Wiltshire Council

AGENDA SUPPLEMENT (1)

Meeting: **Wiltshire Pension Fund Committee**

Place: **Kennet Room - County Hall, Bythesea Road, Trowbridge, BA14 8JN**

Date: **Thursday 5 October 2023**

Time: **10.00 am**

The Agenda for the above meeting was published on 27 September 2023. Additional documents are now available and are attached to this Agenda Supplement.

Please direct any enquiries on this Agenda to Ben Fielding - Senior Democratic Services Officer of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 718656 or email Benjamin.fielding@wiltshire.gov.uk

Press enquiries to Communications on direct lines (01225)713114/713115.

This Agenda and all the documents referred to within it are available on the Council's website at www.wiltshire.gov.uk

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8 **Headlines and Monitoring (HAM)** *(Pages 3 - 46)*

DATE OF PUBLICATION: 29 SEPTEMBER 2023

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WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND COMMITTEE
05 October 2023

WILTSHIRE PENSION FUND HEADLINES AND MONITORING REPORT

Purpose of the Report

1. The purpose of this report is to provide the Committee with information in relation to various standard issues, to enable the Committee to fulfil its monitoring role.
    a) Scheme, Regulatory, Legal and Fund Update
    b) Risk Register
    c) Administration KPI update – 1 July 2023 to 31 August 2023
        1) Key business plan items – Aggregation Backlogs / i-Connect & Controls / Resourcing. Plus, general progress on the business plan.
        2) Outsourcing updates
        3) Review of Annual Benefit Statements
    d) Audit update
        1) Audit update
        2) SWAP Audit 2022/23
        3) Training plan update 2023/24

2. This report is intended to highlight key issues and developments. Full detail is provided in the Appendices.

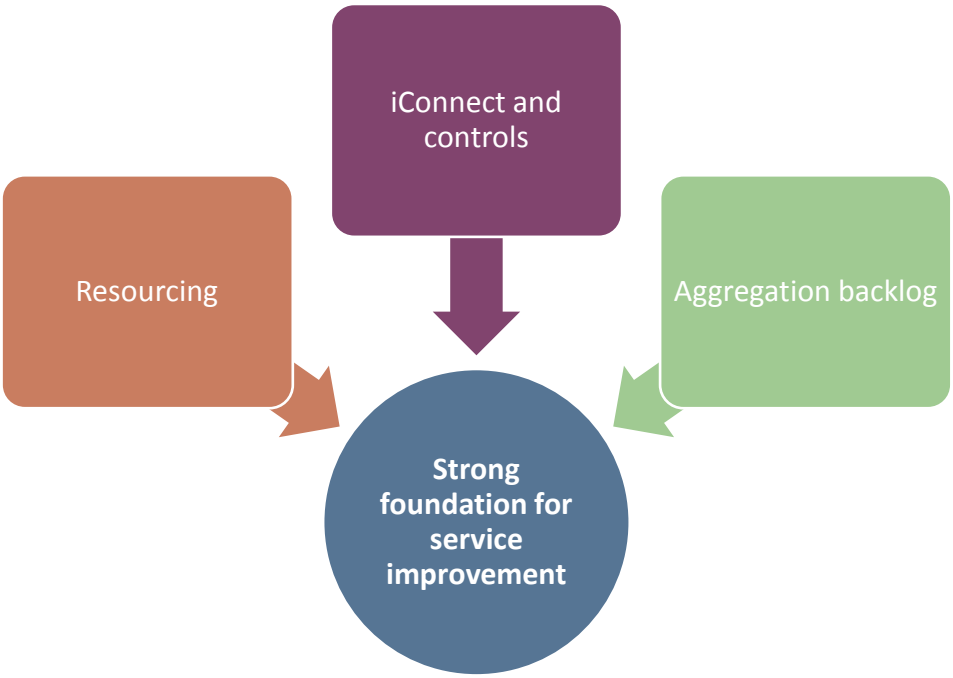
Report from Head of Wiltshire Pension Fund

3. This section summarises key events across the Pension Fund over the last quarter.
    a) Investment performance for the quarter to Jun-23 was +2.2%, compared to a benchmark return of +1.7%. The fund value at the end of Jun-23 was just over £3.1bn.
    b) The funding level remains at around 125% (based on a roll-forward of the 2019 funding level).
    c) The backlogs project and the pensioner payroll rec projects are now close to completion. Hymans have now completed around 2.3k cases, and Aon just over 720. The Hymans project is going to run on for slightly longer than expected, and the team will be providing Hymans with a final batch of work shortly. The Aon project is close to completion, with the final cases requiring data from old systems (and even microfiche), which is being provided.
    d) There is no update on resourcing, the Employer Services Manager role is still vacant, and recruitment is currently taking place at the junior levels in the team.
    e) The new office space is now occupied, and we are encouraging staff to attend 2-3 days per week. We held a team building day in September which was productive.
    f) We have had our signatory status for the Stewardship Code renewed.
    g) The annual report has now been published, alongside a one-page factsheet and mini-magazine: https://www.wiltshirepensionfund.org.uk/Annual-report-and-accounts
    h) Pension Awareness Week ran during September. We sent out daily factsheets to the members, to help them understand their benefits, be aware of scams, and engage with their pension: https://www.wiltshirepensionfund.org.uk/article/8102/Pension-Awareness-Week-11-15-September-2023

i) The Fund has once again won the award for "Best Approach to Responsible Investment" at the LAPF Investment Awards. We previously won in 2021. Congratulations to the team!

Business Plan Priority Area Progress Updates

4. As set out in the Business Plan 23/24, the priority areas where we need to focus in order to deliver the maximum improvements to our admin service are as follows:



Resourcing – progress rating red

5. We have now appointed to all key vacant roles, with the exception of the Employer Services Manager role, where we have temporarily paused our recruitment efforts while we review the situation after several unsuccessful attempts. We are also currently recruiting for processing staff.

6. Staff training plans are still in development – this is a very high priority to address. We are promoting a wide range of training opportunities to staff, both internally and externally. However, there are still some clear skills gaps within the teams which need to be addressed.

7. More work still needs to be done to create a structured framework to use all the tools at our disposal to promote maximum efficiency in the processing teams. Our plan to develop "recipe cards" for all processes to streamline work is well underway.

8. A significant issue which needs to be dealt with is team morale, which is at a low level as reported by the Wiltshire Council staff engagement survey. We have recently held a team building day, as well as the move to bring staff back to the office more. We will hold a specific WPF staff survey during October.

iConnect and related controls – progress rating red/amber

9. This area has been improved from red to red/amber, to reflect the fact that significant progress has been made, but that this has not yet translated into any tangible results.

10. The monthly cycle of work for the employer services team is in draft, but will need to be finalised and rolled out to the team. Once this has been done, we should be in a position to begin onboarding employers to iConnect again, and will start with Swindon Borough Council.

11. Work on defining an efficient and effective control framework has not yet begun, but is strongly linked to the above point about recipe cards.

Aggregation backlog – progress rating amber

12. As mentioned above (under para 3c), Hymans are making progress, and a final batch of work will shortly be provided to them.

13. The Service Improvement Team (SIT), as well as working on various initiatives to deliver efficiencies, has cleared a large number of old cases. Alongside Hymans work, this has lead to a significant reduction in the number of open cases (as seen in the admin KPIs section of this report). However, in terms of the day-to-day, the teams have not been on top of BAU, and this has had an offsetting effect against the inroads made by Hymans and the SIT, which has made the reduction in open cases smaller than it might otherwise have been.

14. In order to take things forward, the next steps will be as follows:

    a) Hymans to complete their project.
    b) SIT to continue project work to reduce the backlog.
    c) Work allocation to improve to ensure the teams are on top of the day-to-day.
    d) A review of the remaining backlog to identify similar types of cases that can be dealt with in bulk/via project work.

LOCAL PENSION BOARD COMMENT

15. The Board noted the poor morale and cultural issues within the Pension's team, and strongly supported the proposal to proceed with a dedicated office space for the team within County Hall, with officers attending at the office 2-3 days a week to help with team building, training, and embedding new working practices.

Scheme, Regulatory and Legal Update (Appendix 1)

16. A scheme update is included in paragraph 3 of this report. Regulatory & legal updates have been provided via Hymans September 2023 Current Issues circular (Appendix 1). Key additional strategic Fund updates have been incorporated within the Fund's risk register section of this report.

Risk Register (Appendix 2)

LPB Recommendation – Minute 216

17. The version of the risk register presented in Appendix 2 relates to the month of June 2023. At the Committee's request in July and for their information, the latest available version (the August version) is supporting the June version reviewed by the Board. The officer led CROC Group continue to process and moderate ratings monthly to ensure consistency.

18. For members to be able to monitor the key changes between versions submitted to meetings officers have provided a summary table below. The purpose of this summary of changes is intended to assist Committee members by focusing on the key recommended changes agreed by the Board to June 2023.

19. The summary of key changes between the April and June versions of the risk register are:

Risk Section	Section rating change	Key notes and mitigations during the period
Financial Management	Green to Amber	a) The risk has increased due to an issue with HSBC payment approvals, which requires large payments to be approved by an individual at HSBC. The issue is being progressed by the Council's Treasury Team. b) Whilst payments from employers are being received, new processes are required to reconcile i-connect submissions against actual payments and ensure officers can track employer rates in i-Connect. c) Ongoing communications are in progress with certain employers concerning the implementation of the new contribution rates. d) Reconciliation between SAP and Altair payroll systems have seen an increase in discrepancies following the PI exercise. Investigations are ongoing.
Investment	Red to Amber	a) BPP's governance continues to be monitored, but with the passing of their budget, agreement has been reached over-pay and BPP's ability to seek and recruit strategic staff. Officers are working with BPP and other authorities in the partnership to update BPP's constitution.
Stakeholder Engagement	Amber to Green	a) Whilst the Fund did not pass its Customer Service Excellence assessment at its first attempt, its strategy is considered broadly speaking sound and outstanding developmental areas have been identified. A further assessment is planned for 2024.

