such a more detailed review, Wesleyan undertook a staff survey in early 2023. The GAA has been provided with minutes of meetings of the Staff GPP Governance Committee from 2023 which evidence that the design of the pension product is considered regularly at a high level, and that the output of the staff survey will be considered in due course by the Committee. This is unlikely to be until late 2024 or 2025 due to other related activities. In particular, we are aware that the operational platform for staff pensions is undergoing a change at the current time. Wesleyan wish to first understand any restrictions or new functionality arising from the new operational platform in order to incorporate appropriately into any re-design of the lifestyle strategy and fund options.

The GAA has been provided with evidence of Wesleyan's strong stewardship credentials over the course of 2023, with Wesleyan voting at c.99% of all voteable meetings and citing numerous examples of engagement with companies. Evidence that the sustainable investing policy has been embedded into reporting and committee responsibilities, including stewardship responsibilities is clear from both the terms of reference of the Investment Committee and the meeting minute extracts and papers provided. All funds in scope for this report were reported as being ahead of their respective sustainability target benchmarks at the end of 2023.

Improvements since last year

Wesleyan has continued to enhance its impressive sustainability undertakings. The firm's commitment to ESG matters is demonstrated through at least three members of staff spending 100% of their time on Sustainable Investing.

In addition, the GAA welcome the staff survey which was undertaken in during 2023, although note that the output of this has not been fully considered at this stage.

Areas for improvement

GAA challenge

As per our comment in last year's report, the GAA would like to see evidence of a full review of the default option and the wider fund range offered. We recognise that the operational delivery model is undergoing change, and then following completion of this, Wesleyan will then undertake a fundamental review of strategy.

GAA observation

As commented in previous years' reports, the fund objectives do not contain specific measurable targets (e.g., a specified timeframe or commitment of out-performance against benchmark). Wesleyan remain comfortable that that the timeframe reference covering a "medium to long term period" reference remains appropriate and that it should not be linked to a specific number of years or a range of years. In our experience, this is not an uncommon approach, although we do see some firms offering funds with a more defined target (e.g., over a five year period), which we believe is helpful when measuring fund performance.

We also observe that the benchmark used to compare investment performance is a peer comparator group. It would be helpful to policyholders if Wesleyan were also able to publish a comparison against a publicly available benchmark such as the FTSE All share or other suitable index.

2. Investment performance and risk

Value score: Excellent Good Satisfactory Poor

What are we looking for?

We would expect to see a robust governance framework under which investment performance is monitored on a regular basis. Performance should be measured against investment objectives, including against a measurable and stated benchmark. Performance should be net of fees. In addition to the stated benchmark comparison risk adjusted returns should also be considered.

Where there are any concerns over investment performance, we expect to see evidence of appropriate action being taken, which may include engagement with investment managers and/or implementing changes to fund options. We also expect to see evidence that the strategies are effective and take into account the policyholders' attitudes to risk.

The Firm's approach

Wesleyan's Investment Committee and With-Profits committee each meet quarterly and oversee the performance of their respective funds. There is also a 'middle office' call every Friday to consider fund performance on an ongoing basis. RAG ratings are used by management to identify areas of concern. Performance is assessed over a range of short, medium and longer time periods, relative to comparator data identified. Fund performance and risk metrics are considered against a series of pre-defined red/amber/green parameters.

The Firm's strengths

The GAA has been provided with copies of meeting minutes for 2023 which provide evidence of regular reviews of fund performance and risk levels as well as discussions around investment philosophies being followed, and feedback given to internal fund managers.

All funds out-performed their sector averages over 2023, which for this purpose are considered the funds' benchmarks. In particular, the performance of the Pensions Managed fund, (the principal fund in the default arrangement), beat the sector average of ABI Mixed Investment 40%-85% Shares, by nearly 2% over the year, while the With-profits fund (the second largest fund for the Staff policyholders) also out-performed its benchmark by 1.6% over the year to 31 December 2023.

Net Investment Performance

The [net investment performance](#) of each of the funds available to policy holders and the performance of the benchmarks against which those funds are measured by the Asset Manager are set out in the following table.

Fund Name	Net Investment Performance	Benchmark
Pensions Managed	9.68%	7.88%
Low Risk/Reward	5.73%	5.48%
High Risk/Reward	9.76%	8.18%
With Profits	9.90%	8.30%
Deposit Fund	4.75%	3.66%

Note: the performance figures shown are those net of fees (with the exception of the deposit fund, which is shown gross of fees), where the published annual management charge is assumed to apply. However, the annual management charges for staff policyholders' funds (including for ex-employees) are set to be nil (aside from the High Risk/Reward fund, where the standard published fee applies) and therefore the net investment performance for staff members is actually higher than that shown above (with the exception of the deposit fund, where the return will be as shown).