LOCAL PENSION BOARD COMMENT

20. **Risk Register** – The Board supported the proposed recommendations to the Pension Committee as set out in the table in paragraph 18 in this report, namely the changes to Financial Management, Investment and Stakeholder engagement risks.

Administration KPIs (Appendix 3)

LPB Recommendation – Minute 226

21. The KPIs have undergone some work to improve their presentation, but the work done and data sources to prepare them have remained consistent. Any comments from the Committee on the presentation would be welcome.

22. Table 1 shows a high level of terminated cases. This is due to "housekeeping" work that has been carried out by the new Service Improvement Team. The average number of cases completed per month for the period was 2,101, an increase of 322 case since the last report. This improvement is mainly due the ongoing outsourced projects and the work of the SIT team. Following the issuing of the Annual Benefit Statements and receipt of all outstanding data from SBC we have seen an increase in the number of cases received.

23. Table 2 shows that the over quarter, the KPIs are showing as "red" across all high priority processes. This is due to the number of cases already over target being completed. We expect this trend to continue for at least the next 6 months while we focus on reducing the backlog.

24. The Annual Benefit Statements have now been issued with 98.8% of members receiving these on time, an increase of 0.1% from last year. Also, all members who have a Pension Input Amount of £35,000 or higher for the 2022/23 tax year have received their Annual Allowance Statements.

LOCAL PENSION BOARD COMMENT (Quarterly reporting)

25. The Board supported the proposal to delay the production of the Recovery Action Plan by a further 3 months to allow for the detailed input from the new Administration lead but felt that it was important that this was the final delay.

26. The Board noted and welcomed the new presentation of KPI information. The only change requested by the Board was for the reinstatement of the direction of travel column in the main table showing KPI performance.

LOCAL PENSION BOARD COMMENT (SBC update)

27. The Board noted the positive progress that had been made in this area, which should result in the issue of Annual Benefit Statements to all of the Fund Members employed by the Council by the statutory deadline.

Audit update (SWAP KPI audit) (Appendix 4)

LPB Recommendation – Minute 216

28. SWAP Audit Strategy – At the Board meeting on 10 August members requested officers to prepare a schedule (Appendix 4) detailing the status of each of the Fund's commissioned audits for presentation at this meeting. The request was made following concern that a lack of progress had been made concerning the Pension Fund KPI audit commissioned by the Chairs of the Board and the Committee.

29. Officers noted that the schedule requested by the Chairs should include:
    a) The SWAP auditor assigned to each audit:
    b) When an audit is scheduled to take place: &
    c) SWAP's feedback on the commissioning arrangements and communication channels in respect of planned Pension Fund audits.

    The feedback received from SWAP is included in Appendix 4.

30. In addition, a summary of SWAP's responses to the Chairs request were received in August, in which they advised the following:
    a) It was not their practice to assign auditors to a piece of work in advance. Furthermore, more than one auditor would typically be assigned to an audit and that they take an agile approach to the conducting of their audits:
    b) The KPI audit, as well as the restructured payroll migration audits had not been part of the originally commissioned audits agreed with the Fund. In addition, the timetables for the payroll migration audits had been impacted by multiple considerations, including those outside the control of the Fund and SWAP: &
    c) Approval of audits undertaken by SWAP are made by the Deputy s151 officer. It's recommended that the Fund should consult with the Deputy s151 officer concerning its commissioning arrangements for audits and the channels of communication by which the commissioning of audits should follow.

LOCAL PENSION BOARD COMMENT

31. The Board was disappointed that the SWAP KPI audit had been delayed, despite it being requested by the Chair of the Committee and the Chair of the Board, who had jointly agreed the terms of reference with officers.

32. The Board agreed with a proposal made by the Chair of the Pension Committee for a table of all proposed audits to be submitted to the next administration focused meeting of the Committee, to include the proposed timetable for all audits.

SWAP Audit review 2022/23 (Appendix 5):

33. Progress against the recommendations of SWAP's November 2022 KFC audit is presented by officers in the form of an actions log, last assessed (Appendix 5) as at 15 August. The progress is based on officer assessments. It should be noted that officers have agreed with the Board that action 1 – New Enrolments and action 10 - KPIs, Reports & Monitoring of Staff Productivity have been paused due to material changes in the completion of those actions. Regarding action 1, the material change relates to the approved business plan objectives agreed in March 2023 and in respect of action 10, the commissioning of a SWAP KPI audit, which it is anticipated could result in revised recommendations.

34. Other notable comments concerning the progress of officer actions against SWAP's recommendations include:
    a) Action 5 – Amendments – The appointment of a new mortality screening service provider continues to be delayed whilst contractual negotiations remain incomplete. The appointment was due to take effect from 1 April and the delay has meant that mortality screening has not been undertaken for several months. Officers are acutely aware of the impact of this on data quality, projects, and benefit delivery factors.
    b) Action 6 – Aggregations – Productivity of casework completion has faltered. Consequently, officers are liaising with Hymans concerning the number of outsourced cases being completed. It is noteworthy that the summer holiday period has also hampered output.
    c) Action 7 – Status 2s – The data quality of information provided by scheme employers relating to Status 2s has been a recent cause for concern. Consequently, the Fund's Operations Manager is co-ordinating a review, including any reporting requirements in order to remedy the situation. In conjunction with this review the performance risk within the risk register has been increased to Amber to reflect this situation.

35. Officers convened a special meeting on 27 September aimed at the progressing and sign off of a variety of policies, procedures, and other documentation. The progress of several actions are intended to benefit from this meeting, namely Action 2 – Overpayments, Action 3 – Lumpsum payments, Action 4 – Transfers into the Fund, Action 5 – Amendments and Action 11 – Quality Assurance. With a number of actions now exceeding their target dates for completion this focused meeting aims to bring those actions closer to their conclusion.

Training Plan (Appendix 6)

LPB Recommendation – Minute 217

36. The Training and Engagement Officer has prepared an updated Committee member training plan, which is included in Appendix 6. It is intended that this plan will be implemented for the period between October 2023 and the end of the current scheme year.

37. The plan has been prepared in line with the self-assessment of training previously undertaken and is based on the answers that were suggested by members and the topics which should be covered in order to increase the knowledge and understanding of all members.

LOCAL PENSION BOARD COMMENT

38. **Equality, Diversity & Inclusion** – Given the priority being attached to this area by the Pension's Regulator, the Board agreed that it would be sensible to include the proposed wording on EDI in the next revision of the Fund's Responsible Investment, and for all members of the Board and Committee to attend a training session on this area.

Financial Implications

39. No direct implications.

Legal Implications

40. There are no known implications from the proposals.

Environmental Impacts of the Proposals

41. There is no known environmental impact of this report.

Safeguarding Considerations/Public Health Implications/Equalities Impact

42. There are no known implications currently.

Proposals

43. The Committee is asked:
    a) to approve the risk register recommendations made by the Board and the officer assessment of risk as presented in the June version of the risk register:
    b) to note progress in the SWAP audit actions log:
    c) to approve the training plan set out in Appendix 6:

JENNIFER DEVINE
Head of Wiltshire Pension Fund

Report Authors: Richard Bullen (Fund Governance & Performance Manager) and Jennifer Devine (Head of Wiltshire Pension Fund)

Unpublished documents relied upon in the production of this report: NONE

Appendices:

Appendix 1 – Legal & Regulatory update – Current Issues
Appendix 2a – Full risk register 1 – June version.
Appendix 2b – Full risk register 2 – August version.
Appendix 3 – Administration KPIs
Appendix 4 – SWAP Audit timetable
Appendix 5 – SWAP Audit Actions log
Appendix 6 – Training plan

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HYMANS ROBERTSON

Current issues in the LGPS

September 2023

Consultation - Next steps on investments

Following up on our 60-Second Summary on the Government's recently launched consultation on LGPS investments in England and Wales, we provide a more detailed look at its vision for the future. Here, we set out areas we support, where we think further thought is needed, and suggest areas for clarification and guidance to ensure any new regulation takes into account impacts on the full range of stakeholders. We're also working on our formal response to the consultation, which will be available mid-September. And finally, please join our webinar on 14 September – see more information below - for what will no doubt be a lively discussion!

New approach to national Cost Cap valuations

HMT has published revised Directions that will apply to the 2020 Cost Cap valuations, alongside a GAD letter. As expected, these new Directions incorporate changes that were subject to prior consultation, including the widening of the 'cost corridor' from +/-2% to +/- 3% of pay and the introduction of an 'economic check'. Our response to that consultation is here. The calculation will now be done in two stages. Costs will firstly be measured under a 'core mechanism'. And secondly, if this triggers a breach of the cost corridor, the 'economic check' will re-measure the cost with allowance for changes in long term economic assumptions. If the cost under the economic check is also outside the 3% margin and in the same direction as the 'core mechanism', changes will be made to the scheme's structure to bring costs back to the original target employer cost cap. GAD's letter suggests that for the 2020 valuations (across a sample of unfunded schemes), the 'core mechanism' result breaches the cost corridor on the downside due mainly to lower longevity assumptions. However, the impact of the SCAPE discount rate reduction to CPI +1.7%pa (compared to the CPI + 3%pa used in the 'core mechanism') in the 'economic check' increases the cost and more than offsets the 'core mechanism' corridor breach. This results in no change to member benefits or contribution rates.