Comparator results

We have assessed how the net investment performance provided to the Firm's policyholders compares to other sufficiently similar employer pension arrangements. This takes account of both the nature of the provider and the performance of the investments being offered relative to an appropriate benchmark.

This assessment identified that the one year net investment performance relative to benchmark for the Firm's policyholders over 2023, weighted by the size of funds invested, was average, i.e. relative to benchmark.

Areas for improvement

The GAA did not identify any specific areas for improvement.

3. Communication

Value score:

Excellent

Good

Satisfactory

Poor

What are we looking for?

As a minimum we expect communications to be fit for purpose, clear and engaging and to be tailored to take into account policyholders' characteristics, needs and objectives.

We would expect to see a comprehensive suite of communications including annual benefit statements, pre-retirement wake-up letters and retirement option packs.

Information on administration charges and **transaction costs** should be made available to policyholders on a publicly available website annually, including illustrations of the compounding effect of the administration charges and transaction costs on an annual basis.

In a high quality communication service offering we would expect a substantial online offering, with a range of online support materials such as online calculators to enable personalised calculations with various selectable options. We would expect telephone support to be available, with good evidence of telephone scripts, call monitoring and staff training.

Additionally, we would expect policyholders to be able to switch investment options online and to have support available to help them make appropriate decisions. In particular, we would expect there to be appropriate risk warnings built into the process.

We would expect the provider to be able to offer a range of different retirement options for policyholders, as well as clear signposting to policyholders on where they can obtain guidance and advice on their retirement options.

The Firm's approach

Wesleyan have a range of communication materials and channels. Core communications undergo regular review and refresh (most at least once a year).

Communication by other means includes strong telephone support, and a comprehensive website available, where policyholders can log on to obtain up to date fund pricing information, while for confirmation of the value of their account, policyholders can obtain this via email, a telephone call, or instant messaging.

The website features include webchat, and other online materials such as guides to pensions and retirement options, and case studies.

Policyholders are able to communicate with the Firm by letter, telephone, email, webchat and an option to request a call back. Communications to policyholders and the website provide this information.

At retirement, policyholders have access to the full range of options including a partial pension lump sum (known as a partial UFPLS). Policyholders must make a transfer to another Wesleyan arrangement if they wish to draw benefits through Flexi- Access Drawdown. Wesleyan do not offer the option to take an **annuity** from Wesleyan, but have partnered with a third party to assist policyholders in seeking the best annuity quotations from the wider market.

Support for policyholders is provided by way of access to Wesleyan Financial consultants, which is provided at a discount for active Staff Scheme policyholders (though the full charges apply for deferred policyholders).

Staff are encouraged to engage by way of a range of internal forums, including the DC Governance Committee, which holds meetings six-monthly, and includes staff members from different areas of the business to ensure a range of representation.

The Firm's strengths

Wesleyan provides policyholders with a full range of communication materials. There are clear signposts to where additional information on retirement options can be found, as well as clear signposting towards Pension Wise and Money Helper. All written communications underwent a thorough review in 2023, to ensure compliance with the requirements of the FCA's Consumer Duty.

The GAA has reviewed a range of sample communications which are clear and free from jargon and the GAA believes them to be of a good standard. These communications are reviewed regularly and updated in line with prevailing regulations and topical issues.

The communications provided have clear risk warnings built into them.

The access to free financial advice from Wesleyan Financial Consultants as standard for active staff policyholders is a notable benefit. The Wesleyan website provides several guides to assist policyholders throughout the lifecycle of their policy, but there are no freely available online calculators.

Wesleyan has made available the required disclosures on costs and charges, and we have no concerns relating to these.

Improvements since last year

In 2023, the website was updated to include a new webpage to assist those who remain policyholders within the Staff Scheme but who are no longer employed by Wesleyan.

Comparator results

We have assessed how the communication materials provided to the Firm's policyholders compare to other sufficiently similar employer pension arrangements. This takes account of the nature of the provider.

This assessment identified that the communication materials provided to the Firm's policyholders over 2023 were average, i.e. relative to the comparator group.

Areas for improvement

GAA observations

Although Wesleyan has made some updates to their portal, members are yet to have the online functionality to be able to check their account value, change their contribution rates or initiate investment fund switches online. This ready access is becoming more commonly available and would be a notable step forward if Wesleyan could develop their offering in this area.

4. Firm governance

Value score: Excellent Good Satisfactory Poor

What are we looking for?

We would expect to see a comprehensive governance structure in place where, for example, Terms of Reference are provided for key committees, reviewed on a regular basis, with clearly defined scope. We would expect to see evidence of the key committees operating during the year with minutes or meeting packs demonstrating that the key scope elements of the committee remit have been adequately covered.

There should be a transparent and documented process for appointing and monitoring service providers, with evidence of regular reviews being undertaken and changes being made as required.

The Firm's approach

Wesleyan use internally managed funds for the Staff Scheme book of business with governance oversight provided through the Investment committee and With-profits committee, with meetings held on a quarterly basis.

Wesleyan undertake regular internal reviews of different aspects of the business. There is a thorough approach to reviews with Regulatory and Corporate Audit functions conducting regular reviews across the Group.

The DC Governance Committee operates as a distinct forum to review the operation of the Wesleyan Staff Group Personal Pension Plan. The Committee meets six-monthly and seeks to promote the highest levels of governance on matters concerning the management of the arrangement which includes investments, administration and communication issued to members. The Committee considers management information provided with respect to the administration of the Plan and the Plan's investments, any changes made to the Product, any Regulatory Monitoring activity associated with the Plan, and the Committee's Risk Register.

The IT underpinning the operations of the Plan is provided by Capita. Wesleyan look to Capita in the first instance to apply their own governance for the IT systems. This is overlaid by oversight of Capita provided by a designated person within Wesleyan, and any identified issues would be reported to the Product Governance Committee.

Wesleyan manages the conflict of acting as both the asset manager and product provider through robust ongoing challenge of the investment side of the business. The Investment Committee terms of reference sets out that a minimum of three members of the committee must be non-executive members.

The Firm's strengths

Wesleyan has a thorough governance framework in place to appoint and monitor internal and external service providers, with evidence of regular reviews being undertaken, and challenging conclusions reached when deemed appropriate. Minutes have been provided for a selection of committee meetings, and terms of reference for the relevant committees provided. Wesleyan perform an annual health check on the service provided by Capita in addition to the bi-annual supplier review that would take place as standard.

Areas for improvement

The GAA did not identify any specific areas for improvement.

5. Security of policyholder benefits

Value score: Excellent Good Satisfactory Poor

What are we looking for?

We expect to see that the Firm is in a sound financial position with sufficient capital backing to enable it to continue to operate for the foreseeable future.

We also look for information about how the assets are protected, for example in the event of fraud or bankruptcy, at both the Firm and investment manager level. For example, this could relate to FSCS or other regulatory protections, ringfencing or the structure of the underlying product.

We are looking for evidence that the Firm has processes in place for protecting policyholder assets against fraud and scams and for Firms to be actively monitoring for possible scamming activity.

The Firm's approach

As a UK registered insurance company, Wesleyan Assurance Society is required to adhere to the rules in relation to capital adequacy and solvency ratios as laid out by the Prudential Regulation Authority (PRA). The PRA sets testing thresholds and the GAA is satisfied that based on these requirements, policyholders' interests are protected and we have no concerns about the financial strength of Wesleyan.

Solvency II regulations require Wesleyan to hold sufficient capital to cover a 1 in 200 stress event. In practice a significant buffer capital is held above this. The solvency ratio for the Firm at the end of 2023 was 322%, which although less than at the end of 2022 is well in excess of the required level and illustrates the considerable financial strength of Wesleyan and its ability to withstand extreme events.

Wesleyan are alert to the risk of fraud and pension scams. Wesleyan has a fraud policy, and a financial crime policy, both of which are reviewed and updated frequently, including during 2023. Pension transfers identified at higher risk of being a potential scam are subject to thorough due diligence including requests for further information from the receiving scheme and posing questions to the customer about how they have been contacted and their level of understanding about their new scheme.

The Firm's strengths

Wesleyan Assurance Society operates under the PRA regime which provides the GAA with reassurance that policyholders' interests are protected, and latest solvency figures show a financial robustness in excess of the required levels.

Wesleyan confirmed that no frauds or scams were detected during 2023 involving the Staff scheme.

Fraud risks are reviewed across the business on a regular basis to ensure they are being identified and controls remain effective. Internal processes are in place to help identify cases of account takeover and attempted fraud. Annual fraud awareness training is carried out by all staff, including how to spot potential phishing attacks or scams.

Areas for improvement

The GAA did not identify any specific areas for improvement.

6. Administration and operations

Value score:

Excellent

Good

Satisfactory

Poor

What are we looking for?

We expect Firms to have robust administration processes in place with appropriate service standard agreements and regular monitoring and reporting around adherence to those service standards. In particular, we are seeking evidence that **core financial transactions** are processed promptly and accurately, such as processing contributions, transfers processing and death benefit payments.

We look for evidence of regular internal and external assurance audits on controls and administration processes. In particular, we are looking for a robust risk control framework around the security of IT systems, data protection and cyber-security. We would expect to see evidence that cyber-security is considered as a key risk by the Firm's relevant risk governance committee and that appropriate monitoring, staff training and penetration testing is put in place.