Reporting season beckons in Scottish valuations

The 2023 Scottish valuation project is now well underway following data submission from a number of funds. Initial results will be emerging over the weeks ahead – watch this space for news of the trends that we are seeing. One big question will be "what is the impact of inflation on the valuation results"? and we are closely monitoring CPI figures as they are released each month. Your actuary will discuss the impact of emerging inflation and the April 2024 PI Order along with the presentation of your valuation results.

Accounting – education to the fore!

Academies – as we enter September, it's all 'hands on deck' to prepare the 31 August 2023 FRS102 results schedules for LGPS academies. In an environment of high inflation and high corporate bond yields, along with the triennial valuation recalibration to funding positions, there's a lot to consider this year. To get further details on the areas of consideration and what these could mean for you, our Academy accounting webinar is available on demand here.

Further education bodies - the 31 July 2023 results are in – and they're overwhelmingly 'positive'! Net asset positions are being seen by many FE bodies across the LGPS, which comes with the tricky question, "how do I

allow for this accounting surplus"? For details on the options available to you, please contact our LGPS accounting specialists here.

Assessing knowledge for Committees and Boards

On 18 September we will launch our 2023 Knowledge Progress Assessment (KPA) for Committee and Board members – coinciding with LGPS training expectations set out within the 'Next steps on investments' consultation mentioned above. The online assessment will cover the 8 topics of the CIPFA Knowledge and Skills framework, and has been designed to complement Hymans' LGPS Online Learning Academy.

The purpose of the KPA is to check that knowledge levels are progressing as expected, see if the focus of your training plan feels right, and to provide Funds with a tangible way to demonstrate they are regularly assessing Committee and Board members' knowledge levels and training needs. Register your interest here.

Events, webinars & training

LGPS Employer training

We're delighted to be continuing our LGPS employer training, with the next sessions taking place in October and November. Attendance will provide your employers with knowledge of important LGPS topics. With the implementation of the McCloud remedy and pensions dashboards on the horizon, and the administrative challenge of updating data, good employer engagement is needed more than ever. Register your interest here, and if you require more information get in touch.

Next steps on investments in the LGPS (England and Wales)

Join us on 14 September for a special edition webinar, focused on the Local Government Pension Scheme (England and Wales): Next steps on investments consultation. Kate Dickson will be joined by David Walker to discuss our views on the questions raised in the consultation. You can register your place here.

Managing risk in the LGPS – a spotlight on employer investment strategies

Catch the third webinar in our risk management series on-demand. Robbie McInroy was joined by Julie Baillie and Alex Younger, Head of Funding & Investment at Norfolk Pension Fund, for a discussion on employer investment strategies. You can also download Julie's latest publication on utilising employer investment strategies to manage risk for LGPS employers.

Awards

We're delighted to have been shortlisted for industry awards in September, and wish all of the nominees good luck!

- **LAPF Investment Awards:** Investment Advisory Service of the Year; LGPS Service Provider of the Year
- **Workplace Savings & Benefits Awards:** Pension Consultant of the Year; Diversity and Inclusion Excellence Award

Focus on change: Food Systems

We all need to eat, and global demand for food is set to keep increasing. However, the food sector is a big contributor to climate change and also vulnerable to adverse climate impacts. There's a clear need for innovative agricultural models based on regenerative and resource-efficient practices. Increasing input costs may provide an incentive for the agriculture sector to adopt more efficient practices quickly. Couple this with changing consumer demand and the potential for regulation, and we have interesting opportunities for investment. We explore some of the ways that investors can drive change in our Focus on Change: Food Systems article.

In brief…

Latest inflation figures – the latest ONS figures recorded annual CPI for the year to July 2023 at 6.8%, down from 7.9% in the prior month. Our latest InflationWatch assesses the outlook for future inflation.

Overview of 2022 valuation results – the Scheme Advisory Board has published a report on the 2022 valuation results. Our own analysis was captured in a 'Big Picture' report that was published earlier this year. Plenty of reading for those who love statistics!

Cold calling – HMT plans to extend the pensions cold-calling ban to cover all consumer financial services and products. It's exploring the details of the extended ban via a consultation, with a deadline of 27 September.

Data accuracy – the Pensions Administration Standards Association (PASA) has updated its guidance in this area.

Climate change litigation – the Court of Appeal has dismissed a claim against the USS for allegedly failing to deliver on its climate change commitments. The Court highlighted that the claimants were unable to prove that they had suffered loss (due to an alleged breach of duty by USS directors), and that the trustees had complied with the Investment Regulations 2005 (on the back of receiving appropriate professional advice).

McCloud and pensions tax – the McCloud discrimination case continues to keep HMRC busy, with the publication of another newsletter about the implementation of the remedy. They have also updated their lifetime-allowance protection guidance for members who may find themselves, retrospectively, in the market for fixed or individual protection (2016) as a consequence of the remedy for McCloud discrimination, or who lost their protection because of the McCloud remedy and may now be able to reinstate it. Click here and here to see the respective guidance.

Climate scenario analysis – TPR has published a blog about recent reports that have challenged the approach that schemes have taken to model climate risk. Whilst trustees are not expected to be climate experts, they are expected to keep their most recent analysis under review and conduct new analysis where improved scenarios or modelling capabilities are available.

Annual benefit statements – TPR has issued guidance around ABS's for public sector schemes. They're keen for schemes to take care to avoid confusing information to members affected by the McCloud remedy (who will receive both ABS's and remedial service statements). In recognition of this challenge, TPR will take a 'risk-based, practical approach' in response to ABS breaches during 2023 to 2025.

Autumn Statement – the Chancellor's statement will be presented to Parliament on 22 November, alongside an economic and fiscal forecast from the OBR.

Appendix

Next steps in LGPS investment consultation

https://www.hymans.co.uk/media/uploads/LGPS_60ss_-_next_steps_on_investments.pdf

https://www.gov.uk/government/consultations/local-government-pension-scheme-england-and-wales-next-steps-on-investments

https://www.hymans.co.uk/insights/research-and-publications/publication/briefing-note-next-steps-on-lgps-investments/

https://event.on24.com/wcc/r/4336280/43496AD4E71CE23759A759CF5103F6EE

New approach to national Cost Cap valuations

https://www.gov.uk/government/publications/public-service-pensions-2020-valuations

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1181508/2020_Valuation_Directions_GA_consultation_-_HMT_letter_with_annexes.pdf

https://www.gov.uk/government/consultations/public-service-pensions-cost-control-mechanism-consultation

https://www.hymans.co.uk/media/uploads/210806_Cost_control_mechanism_Consultation_Response.pdf

Accounting – education to the fore!

https://www.hymans.co.uk/insights/webinars/understanding-lgps-academy-accounting-disclosures/

LGPSCentralAccountingTeam@hymans.co.uk

Assessing knowledge for Committees and Boards

https://www.gov.uk/government/consultations/local-government-pension-scheme-england-and-wales-next-steps-on-investments/local-government-pension-scheme-england-and-wales-next-steps-on-investments

https://www.hymans.co.uk/services/lgps-online-learning-academy/

https://web.hymans.co.uk/hymanscouk-atwsv/pages/cs7dlzhiee699aaismb2sg.html?PageId=2fddce724838ee11bdf4002248c6f6b2

Events, webinars & training

LGPS Employer training

https://analytics-eu.clickdimensions.com/hymanscouk-atwsv/pages/qrjhiwvee2braaisbtxmw.html?PageId=89471241ff6bed1181ac0022481b579b

Next steps on investment in the LGPS (England and Wales)

https://event.on24.com/wcc/r/4336280/43496AD4E71CE23759A759CF5103F6EE

Managing risk in the LGPS – a spotlight on employer investment strategies

https://event.on24.com/wcc/r/4286820/7AE45E6A33EC5905E7D4557D8E3F8539

https://www.hymans.co.uk/media/uploads/Managing_risk_in_the_LGPS_-_a_spotlight_on_employer_investment_strategies.pdf

Focus on change: Food Systems

https://www.hymans.co.uk/insights/research-and-publications/publication/focus-on-change-food-systems/

In brief

https://www.ons.gov.uk/economy/inflationandpriceindices

https://www.hymans.co.uk/insights/research-and-publications/publication/inflationwatch-august-2023/

https://lgpsboard.org/index.php/2022-valuations-report

https://www.hymans.co.uk/insights/research-and-publications/publication/lgps-2022-valuation-the-big-picture/

https://www.gov.uk/government/consultations/ban-on-cold-calling-for-consumer-financial-services-and-products

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1175770/Coldcalling_consultation-_final_clean.pdf

https://www.pasa-uk.com/wp-content/uploads/2023/08/Data-into-Benefits-FINAL-1.pdf

https://www.bailii.org/ew/cases/EWCA/Civ/2023/873.html

https://www.gov.uk/government/publications/public-service-pensions-remedy-newsletter-august-2023/newsletter-on-the-public-service-pensions-remedy-august-2023

https://www.gov.uk/guidance/pension-schemes-protect-your-lifetime-allowance#apply-for-protection-after-the-public-service-pensions-remedy-also-known-as-mccloud

https://www.gov.uk/guidance/reinstate-your-pension-lifetime-allowance-protection

https://blog.thepensionsregulator.gov.uk/2023/08/29/how-trustees-can-help-make-climate-scenario-analysis-decision-useful/

https://www.thepensionsregulator.gov.uk/en/public-service-pension-schemes/scheme-management/publishing-annual-benefit-statements-2023-2025

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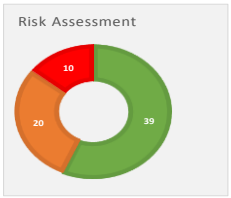
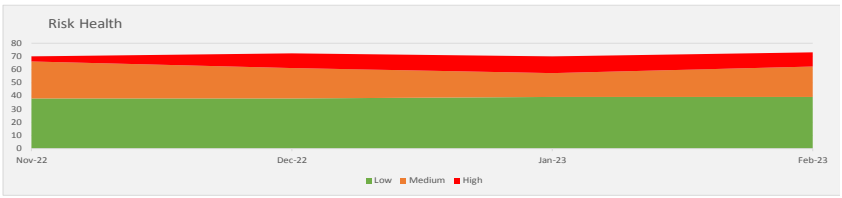
Committee Risk Register

Owner: Richard Bullen

Medium	Overall Risk





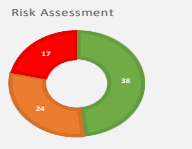
Risk Area	Key Risks	Risk Assessment	Updates to note
Service Delivery	Level of post and work volumes remain high in spite of increased productivity, and a concern remains over the failure to meet the KPI targets. Resourcing constraints means that work is not being received and allocated in a timely manner. Issues with post being received/sent and records updated in an accurate and timely manner. Failure to process TV-outs due to a process review. This could hamper productive output. Associated risks following the processing of the pension increase exercise continue, due to an increase in discrepancies between databases arising from the increase and adjustments to short term pensions. A risk that frauds could occur if suitable internal controls are no implemented	High	As part of the business plan 2022/2023, the backlog was outsourced to Hymans. A work allocation system has been embedded for member services (with employer services to follow), which is forward-looking and enables tasks which are about to go out of date to be prioritised. In March the Key activates of i-Connect and controls, the aggregations backlog and resourcing were identified as factors to overcome in order that the business plan 23/24 could improve on productivity. A Service Improvement team has been formed to facilitate data preparation and in turn productivity. Weekly KPIs are now circulated and analysed, and weekly insights have been launched for the member services team (the employer services team have their own KPIs formulated), which show staff productivity. Embedding the use of bulk processing is now better supporting Fund processes. Work on reviewing short-term widows pensions has been implemented and is nearing completion. Arrangements will be reviewed following an independent investigation into fraudulent activity
Financial Management	The employer contribution rate schedule is not accurately maintained and the Fund is unable to determine if it is receiving the correct contributions, or identifying ceasing employers at an early stage. The Fund pays incorrect pensions, lump sums and other one off payments to pensioner members. Ceasing employers challenge actuarial reports due to the size of deficit payments they are required to make. Delays in Treasury Management processing could be caused by changes to approval limits	Medium	Officers have set up an Employer Contribution and Data Management Working Group to mitigate the risk of the schedule not being maintained. Internal audit has highlighted further improvements over the internal controls in relations to financial management. An update will be presented to members at each meeting cycle. Officers are working to ensure the new contributions rates are being implements & paid by all employers. Strategic employer cessations are being managed by officers, who take legal and actuarial advice to ensure employer understand their cessation obligations. Officers are working with Wiltshire Council Finance to ensure that the appropriate approval limits and framework are in place.
Fund Governance	Members and senior officers do not maintain their knowledge and understanding leading to poor decision making and poor governance. Although implemented, embedding the risk and control framework into departmental culture is an ongoing process	Low	Approval of a Committee member training strategy for 23/24 is under review. Details of the new strategy are yet to be published in order to mitigate issues in relation to insufficient knowledge and understanding. Officer training on the risk and control framework has been completed and regular meetings are held to reinforce the concept.
Systems Management	Poor KPI reporting providing incorrect data which could lead to poor decisions being made. Old user accounts, including i-Connect logins and inaccurate profiles which aren't being removed on a timely basis and being attributed to team members, means users could access/perform tasks that they shouldn't be completing. Ineffective controls of mortality screening could result in the paying of benefits that should have ceased. It is noteworthy to highlight that the Council's contract will SAP expires in December 2023 Changes to the transfer value guidance has caused a suspension to the calculation routines	Medium	Insights, a new software tool provided by the Fund's database manager has enabled more accurate and timely reporting. User Accounts and Profiles are monitored, but reporting that monitoring requires development. A re-tender exercise has been completed in respect of the Fund's current mortality screening and training provider. Although the new appointment should have started from 1st April there have been delays in completing the contract. The former supplier is continuing to provide a service until negotiations have been completed. The migration to a new payroll databases is crucial. In addition, other SAP functions such as HR could also impact the Fund. Implementation of the Altair payroll to mitigate the cessation of SAP will help, however the Fund remains reliant on the Council's Evolve programme to move forward. Expected April 2024. On completion of a TV process review, all TV calculations will be able to recommence.
Investment	Investment performance by managers is poor or misaligned with expectations leading to risk of funding level, achievement of investment strategy and poor benchmarking. BPP needs to operate effectively to ensure funds are well managed, investments are made on a timely basis and delivering their objectives. BPP has been set up to deliver cost savings, if mismanaged this could lead to higher costs and poor investment returns.	Medium	The Fund is working with Brunel on pooling arrangements. The Fund is currently benefitting from net fee savings, but costs are under constant pressure to rise with high budget increases being proposed. Key person departures are also an ongoing concern in relation to resourcing. BPP's governance continues to be monitored due to concerns over levels of pay, budgets and staff losses. Officers are working with BPP and other authorities in the partnership to update BPP's constitution. Agreement has been reached over pay and budgets and BPP are seeking to recruit strategic staff.
Compliance with Regulations	Anticipated changes in legislation could impact the Fund adversely, specifically regarding compliance and resourcing. Failure to achieve statutory requirements & deadlines due to work volumes	Low	Regular updates to the Committee and Board enable all stakeholders to monitor any potential changes in legislations. This work is supported by adviser guidance. Project planning and holding of regular management meetings to ensure deadlines are achieved.
Performance	Employers not performing their roles effectively, such as not sending timely and accurate information in the required format. Employers not updating us on a timely basis concerning changes to 3rd party providers affecting the Fund. Employers not following i-Connect processing correctly leading to data breaches	Low	Extra training is given to employers as part of the Fund's Employer training strategy. A new employer training strategy for 2023 has been prepared and employer scorecards to be issued to all employers notifying them of their performance against the Pensions Admin Strategy. The Pension Admin Strategy to be updated to make it clearer to employers concerning the performance targets expected of them.
Employer Management	Employers not engaging with the Fund highlighted through poor data, poor timeliness of submissions and not complying with the regulations. This can lead to poor decision-making effecting scheme members Contacts have inadequate knowledge, skills and experience to administer the Scheme correctly and effectively. In addition, current contact maintenance requires improvement. Employers are not set up, maintained or leave the Fund correctly. This can effect the starting position for funding, unitisation adjustments, pooling or cessation arrangements due to untimely or incorrect information. Employers not joining the Fund in line with legislation e.g. unsigned admission agreements, resolutions not being passed and not keeping track of mergers/demergers. The Fund needs to consider a covenant strategy review following completion of the valuation.	Medium	As mentioned under Performance the Fund offers training to employers to mitigate the risks highlighted. Implementation of the Stabilisation Policy provides a certain amount of increased security for employers. The Fund also works closely with our Actuarial advisers to ensure new sets up are managed correctly. In addition, officers need to maintain the Fund's unitisation database. A risk exists of employers failing and not funding their liabilities could occur, where their financial position weakens. Fund officers liaising with the Scheme Actuary concerning a covenant review strategy. The completion of Admission Agreements will assist areas such as i-connect and contribution reconciliation. Monthly meetings being held with Legal Services and external packages for this work being considered. An exercise updating the employer contacts is being reviewed.
Data Management	Information is posted through i-Connect or employer spreadsheets late which can delay processing. In addition, a lack of i-Connect checks may impact data accuracy. There's risk that cessations are not advised resulting in delays to the start of this process. TUPE transfer are being delayed due to a backlog in Legal Services. Employer asset and liability allocations should be monitored to avoid throwing out an employer's funding position. Poor data provision from large individual employers can heavily impact the Fund's data management	High	To enable the i-Connect onboarding process officers are working closely with the outstanding employers, particularly where they are major employers who will have an impact on the Fund. This process continues even though actual onboarding has been temporarily suspended. Relevant checks associated with i-Connect submissions are being reviewed. Whilst the TUPE & cessation reporting issue has been resolved as part of a new Heywood's release, officers now need to work with Legal Services to progress delays in this area. Assignment of the responsibility to a specific officer as well as accurate transaction coding and Altair reporting will be implemented on the imminent appointment of a key staff member. Key project management exercises undertaken to oversee large individual employers impacting the Fund data quality and management
Stakeholder Engagement	Inaccuracy of communications by the Fund could result in reputational damage. There is a risk that as a Fund we are delivering poor customer service to our members, with slow response times and disclosure breaches.	Low	Peer review arrangements are in place prior to publication and a strategy to maintain the compliance and content on MSS & the website is being implemented. A review of the Fund's Customer Service Excellence strategy is being considered following its initial assessment.
Funding	Pension payment adjustments caused by the Rectification project may impact the Fund.	Low	The Accounting team is working with the project manager to ensure Funding is not adversely impacted
Resourcing	The Fund is not appropriately resourced and staff all adequately trained to enable the service to be delivered in a sustainable and reliable way. In addition, key departures could lead to a loss of crucial knowledge in the team.	High	Key people in the team are seeking to transfer specialist knowledge to colleagues by documenting procedures and notes. In addition, a training strategy is under review for the department. However, in the event of a knowledge gap, we can call on our external consultants and independent advisors for help in the short-term; A recent restructure, has filled key vacancies, with the exception of one role. New employer services staff members receiving focussed training relating to their roles to mitigate processing errors and encourage -Connect data checks