We expect Firms to have a comprehensive business continuity plan and evidence of its effectiveness through appropriate testing or in maintaining continuity of business during the COVID-19 pandemic.

We would expect to see a low level of substantive complaints and demonstration of a clear process for resolving complaints.

The Firm's approach

The Staff Scheme workplace policies are administered through the internal "Customer Operations Birmingham" team, using Capita software / platform.

The team work to a target of completing tasks within 2 to 11 working days, depending on the task, including investing of new premiums within 5 days. In practice, all contributions are invested using unit pricing relevant on the date that they are received (which is the 1st of each month). The target for achieving the SLAs, aside from investing of new contributions, is 85%.

All colleagues within the team are required to have a recognised industry qualification to improve knowledge and administration competency when working with pensions or be working towards such a qualification.

The Firm's strengths

Wesleyan has provided full details of their service level attainments broken down by task over 2023. The GAA is satisfied that core contributions were invested within the required timescales with an attainment of 96.6% for this. Beyond core contributions, other core financial transactions reported achieving service level targets in 94% of instances or higher (for many categories, such as death cases, a 100% attainment was achieved). More widely beyond core financial transactions, service level targets ranged from 80.9% (relating to transfers in) to 100% during 2023, depending on activity, with an overall achievement of 95.5% for the year across all processes which is well above the Firm's target.

Wesleyan has provided GDPR and data protection policies. Additional measures were also described as having been implemented more recently, in undertaking some cyber penetration testing.

Data protection related errors were at a minimal level in 2023 and there were no incidents that required reporting to the Information Commissioners Office.

Wesleyan undertake call monitoring, to ensure the quality of the information provided to staff members on telephone calls is of a sufficient level.

During 2023, there were eight policyholder complaints that were logged and three were upheld. Wesleyan report that the correct complaints process was followed in all cases.

Improvements since last year

The GAA is pleased to note that overall performance against service level standards was significantly improved for 2023.

In addition, the service level attainments report produced this year was more granular than in previous years, with a clearer breakdown per task. This aids the ability for Wesleyan to monitor, identify, and take action more quickly relating to any potential areas of weakness, should service levels slip in future.

Comparator results

We have assessed how the quality and timeliness of the administration services, including the core financial transaction processing, provided to the Firms policyholders compare to other sufficiently similar employer pension arrangements.

This assessment identified that the administration services provided to the Firm's policyholders over 2023 were average, i.e. relative to the comparator group.

Areas for improvement

GAA observations

While the overall service level achievement of 95.5% for 2023 is above Wesleyan's target, the slower than standard processing of transfers-in remained a weakness during 2023, as was also seen during 2022. We understand that improvements have been made in this area and we will review again in next year's report.

7. Engagement, innovation and improvements for policyholder experience

Value score:



Excellent



Good



Satisfactory



Poor

What are we looking for?

We expect to see evidence that the product is reviewed on a regular cycle of not more than every three years, with new product features or service innovations being launched when appropriate and in line with relevant improvements being made to other similar products being offered by the Firm. We expect these changes to have been developed taking into account policyholders' characteristics, needs and objectives, including direct feedback from policyholders.

We are looking for evidence of regular, proactive engagement with policyholders to obtain feedback and for this feedback to be taken into account when reviewing the product offering.

The Firm's approach

Wesleyan is a mutual organisation, owned by, and run for the benefit of, their members. In general, because of this, there is a strong engagement with its membership.

The DC Governance Committee enables engagement with the policyholders, with direct representation by employees.

The Firm continued to demonstrate a clear commitment to sustainability, with significant and challenging commitments made in this area.

The Firm's strengths

Wesleyan is very open to engagement with policyholders, and the DC Governance Committee is evidence of this. It is clear that open dialogue and feedback are encouraged.

Whilst no fundamental changes were made to the product offering over the year, Wesleyan was able to evidence continual improvements, with examples given below.

Improvements since last year

Wesleyan added to its website, creating content specifically aimed at those policyholders of the Staff Scheme who are no longer employed by Wesleyan (and therefore no longer actively contributing to the Plan). This acknowledgment and action taking in addressing a gap in communication materials for this group of policyholders is welcomed by the GAA.

Wesleyan undertook a staff feedback survey relating to their pensions offering, during 2023, as a precursor to more widely considering the default strategy and fund options.

Areas for improvement

GAA observations

The GAA looks forward to discussing the results of the staff survey from earlier in 2023, at the appropriate time for next year's report.

8. Cost and charge levels

Value score:

Low

Moderately Low

Moderately High

High

What are we looking for?

The GAA has considered the overall level of charges borne by policyholders over the year. This included assessing:

- | the annual fund management and administration charges being borne by policyholders
- | the transactions costs incurred by the underlying investment funds which reduce the investment return experienced by policyholders
- | any other charges being paid by policyholders to manage and administer their workplace pensions
- | the Firm's process for collecting and monitoring overall member charges, including [transaction costs](#).

We expect fund management charges to be comparable to charges for similar investment products in the wider pensions market after considering the active or passive nature of the investment and the type of assets involved. We take into account where the majority of [relevant policyholder](#) assets are invested.

In looking at transaction costs we also consider the overall level of volatility in the markets, recognising that in highly volatile markets transaction costs may increase.

We assess whether the overall level of administration charges are reasonable, bearing in mind the types of services provided to policyholders.

Finally for products which are used for providing auto enrolment pensions we consider the government required charge cap.

Whilst we have considered the average total costs and charges payable by policyholders we have also noted where there may be significant outliers such as high charges for small pots.

Further information on the required disclosures relating to costs and charges payable by the Firms policyholders can be found in Appendix A.

The Firm's approach

There are no [annual management charges](#) levied on policyholders, unless they have selected the Higher Risk Reward, where a charge of up to 1.0% p.a. applies, which represents the underlying external fund costs.

No charge is made when policyholders switch from one fund to another.

The Firm's strengths

Overall investment charges are assessed to be Low on the basis that there are no Annual Management Charges applied for any of the investment options other than the Higher Risk / Reward fund, which we understand does not apply to many policyholders.

This assessment would change to Moderately High, if based solely on the ongoing charges figure for the Higher Risk / Reward Fund of up to 1% p.a. (for the period to December 2023 it was 0.76%). We understand that Wesleyan has no direct control over this charge.

Wesleyan has provided full transaction costs for the year, and the GAA believe these to be of a low level (with the exception being the With-profits fund where at 0.09%, we would assess these transaction charges to be moderately low). All cost and charges, including transaction costs, are discussed at the Product Governance Committee.

Comparator results

We have assessed the overall cost and charge levels payable by the Firm's policyholders in comparison to policyholders of other sufficiently similar employer pension arrangements. This takes account of the nature of the provider.

This assessment identified that the overall cost and charge level paid by the Firm's policyholders over 2023 were below average, i.e. relative to the comparator group.

Areas for improvement

The GAA did not identify any specific areas for improvement.



ESG financial considerations, non-financial matters and stewardship

What are we looking for?

Where the Firm has an investment strategy or makes investment decisions which could have a material impact on policyholders' investment returns, the GAA will assess the adequacy and quality of the Firm's policy in relation to ESG financial considerations, non-financial matters and stewardship. The GAA will consider how these are taken into account in the Firm's investment strategy and investment decision making. We will also form a view on the adequacy and quality of the Firm's policy in relation to stewardship.

We expect the Firm's policy in relation to these considerations:

- (a) sufficiently characterises the relevant risks or opportunities;
- (b) seeks to appropriately mitigate those risks and take advantage of those opportunities;
- (c) is appropriate in the context of the expected duration of the investment; and
- (d) is appropriate in the context of the main characteristics of the actual or expected [relevant policyholders](#).

We also expect that the Firm's processes have been designed to properly take into account the risks and opportunities presented.

Where ESG considerations have been delegated to external investment managers we expect the Firm to have a suitable oversight and stewardship process in place.

Whilst this formal requirement falls outside the overall Value for Money assessment, the GAA's Value for Money framework does take into account, where relevant, when scoring the area of Product Strategy Design and Investment Objectives on page 9, how the Firm has integrated ESG financial considerations and non-financial matters in the Firm's investment strategy and investment decision making.

The Firm's approach

During the period Wesleyan, as asset owner, carried out a relatively routine review of its Sustainable Investing Policy that it expects asset managers to adhere to when managing directly invested customer funds. In addition to the existing sustainability targets, the policy includes the requirement to adhere to Wesleyan's "three pillar approach" which covers the areas of reducing harm, having a positive impact, and driving change. Wesleyan's Sustainability Investment team now spends 100% of its time on ESG matters (as opposed to this representing part of individuals' job descriptions). The GAA was provided with minutes of four Sustainability committee meetings held during 2023.

The Firm's strengths

For 2023, Wesleyan has confirmed that all of the in-scope funds under review exceeded the requirements of the sustainability targets and met the objectives of the “three pillar approach”.

Wesleyan are signatories of the UK Stewardship Code. They are signatories for Principles for Responsible Investment, Climate Action 100+, Access to Medicine Foundation, and the FAIRR Initiative. Wesleyan has made a commitment to be net carbon neutral operationally by 2023 and net zero by 2050.

The GAA noted that evidence of the sustainable investing policy was being embedded into reporting and committee responsibilities, and this included stewardship responsibilities.

Overall, the GAA concludes the policies on ESG financial considerations, non-financial matters and stewardship are adequate and of good quality.

Improvements since last year

It is noted that the Sustainability investment team now spends 100% of its time on these matters, and is evidence of ongoing commitment in this area.