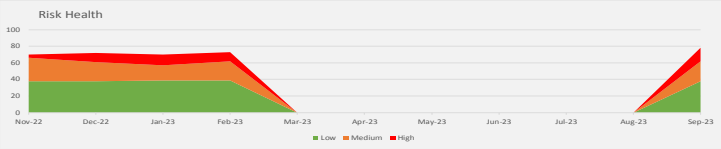
Climate risk	Failure to manage the risks in the investment portfolios, and/or to take advantage of the investment opportunities which arise from transition to a low carbon economy could cause the Fund to suffer material negative financial impacts.	Medium	The Fund has a climate change policy (within the responsible investment policy), decarbonisation targets, and has assessed alignment of all portfolios. The Fund already reports against the requirements of the Task Force on Climate-related Financial Disclosures (TCFD).
Projects	Projects are managed by a designated Project Manager. Key projects currently being managed are the Backlog project, the rectification project and McCloud. The first two have been outsourced to 3rd party administrators. Regular updates are provided to the management team, Committee and Board in respect of the McCloud. A fourth project relating to internal backlogs is also considered a risk area. At present, the outsourced backlog and rectification projects are progressing, however the McCloud has faulted. A delay in the Evolve programme is also contributing to risk in this area. Payroll staff have been recruited to implement Altair's payroll system over the next few months.	Medium	As part of the oversight of Evolve Payroll Programme periodic strategic updates are received from the s151 Officer to assess level of risk; Significant retrospective legislation changes related to the McCloud case could lead to higher levels of administration resource. Factors addressed by the restructure and the business plan. In addition, factors relating to consistent working practices are being resolved. To mitigate delays on McCloud the Project Manager is working with internal and external stakeholders to set milestones and reporting frameworks. Mitigations relating to the Evolve project involve the implementation of Altair's payroll system in the Autumn to take on new pensioners in a phased approach.
Other External Risks	No "other" risks currently identified.	Low	

Committee Risk Register

Owner: Richard Bullen

Medium	Overall Risk





Risk Area	Key Risks	Risk Assessment	Updates to note
Service Delivery	Level of post and work volumes remain high and a concern remains over the failure to meet the KPI targets. This includes the internal backlogs which staff are seeking to reduce. Resourcing constraints means that work is not being received and allocated in a timely manner. Issues with post being received/sent and records updated in an accurate and timely manner. Associated risks following the processing of the pension increase exercise continue, due to an increase in discrepancies between databases arising from the increase exercise. A risk that frauds could occur if suitable internal controls are no implemented	High	As part of the business plan 2022/2023, the backlog was outsourced to Hymans. In March the Key activates of i-Connect and controls, the aggregations backlog and resourcing were identified as factors to overcome in order that the business plan 23/24 could improve on productivity. A Service Improvement team has been formed to facilitate data preparation and in turn productivity. The SIT Team are also focused on undertaking work to reduce the internal backlog. A work allocation system has been embedded for member services, with employer services managing their own work using different measures of reporting. This couples with changes to staff working practices. Weekly KPIs are now circulated and analysed and weekly insights have been launched for the member services team which show staff productivity. Embedding the use of bulk processing is now better supporting Fund processes. Work on reviewing payroll database discrepancies between Altair and SAP is to be treated as a high priority by officers. Arrangements will be reviewed following an independent investigation into fraudulent activity
Financial Management	The employer contribution rate schedule is not accurately maintained and the Fund is unable to determine if it is receiving the correct contributions, or identifying ceasing employers at an early stage. The Fund pays incorrect pensions, lump sums and other one off payments to pensioner members. Delays in Treasury Management processing could be caused by changes to approval limits A lack of guidance relating to covenant reviews and processes relating to covenant reviews could cause a financial risk to the Fund.	Medium	Officers maintain an Employer Contribution and Data Management Working Group to mitigate the risk of the schedule not being maintained. Internal audit has highlighted further improvements over the internal controls in relations to financial management. An update will be presented to members at each meeting cycle. Officers are working to ensure the new contributions rates are being implements & paid by all employers. Covenant guidance requested from Hymans and covenant training to be provided to Committee members. An employer process review has been undertaken with changes to be implemented, particularly in relation to the management of Admission Agreements which have ceased or lapsed. Officers are working with Wiltshire Council Finance to ensure that the appropriate approval limits and framework are in place.
Fund Governance	Members and senior officers do not maintain their knowledge and understanding leading to poor decision making and poor governance. Although implemented, embedding the risk and control framework into departmental culture is an ongoing process An audit strategy is commissioned by the Committee each year, however the failure of auditors to implement audits due to resource limitations and others calls on their time is a cause for concern. The Fund has a number of key procurements due and there may be concern in completing these procurements due to resource levels in the Council's procurement team. This concern extends to the sourcing of existing contracts.	Medium	Approval of a Committee member training strategy for 23/24 is under review. Details of the new strategy are yet to be published in order to mitigate issues in relation to insufficient knowledge and understanding. Officer training on the risk and control framework has been completed and regular meetings are held to reinforce the concept. Officers are working with both the procurement team and internal auditors to ensure that these strategic management issues of the Fund are fulfilled.
Systems Management	It is noteworthy to highlight that the Council's contract will SAP expires in December 2023. However, SAPs payroll function is currently planned to continue until April 2024. Changes to the transfer value guidance has caused a suspension to the processing of certain calculation routines. Factors and guidance have been received, however their use is being queried with the database provider. The Fund's ability to screen the mortality and tracing of members needs to be robust	Medium	The migration to new payroll databases is crucial. In addition, other SAP functions such as HR could also impact the Fund if not properly migrated. Implementation of the Altair payroll to mitigate the cessation of SAP will help, however the Fund remains reliant on the Council's Evolve programme to move forward as expected. The expected mitigation is due between October 2023 & April 2024. The TV process review is largely completed and all TV calculations are able to recommence, however monitoring of the situation is ongoing. Delays in signing a new service provider concerning mortality screening has caused a cessation is the processing of this service. Such delays carry inherit risks, including the proper completion of key projects. Managers are risk assessment the implications as well as pursuing completion of the contractual negotiations.
Investment	Investment performance by managers is poor or misaligned with expectations leading to risk of funding level, achievement of investment strategy and poor benchmarking. BPP needs to operate effectively to ensure funds are well managed, investments are made on a timely basis and delivering their objectives. Delays in receiving reporting from Investment Consultant's concerning a new strategy were highlighted	Medium	The Fund is working with Brunel on pooling arrangements, particularly in relation to stock holdings not consistent with the Fund's SAA. Officers liaising with the Investment Consultant concerning the Fund new SAA. The Fund is currently benefitting from net fee savings, but costs are under constant pressure to rise with high budget increases being proposed. Officers are working with BPP and other authorities in the partnership to update BPP's constitution.
Compliance with Regulations	Anticipated changes in legislation could impact the Fund adversely, specifically regarding compliance and resourcing. Failure to achieve statutory requirements & deadlines due to work volumes	Low	Regular updates to the Committee and Board enable all stakeholders to monitor any potential changes in legislations. This work is supported by adviser guidance. Project planning and holding of regular management meetings to ensure deadlines are achieved.
Performance	Employers not performing their roles effectively, such as not sending timely and accurate information in the required format. Employers not updating us on a timely basis concerning changes to 3rd party providers affecting the Fund. Poor data quality could lead to poor benefit calculations or incorrect benefits being paid Employers not following i-Connect processing correctly leading to data breaches Failure to prepare and circulate performance reports on a timely basis with poor KPI reporting providing incorrect data which could lead to poor decisions being made.	Medium	Extra training is given to employers as part of the Fund's Employer training strategy. A new employer training strategy for 2023 has been prepared and employer scorecards to be issued to all employers notifying them of their performance against the Pensions Admin Strategy. An Pension Admin Strategy is in place to make it clearer to employers concerning the performance targets expected of them. The internal auditors have been asked to undertake a review of Fund performance reporting. The recommendations will be incorporated into officer reporting practices Data quality checks are introduced to prevent poor data and requests for outstanding data are regularly made to employers
Employer Management	Contacts have inadequate knowledge, skills and experience to administer the Scheme correctly and effectively. In addition, current contact maintenance requires improvement. Employers are not set up, maintained or leaving the Fund correctly. This can effect the starting position for funding, unitisation adjustments, pooling or cessation arrangements due to untimely or incorrect information. Employers not joining the Fund in line with legislation e.g. unsigned admission agreements, resolutions not being passed and not keeping track of mergers/demergers. The Fund needs to consider a covenant strategy review following completion of the valuation.	Medium	As mentioned under Performance the Fund offers training to employers to mitigate the risks highlighted. Implementation of the Stabilisation Policy provides a certain amount of increased security for employers. The Fund also works closely with our Actuarial advisers to ensure new sets up are managed correctly. In addition, officers need to maintain the Fund's unitisation database. A risk exists of employers failing and not funding their liabilities could occur, where their financial position weakens. Fund officers liaising with the Scheme Actuary concerning a covenant review strategy. The completion of Admission Agreements will assist areas such as i-connect and contribution reconciliation. LGPS Create to be introduced, as well as stricter officer management around the admission process. An exercise updating the employer contacts is being reviewed.
Data Management	Information is posted through i-Connect or employer spreadsheets late which can delay processing. In addition, a lack of i-Connect checks may impact data accuracy. There's risk that cessations are not advised resulting in delays to the start of this process. TUPE transfer are being delayed due to a backlog in Legal Services. Employer asset and liability allocations should be monitored to avoid throwing out an employer's funding position. Poor data provision from large individual employers can heavily impact the Fund's data management A mini-project to be undertaken to ensure all APCs are up to date is to undertaken	High	To enable the i-Connect onboarding process officers are working closely with the outstanding employers, particularly where they are major employers who will have an impact on the Fund. This process continues even though actual onboarding has been temporarily suspended. Relevant data quality checks associated with i-Connect submissions are being implemented and then passed to accounts for financial checks. TUPE & cessation reporting is in place and officers are pursuing the introduction of LGPS Create to enable more effecting process. Assignment of the responsibility to a specific officer as well as accurate transaction coding and Altair reporting will be implemented on the imminent appointment of a key staff member. Key project management exercises are undertaken to oversee large individual employers impacting the Fund data quality and management, including APCs.
Stakeholder Engagement	Inaccuracy of communications by the Fund could result in reputational damage. There is a risk that as a Fund we are delivering poor customer service to our members, with slow response times and disclosure breaches.	Low	Peer review arrangements are in place prior to publication and a strategy to maintain the compliance and content on MSS & the website has been implemented. A review of the Fund's Customer Service Excellence strategy is being considered following its initial assessment. Recent Customer Surveys have shown a small decease in service quality. An investigation is underway to identify the cause of this reduction.
Funding	Pension payment adjustments caused by the Rectification project may impact the Fund.	Low	The Accounting team continue to work with the project manager to ensure Funding is not adversely impacted. A reconciliation between Altair & SAP is being undertaken following the PI exercise.
Resourcing	The Fund is not appropriately resourced and staff all adequately trained to enable the service to be delivered in a sustainable and reliable way. In addition, key departures could lead to a loss of crucial knowledge in the team.	High	Key people in the team are seeking to transfer specialist knowledge to colleagues by documenting procedures and notes. In addition, a training strategy is under review for the department. However, in the event of a knowledge gap, we can call on our external consultants and independent advisors for help in the short-term; Key vacancies have been filled, with the exception of one role. New employer services staff members receiving focussed training relating to their roles to mitigate processing errors and encourage i-Connect data checks.
Climate risk	Failure to manage the risks in the investment portfolios, and/or to take advantage of the investment opportunities which arise from transition to a low carbon economy could cause the Fund to suffer material negative financial impacts. Difficulty in receiving climate data reporting from the Fund's Investment consultants and pooling arrangement could lead to poor decision making	Medium	The Fund has a climate change policy (within the responsible investment policy), decarbonisation targets, and has assessed alignment of all portfolios. The fund already reports against the requirements of the Task Force on Climate-related Financial Disclosures (TCFD). BPP continue to hold stock in the name of the Fund which is not in accordance with the Fund's climate change flightpath. This could lead to reputational damage. Officers liaising with BPP and other Fund's in the group to ensure the reporting of the Fund's climate change flightpath is back on track
Projects	Projects are managed by a designated Project Manager. Key projects currently being managed are the Backlog project, the rectification project and McCloud. The first two have been outsourced to 3rd party administrators. Regular updates are provided to the management team, Committee and Board in respect of the McCloud. Fourth & fifth projects relating to internal backlogs & the introduction of a new payroll system are also considered a risk area. At present, the outsourced rectification project is progressing well, however the outsourced backlog & McCloud projects have faulted. Changes to the Evolve programme is also contributing to risk in this area. Payroll staff have been recruited to implement Altair's payroll system over the next few months.	High	As part of the oversight of Evolve Payroll Programme periodic strategic updates are received from the s151 Officer to assess level of risk; Its noted that significant retrospective legislation changes related to the McCloud case could lead to higher levels of administration resource. Factors addressed by the restructure the business plan & new software releases. In addition, factors relating to consistent working practices are being resolved. To mitigate delays on the backlog outsourced & McCloud projects the Project Manager is working with internal and external stakeholders to set milestones and reporting frameworks. Mitigations relating to the Evolve project involve the implementation of Altair's payroll system in October/November to take on new pensioners in a phased approach.
Other External Risks	No "other" risks currently identified.	Low	