Areas for improvement

The GAA did not identify any specific areas for improvement.



Appendix A: Administration charge and transaction cost disclosures

The FCA requires that administration charges and transactions costs, in relation to each [Relevant Scheme](#) must be published by 30 September, in respect of the previous calendar year and be available for free on a publicly accessible website. These disclosures must include the costs and charges for each default arrangement and each alternative fund option that a member is able to select. They should also include an illustration of the compounding effect of the administration charges and [transaction costs](#), on a prescribed basis and for a representative range of fund options that a policyholder is able to select.

The Firm has compiled these disclosures and compounding illustrations, which are provided on a publicly accessible website at [Corporate governance, reports and accounts | Wesleyan](#).

The Firm has provided the GAA with the following disclosures in respect of the period 1 January 2023 to 31 December 2023 in respect of all of the funds in question.

Fund Name	Transaction costs as a % of the overall fund
Wesleyan Pension Managed Fund	0.0030%
Wesleyan Pension With Profits Fund	0.0868%
Wesleyan Pension Deposit Fund	0%
Wesleyan Pension High- Risk Reward Fund	0%
Wesleyan Pension Low- Risk/ Reward Fund	0.0009%

Illustration of impact of projected costs and charges on fund value over time

Projected pension pot in today's money										
Fund Choice										
Year	Default Arrangement (Managed)		FUND A: Higher Risk Reward		FUND B: With Profits		FUND C: Deposit		FUND D: Low Risk Reward	
	Before charges and costs deducted	After all charges and costs deducted	Before charges and costs deducted	After all charges and costs deducted	Before charges and costs deducted	After all charges and costs deducted	Before charges and costs deducted	After all charges and costs deducted	Before charges and costs deducted	After all charges and costs deducted
1	11,700	11,700	11,700	11,600	11,700	11,700	11,600	11,600	11,700	11,700
3	15,500	15,500	15,500	15,100	15,500	15,500	15,200	15,200	15,500	15,500
5	19,800	19,800	19,800	19,000	19,800	19,700	19,200	19,200	19,800	19,800
10	33,100	33,100	33,100	30,700	33,100	32,900	31,200	31,200	33,100	33,100
15	50,800	50,800	50,800	45,600	50,800	50,400	46,800	46,800	50,800	50,800
20	74,400	74,400	74,400	64,700	74,400	73,500	66,800	66,800	74,400	74,400
25	105,000	105,000	105,000	88,800	105,000	103,000	92,400	92,400	105,000	105,000
30	146,000	146,000	146,000	119,000	146,000	143,000	124,000	124,000	146,000	146,000
35	199,000	199,000	199,000	157,000	199,000	195,000	166,000	166,000	199,000	199,000
40	268,000	268,000	268,000	204,000	268,000	262,000	217,000	217,000	268,000	268,000

Notes:

1. Projected pension pot values are shown in today's terms and do not need to be reduced further for the effect of future inflation
2. The starting pot size is assumed to be £10k
3. Inflation is assumed to be 2% each year
4. Contributions are assumed from age 22 to 68 and increase at 2% per year
5. Values shown are estimates and are not guaranteed
6. The projected growth rate for each fund are as follows:
 - Managed Fund: 5%
 - Higher Risk Reward Fund: 5%
 - With Profits Fund: 5%
 - Deposit Fund: 4.2%
 - Low Risk Reward Fund: 5%



Appendix B: Approach to comparisons

The FCA requires that a comparative assessment be made of certain sub-features of the Value for Money assessment. The GAA is required to compare the Firm's offering against a selected group of other similar product options available in the market based on publicly available information. If an alternative scheme(s) would offer better value, we must inform the pension provider.

ZEDRA's GAA operates for a number of Firms, all of whom have agreed that the GAA can make use of the data we have gathered on their offerings to carry out the required comparisons this year. This is done on an anonymised basis.

How the comparators were selected

The GAA has selected a number of comparator products that we determined are sufficiently similar products so as to be comparable to those provided by the Firm for this purpose. The selection was based on the following broad criteria:

- | Type of product i.e. whether accumulation or pathways, and within accumulation whether the product is a SIPP or workplace group personal pension
- | Products where Firms provide similar services, for example whether the provider has responsibility for setting and monitoring the investment strategy

Based on these criteria we believe that the comparator products chosen will provide a reasonable comparison for the policyholders of the Wesleyan Staff Group Personal Pension Scheme.

Comparison of Net Investment Performance

We have assessed how the net of fees investment performance provided to the Firm's policyholders compares to other similar employer pension arrangements. This takes account the performance of the investments being offered. Where multiple investment funds are made available, we have taken into account the amount invested by **relevant policyholders** in each fund.

Comparison of Communication provided to policyholders

We have assessed how the full range of communication materials, including any websites and modelling tools, provided to the relevant policyholders compares to other sufficiently similar employer pension arrangements. This takes account of the type of pension product provided, and whether the communication materials are fit for purpose considering the age profile of the relevant policyholders.

Comparison of Administration Services

We have assessed how the quality and timeliness of the administration services, including the core financial transaction processing, provided to the Firm's policyholders compares to other sufficiently similar employer pension arrangements.

Comparison of costs and charges

We have undertaken the comparison of cost and charge levels considering three categories of charges:

- | Annual administration and investment fund charges
- | **Transaction costs**
- | Other costs and charges

We have assessed the overall cost and charge levels payable by the Firm's policyholders in comparison to policyholders of other sufficiently similar employer pension arrangements. This takes account of the type of product provided. The costs of services that are provided directly to the policyholder and paid for separately by the policyholder (for example financial or investment advice) are not included.



Appendix C: GAA activity and regulatory matters

This section describes the work that the GAA has done over the year and also covers the other matters which we are required to include in our annual report.

GAA engagement and actions this year

We prepared and issued a request for data on all the relevant workplace pension policies in early 2024.

Members of the GAA met with representatives of the Firm to kick off the Value for Money assessment process for the 2023 calendar year and to discuss and agree timescales.

We subsequently had a meeting with representatives of the Firm to discuss the information that had been provided in response to the data request. This was an opportunity for members of the GAA to meet key personnel with responsibility in the various different areas including investment strategy and how this has evolved, fund range including design of defaults, investment governance, approach to ESG, non-financial matters and stewardship, administration and communications and risk management. In some cases this meeting was virtual.

We discussed the GAA's provisional scoring of Value for Money of the Firm's in-scope workplace pensions and the approach for meeting the cost and charges disclosure requirements in [COBS 19.5.13](#).

As part of the Value for Money assessment process, the Firm has provided the GAA with all the information that we requested, including evidence in the form of minutes and other documentation to support areas of discussion at the site visit.

The GAA held several meetings during the year to review and discuss the information we received and to develop and improve the way that we assess Value for Money and report on this.

Over the last year the GAA reviewed our Value for Money assessment framework and scoring methodology to ensure this continued to be suitable and can be applied consistently. Whilst the Value for Money assessment framework itself remains largely unchanged from the previous year, work was undertaken to improve the data request and to make the overall process more efficient.

The GAA documents all formal meetings with the Firm and maintains a log which captures any concerns raised by the GAA with the Firm, whether informally or as formal escalations.

The key dates are:

Item	Date
Issue data request	26/01/2024
Kick off meeting	30/01/2024
Site visit	01/05/2024
GAA panel review meeting	30/05/2024
Discuss provisional scoring	06/06/2024

The arrangements put in place for policyholders' representation

The following arrangements have been put in place to ensure that the views of policyholders can be directly represented to the GAA:

- | The role of the GAA and the opportunity for policyholders to make representations direct to the GAA has been and will continue to be communicated to policyholders via [Corporate governance, reports and accounts | Wesleyan](#).
- | The Firm will receive and filter all policyholder communications, to ensure that this channel is not being used for individual complaints and queries rather than more general representations which may be applicable to more than one policyholder or group of policyholders. Where the Firm determines that a communication from a policyholder is a representation to the GAA, it will be passed on in full and without editing or comment for the GAA to consider.

In addition, the GAA has established a dedicated inbox at zgj.gaacontact@zedra.com so that policyholders can make representation to the GAA directly.

Appendix D: ZEDRA GAA credentials

In February 2015 the Financial Conduct Authority (FCA) set out new rules for providers operating workplace personal pension plans (called [relevant schemes](#)) to take effect from 6 April 2015. From that date, providers had to have set up an Independent Governance Committee or appointed a Governance Advisory Arrangement whose principal functions is to:

- | Act solely in the interests of the [relevant policyholders](#) of those pension plans; and to
- | Assess the “value for money” delivered by the pension plans to those relevant policyholders.

These requirements were then extended to Firms providing investment pathways from 1 February 2021.

The FCA rules require that the Chair of each Independent Governance Committee and Governance Advisory Arrangement produce an annual report setting out a number of prescribed matters.

The ZEDRA Governance Advisory Arrangement (“the GAA”) was established on 6 April 2015 and has been appointed by a number of workplace personal pension providers and investment pathways providers. ZEDRA is a specialist provider of independent governance services primarily to UK pension arrangements. Amongst other appointments we act as an independent trustee on several hundred trust-based pension schemes and we sit on a number of IGCs. More information on the ZEDRA GAA can be found at www.zedra.com/GAA

The members of the ZEDRA GAA are appointed by the Board of ZEDRA Governance Ltd. The Board is satisfied that individually and collectively the members of the GAA have sufficient expertise,

experience, and independence to act in the interests of relevant policyholders and [pathway investors](#).