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Appendix 3 - Administration KPI`s

An analysis of the adminisrative performance over the period

From 1 June 2023 - 31 August 2023

Wiltshire Pension Fund

Internally set targets (Fund)

The Fund's internally set administration targets are set to help met the goals of the Fund's business plan. The Fund also must meet certain disclosure targets, but these will now only be monitored on an exceptions basis (i.e. if we are failing).

Table - Performance over 1 June to 31 August 2023

Priority Category	Process	SLA (Working days)	Target KPI	Closing cases prior report	Terminated Cases	Cases Open at Start	Cases received	Cases processed	Cases open at end	Case Change	Completed on target
High	Deaths	5/10/20 days	95%	309	9	300	500	485	315		86%
High	Retirements	10/20 days	95%	330	51	279	763	680	362		80%
High	Refunds	10 days	95%	13	0	13	178	179	12		98%
Medium	Transfers Out	10/20 days	90%	293	38	255	290	286	259		51%
Medium	Transfers In	10/15/20 days	90%	23	4	19	24	17	26		65%
Medium	Aggregations	23 days - 1 year	90%	3234	1320	1914	1483	1852	1545		66%
Medium	Leavers	23 days - 46 days	90%	2847	614	2233	2119	2722	1630		58%
Medium	Divorce	20 - 25 days	90%	31	2	29	86	83	32		77%

*red alert shown for anything below 10% of tolerable performance

Open cases at end of period	Reply Due	In Office	Of which: Currently within	Of which: Already beyond
Deaths	294	21	5	16
Retirements	342	20	12	8
Refunds	12	0	0	0
Transfers Out	202	57	16	41
Transfers In	19	7	1	6
Aggregations	438	1107	423	684
Leavers	617	1013	146	867
Divorce	31	1	0	1
Total	**1955**	**2226**	**603**	**1623**

*Table 1 shows the Fund's process times against the timeframes set out in the administration strategy

Table 2: Monthly breakdown of completion on target percentage

Priority Category	Process	SLA (Working	Target KPI	Quarterly Average (April- June 2023)	June	July	August
				Completed on target			
High	Deaths	5/10/20 days	95%	85%	92%	75%	88%
High	Retirements	10/20 days	95%	82%	84%	80%	75%
High	Refunds	10 days	95%	97%	96%	80%	99%
Medium	Transfers Out	10/20 days	90%	42%	29%	58%	65%
Medium	Transfers In	10/15/20 days	90%	56%	67%	33%	73%
Medium	Divorce	20 - 25 days	90%	62%	86%	57%	89%
Medium	Aggregations	23 days - 1 year	90%	67%	46%	70%	80%
Medium	Leavers	3 days - 46 day	90%	51%	49%	59%	65%

*red alert shown for anything below 10% of tolerable performance

Table 3: 'In Office' (as at 31 August 2023)

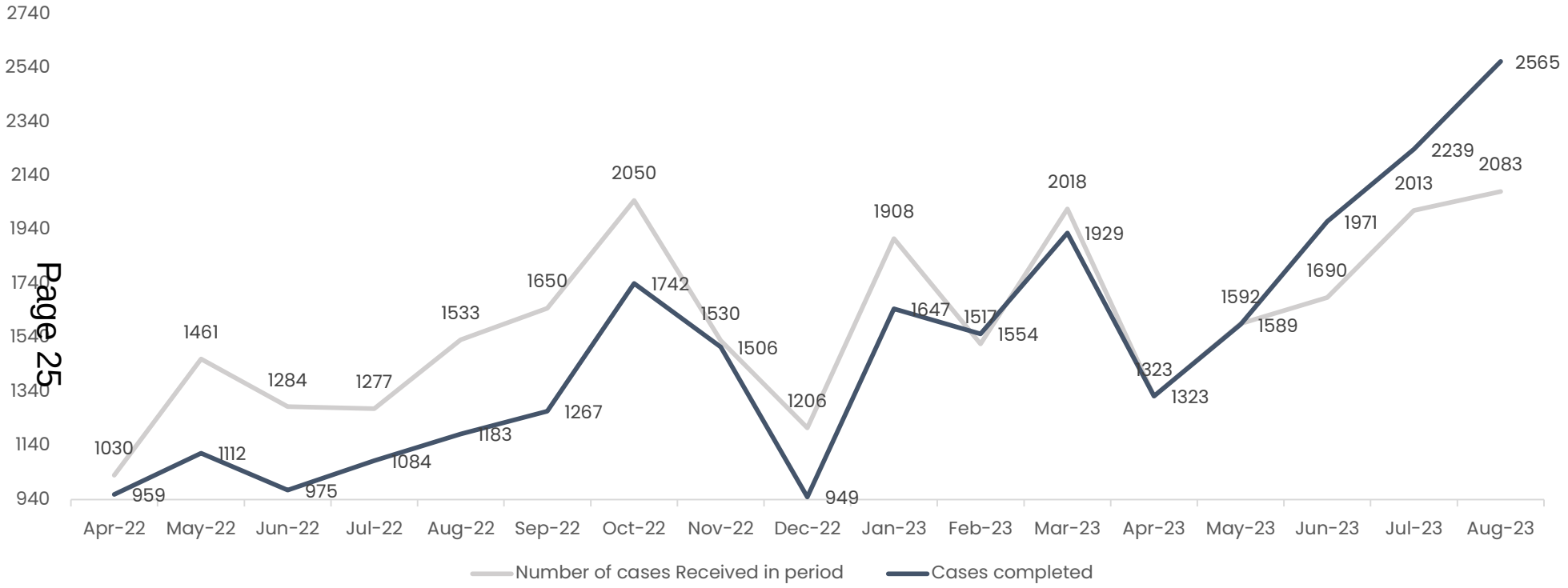
*"In Office" refers to any cases that are currently ready to be worked on

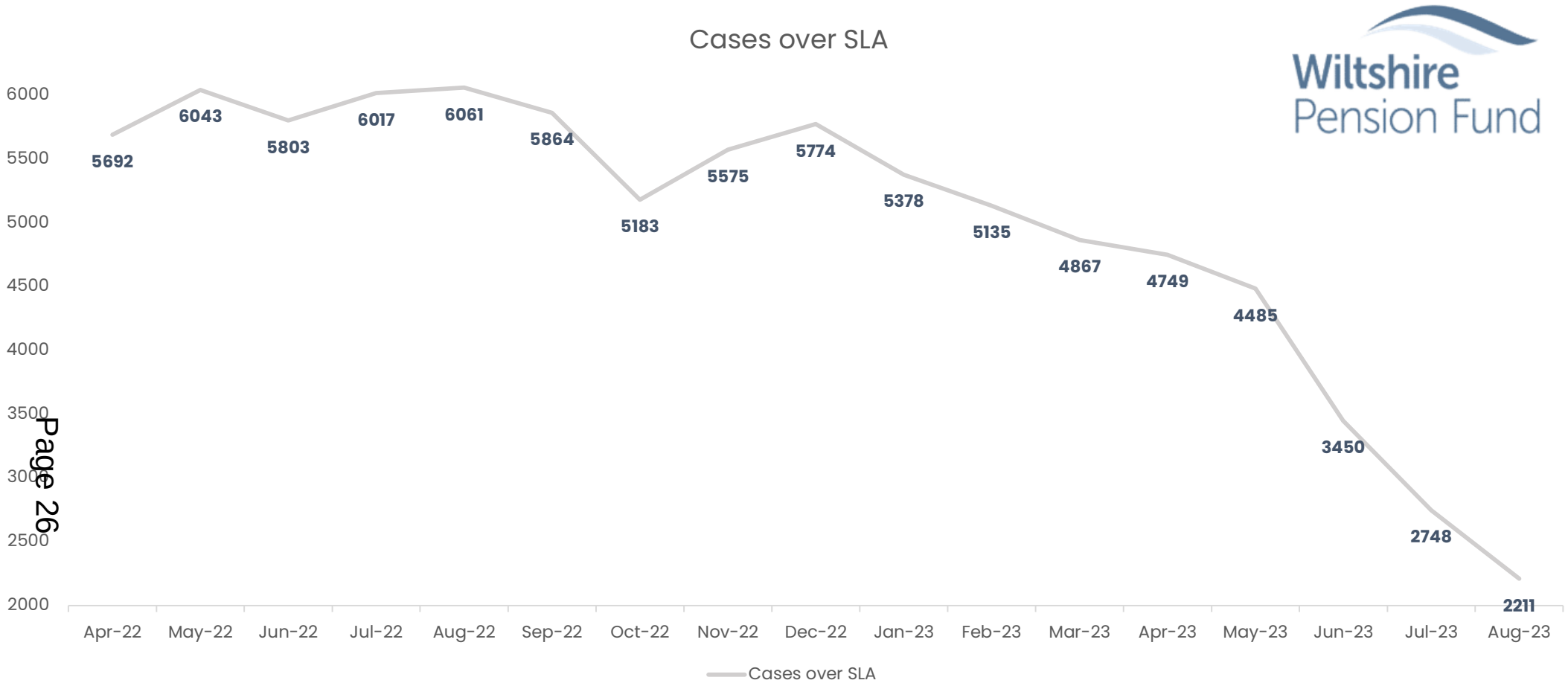
		Age Analysis (working days)							
Priority level	**Process**	**1-40**	**2-6 months**	**6-12months**	**1year +**	**2year +**	**3year +**	**4 year +**	**Total**
High	**Deaths**	10	8	0	0	0	0	0	**18**
High	**Retirements**	14	0	3	2	0	0	0	**19**
High	**Refunds**	0	0	0	0	0	0	0	**0**
Medium	**Transfers Out**	17	12	1	0	0	0	0	**30**
Medium	**Transfers In**	3	4	0	0	0	0	0	**7**
Medium	**Aggregations**	161	246	60	96	408	2	1	**974**
Medium	**Leavers**	128	172	313	84	184	77	29	**987**
Medium	**Divorce**	0	0	0	0	0	0	0	**0**

*The leavers and aggregation scores are reliant on bringing case numbers down and therefore the existing KPI target scores are likely to worsen while older cases are cleared. With both Officers and Hymans working on aggregations we can see that this is starting to have an impact on the statistics.

Wiltshire Pension Fund

Comparison of cases completed in period vs cases received





4. i-Connect onboarding progress figures at end of period

* I-Connect onboarding is currently on hold while we establish solid foundations for the checking and monitoring of receipt of employer data.*

5. MSS (My Wiltshire Pension) take up

	As at 27/09/2023		
	Active	Deferred	Total
Registered	11,724	13,628	**25,352**
Total	23,630	31,971	**55,601**
Percentage	49.61%	42.63%	**45.60%**

*Excludes members with password resets or disabled account.

Internal targets - Employers

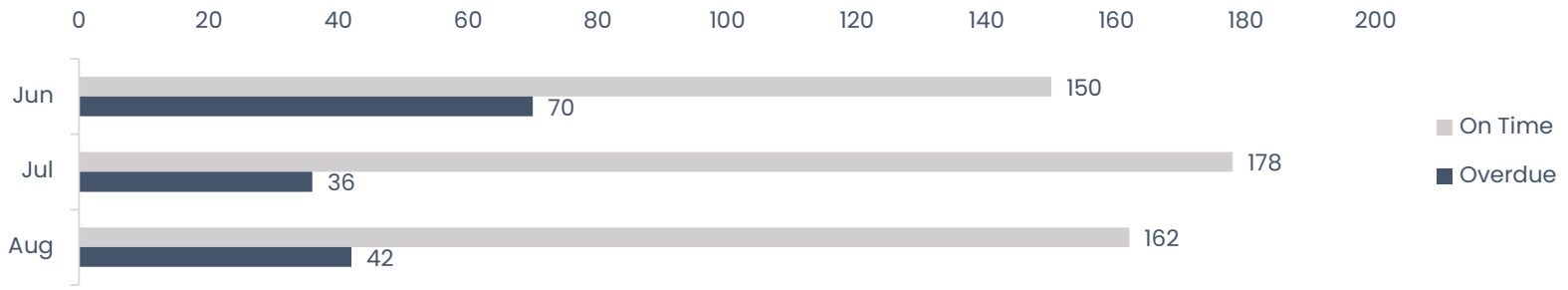
6. i-Connect submission performance

	June			July			August		
Size of Scheme	On-time	Late	Submitted on Target	On-time	Late	Submitted on Target	On-time	Late	Submitted on Target
Small	142	54	65%	168	24	79%	150	32	79%
Medium	8	10	4%	10	6	5%	12	4	5%
Large	0	6	0%	0	6	0%	0	6	0%
Total	150	70	68%	178	36	83%	162	42	83%

*size of scheme - small <250members, medium 250 members +, large >1000 members

*Newly onboarded employers are not included with the performance statistics as typically more support is needed in the initial months and therefore the normal deadlines do not apply.

*All employers onboarded on to i-Connect are required to submit their return by the 19th of the month following the month the data relates to.



tPR Data performance measures

The Pension Regulator (tPR) helps regulate each LGPS's Fund compliance with various legislation. In respect of administrative performance, tPR focuses on Common and Conditional data measures. The Fund is required to submit its scores against these measures each year as part of its Scheme Return

98

tPR Common Data
Percentage score at 1 November 2022
-1% increase since 1 November 2021
Common Data various data measures it expects all Pension Funds to hold (e.g., name, address etc).

96

tPR Conditional Data
Percentage score at 1 November 2022
+1% increase since 1 November 2021

Conditional/Scheme Specific data scores are those data types which are needed for the administration of that specific scheme. For the LGPS, the Scheme Advisory Board (SAB) has determined the relevant data items.

98.8

Active Annual Benefit Statements (ABS)
Percentage score at 31 August 2023
+0.1% increase since 31 August 2022

The Fund is required under the LGPS Regulations to produce active ABSs by the 31 August of each year The Fund currently uploads all ABS to the member portal.
The active Annual Benefit Statement score is slightly short of the target of 99%. Most of failures relate to Swindon Borough Council employees, due to their ongoing administrative difficulties following their change of payroll system early this year.
However, this score is still relatively high compared to previous years:
2022; 98.7; 2021: 99.5%; 2020: 96.9%; 2019: 95.0%; 2018: 93.9%.

100

Pension Saving Statements
Percentage score at 5 October 2023

All Pension Saving Statements (relating to annual allowance tax charges) were sent on time despite a number of delays with receiving data from certain employers (in particular, Swindon Borough Council). All active members were analysed (c23,000) to see whether they exceeded the annual allowance limit and the final exercise resulted in 90 statutory statements being sent and 36 members being likely to need to pay a tax charge.