The Board of ZEDRA Governance Ltd has appointed ZEDRA Governance Ltd to the GAA. The majority of ZEDRA Governance Ltd.’s Client Directors act as representatives of ZEDRA Governance Ltd on the GAA.

The Board of ZEDRA Governance Ltd has also appointed Dean Wetton, acting on behalf of Dean Wetton Advisory UK Ltd, to the GAA. Dean Wetton and Dean Wetton Advisory UK Ltd are independent of ZEDRA.

The Board of ZEDRA Governance Ltd has appointed either a specific named Client Director of ZEDRA Governance Ltd or Dean Wetton of Dean Wetton Advisory Ltd to act in the capacity of Chair of the GAA in respect of each Firm.

More information on each of ZEDRA’s Client Directors, their experience and qualifications can be found at www.zedra.com/people

Information on Dean’s experience and qualifications can be found at www.deanwettonadvisory.com

The GAA has put in place a conflicts of interest register and maintains a conflicts of interest policy with the objective of ensuring that any potential conflicts of interest are managed effectively so they do not affect the ability of ZEDRA Governance Ltd or Dean Wetton Advisory Ltd to represent the interests of relevant policyholders or pathway investors.

The terms of reference for the GAA agreed with the Firm can be found at: [Corporate governance, reports and accounts | Wesleyan](#)



Appendix E: Glossary

Please note that some of the terms referred to in this glossary may not be applicable to your product.

Active management

The investment of funds where the skill of the fund manager is used to select particular assets at particular times, with the aim of achieving higher than average growth for the assets in question.

Annual management charge (AMC)

A deduction made by the pension provider or investment manager from invested assets, normally as a percentage of the assets. The AMC is generally how the pension provider or investment manager is paid for their services.

Annuity

A series of payments, which may be subject to increases, made at stated intervals, usually for life. If the annuity is “joint life”, it will continue to a spouse (usually at a lower rate) after the death of the original person receiving the payments (“the annuitant”).

COBS

The Conduct of Business Sourcebook prepared by the Financial Conduct Authority (FCA). In particular when we use COBS in this report we are referring to Chapter 19 of the COBS which sets out the provisions relevant to the Value for Money Assessment of workplace pensions.

Core financial transactions

The essential processes of putting money into a pension policy or taking it out, namely:

- | Investment of contributions
- | Implementation of re-direction of future contributions to a different fund
- | Investment switches for existing funds, including life-styling processes
- | Settlement of benefits – whether arising from transfer out, death or retirement

Decumulation

The process of converting pension savings to retirement income.

Environmental, social and governance (ESG)

These are the three main factors looked at when assessing the sustainability (including the impact of climate change) and ethical impact of a company or business. ESG factors are expected to influence the future financial performance of the company and therefore have an impact on the expected risk and return of the pension fund investment in that company.

Flexible access

This refers to accessing pension savings in the form of income and/or lump sums. Pension savings that are not being accessed immediately will generally remain invested.

Life-styling

An automated process of switching investment strategy as a policyholder approaches retirement, in a way that is designed to reduce the risk of a policyholder's retirement income falling.

Net investment performance

The investment performance of the fund after deducting all asset management charges, administration charges, taxes and fees for managing the fund including any transaction costs.

Pathway investor

A retail client investing in a Firm's pathway investment offering.

Pathway investment

A drawdown fund which is either a capped drawdown pension fund or a flexi-access drawdown pension fund.

Relevant policyholder

A member of a Relevant Scheme who is or has been a worker entitled to have contributions paid by or on behalf of his employer in respect of that Relevant Scheme.

Relevant Scheme

A personal pension scheme or stakeholder pension scheme for which direct payment arrangements are, or have been, in place, and under which contributions have been paid for two or more employees of the same employer.

Transaction costs

A combination of explicit and implicit costs included within the price at which a transaction (i.e. buying or selling an asset) takes place.

With Profits

An insurance contract that participates in the profits of an insurance company. The insurance company aims to distribute part of its profits to with-profits policy holders in the form of bonuses.

Unit-Linked

A type of investment where the investments of a number of people are pooled together and divided into units of equal value. The value, or price, of each unit depends on the value of the assets of the unit linked fund. The unit price determines the number of units the policyholder receives when they invest money in the fund, and the sum they receive when they sell their units.



Appendix F: Data table

Summary of Wesleyan Workplace Plan data at 31 December 2023

Staff workplace pension scheme	
Total number of policyholders	3,130
- Contributing	1,396
- Non-contributing	1,734
Total value of assets (market value)	£130.3m



ZEDRA

DO MORE. ACHIEVE MORE.

zedra.com

 ZEDRA Group