Performance commentary for the year

The **common and conditional scores** for this year have remained close to last year.

The Fund is already above average and some of the remaining gap to 100% is hard to fill due to factors outside of the Fund's control.
For the Common Data metric, virtually all the remaining data issues relate to missing postal addresses, where the member has failed to keep us up to date when they have changed address. Furthermore, as the Fund's main form of communication is now electronic, the member's postal address is becoming less important, and it is more difficult to identify if it is correct.

For the Scheme Specific measure, many of the errors are of a technical nature due to the way the metric is calculated but these require further review.

The **active Annual Benefit Statement** score (98.7%) for this year is slightly short of the target of 99%. Most of failures relate to Swindon Borough Council employees, due to their ongoing administrative difficulties following their change of payroll system early this year.
Most of the remaining failures are resolved but officers are still liaising with Swindon Borough Council to clear the last remaining issues.

However, this score is still relatively high compared to 2018-2020, albeit lower than 2021.
2021: 99.5%
2020: 96.9%
2019: 95.0%
2018: 93.9%.

All **Pension Saving Statements** were sent on time despite a number of delays with receiving data from certain employers (in particular, Swindon Borough Council). All active members were analysed (c23,000) to see whether they exceeded the annual allowance limit and the final exercise resulted in 90 statutory statements being sent and 36 members being likely to need to pay a tax charge.

Plans for next periods report

To obtain and include email stats

Wiltshire Pension Fund

To add any further changes as requested by the Committee

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SWAP Internal Audits - 2023/24						
Audit	**Purpose of the audit**	**Current Comment**	**Original fieldwork timetable**	**Completion of fieldwork anticipated to be:**	**Assigned SWAP auditor**	**SWAP Responses**
Pension Fund Key Financial Controls	Full review of the Fund's internal controls, including outsourcing progress, McCloud & Dashboard readiness	Delayed until mid-October due to current progress against November 2022 KFC audit	July - September 2023	Nov-23	u/k	Auditor not assigned. Agreed to delay follow up work until late October due to 2022 report action implementation dates.
Pension Fund Key Performance Indicators	KPI setting process, including methodology for calculation, accuracy and review process. Plus, management oversight of reporting, monitoring of results and action plans	Delayed to an unspecified date	April - June 2023	-------	u/k	Audit team not assigned due to delay in start. Delayed start due to Pensions Officer start date and Cllr Brittons comments urging us to wait until after mid July. Subsequently Payroll Migration audit picked up and scope changed/increased. Discussion to be had with Deputy s151 Officer regarding resourcing of this increased scope of work.
Payroll Migration - Part 1	A payroll implementation audit of the project management. To cover overall readiness, testing plans, key controls for the integrated payroll process and user access controls	Audit completed - Please refer to agenda item 19 for a copy of the audit report.	July - September 2023	Sep-23	Pandora Saxby, Emily Hobbins, Becky Brook	Scope increased to cover system implementation and payroll migration - 1 audit in original agreed schedule.
Payroll Migration - Part 2	A pre-migration audit covering the transfer of payroll data from Oracle to Altair.	-------	-------	-------	u/k	Auditor not assigned. Work scoped as part of audit above but briefly on hold and to be reviewed due to Council deferring Payroll migration to Oracle. Subsequent impact on timing of SWAP work.
TPR Effective System of Governance	Implementation of the requirements of the new Code of Practice	Delayed as new code has not yet been published by the Regulator.	October - December 2023	-------	u/k	Will await contact from Pension Fund regarding new code.
Payroll Migration - Part 3	A post-migration audit of the Altair payroll system. Note: Specification to be determined.	-------	January - March 2024	-------	u/k	Auditor not assigned. This work will likely not be started until at least July 2024. The Council is unlikely to offboard Pensions Payroll until 3 month after the hyper care period - migration of payroll data from SAP to Oracle agreed for April 2024.

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Appendix 1:

Table 1 – Key Controls Report 2022/23 - Progress against outstanding internal audit recommendations:

No	Priority score	Issue	Recommendation	Agreed management action	Agreed management timescale	Est. Progress	Progress at 15 August 2023
1	2	New Enrolments	The Fund is having difficulty onboarding the remaining employers as they were unable and or unwilling to provide the data submissions in the required format to be uploaded into I-Connect. This has a negative effect on the Fund to process administrative duties and there is a greater risk of things being processed incorrectly. To encourage employers' administrative charges, need to be issued to cover the additional time and an employer score card finalised.	We will finalise the employer score cards to help identify employers which require additional administrative time and implement reasonable charges to address this. We will continue to encourage employers to join i-Connect, prioritising the largest remaining employers.	30 September 2023	**50%**	**PROGRESS PAUSED – BUSINESS PLAN OBJECTIVES HAVE SUPERCEDED THIS AUDIT ACTION** **Scorecard** 1) Phase 1 of the scorecard to be published to employers, however the process has been paused into order to clarify data load requirements concerning timely contribution submissions. **Administrative charging** 2) The right behaviours to be encouraged first, with the scorecard highlighting to key employer contacts any i-Connect failures and then escalating any issues with the contact through direct meetings. Charging to be considered a last resort. Consideration of the trigger points and arrangements for additional administrative charging to be determined, to avoid being contested. It is noted that this should form part of the monthly processing cycle. **i-Connect onboarding pause.** 3) Data validations and clear processing instructions have been established and a timetable to recommence onboarding to i-Connect is be drafted. Training on the new processes is also underway. A target date is proposed by officers Note: Evolve project responsible for Oracle migration.
2	2	Overpayments	The review highlighted member overpayments since 2016 amounting to £153,509. Since 2021 £24,002 has been written off. We were informed that anything which is below £250 is automatically written off however, the	Outstanding overpayments to be reviewed and chased on a regular basis. The monitoring of this will form part of the KPI (Action J) below.	**30 April 2023**	**80%**	**Outstanding overpayments** 1) The view is that cases have been on "reply due" and have therefore not been chased historically. Officers now ensure these cases are followed up on receipt of the monthly aged debt report. Inclusion, on the KPI report is impacted by the cases being on "reply due".

			Fund was not following the write off process for values above this amount. As mentioned in finding J below, there are no KPIs for chasing aged debt and as such it is not monitored in the management report	We will ensure the aged debt is reviewed on a regular basis to determine if anything should be written off. This will follow the write off process contained in the overpayment's procedure			**Aged debt – write offs** 2) A monthly report of aged debt is issued by the Accounts team to the Member Services team. Cross referenced cases are reviewed to established whether the debt should be written off. **The write off process.** 3) The Scheme of sub-delegation & Officer Approval policy have both been redrafted. Cascading down from the Officer approval policy is the write off of overpayments on death procedure which needs to be reviewed.
3	2	Lumpsum Payments	***Deaths:*** Cases closed without final letters being sent to the beneficiary or the estate. The Fund had identified this as a reoccurring issue during our audit and as such were determining if a quarterly report could be run to identify any anomalies. ***Transfers out:*** Lump sum payments made were signed off after the SLA deadline. This payment exceeded 100k. The Member Services Team were not aware that the Head of the Wiltshire Pension Fund has authority to sign off payments above this value and should be contacted if another staff member with authority is not available.	We will finalise the report to help identify death cases which have been closed without final letters being sent. We will ensure letters are sent for any cases identified and run the report to identify anomalies on a regular basis. We will ensure that all team members are aware of who has authority to sign off lump sum payments and to what level.	30 April 2023 Revised date 31 July 2023	**70%**	**Death casework** 1) A report has been prepared by the Systems team. Member services are also finalising the letter. **Transfer out – Sign offs.** 2) The implementation of the "Immediate payments" system will address any issues as it has segregation of duties built into it. Replacement Officers have been added to the Officer Approval policy authorisation list. Head of Pensions to liaise with s151 Officer in relation to authorisation limits. £250k was suggested. 3) A review and update of all related procedures will need to take place on introduction of the immediate payments system.
4	2	Transfers into the Fund	We were advised that any cases that are not allocated within 20 days of receipt of the money fall outside of the Fund's SLA deadline and as such should be flagged as an issue. We reviewed the aging analysis for unallocated transfers in and noted there were 153 cases which date back to 2018. This has not been flagged in the weekly KPI and performance reports which go to the Management team as an issue. There is therefore a risk of this going unresolved.	We will ensure Altair is updated with any historical missing liabilities. Any delays will be accurately highlighted in the weekly KPI report. This action is also reflected in the Finding J below regarding KPIs.	31 December 2023	**95%**	**Updating historical transfer-in liabilities on Altair** 1) Member Services receive a monthly report from the Accounts team. The set-up of IWAS was also considered appropriate. Embedding the existing process of cross referencing the Accounts report with IWAS was considered the best way forward to highlight the processing TV-in to the Fund cases on a timely basis (SLA 20 days). Whilst the outstanding value of unallocated TV-in remains at circa £1m (July) reinforcing administrative completion remains an ongoing process.

							Inclusion in the weekly KPI report 2) A separate workflow in the KPI report was considered as overcomplicating the process.
5	3	Amendments	***Nomination change:*** The Fund had not saved evidence in Altair to support the reason for the nomination change. ***Address change:*** Correspondence addresses had not been updated in Altair; the Fund had overwritten the address on a correspondence letter only. It was noted that the Fund had been trying to trace a member address since 2020 through a tracing agency. Whilst matches had been received from Target, a workflow had not been set up to schedule a full search	To remind staff of the importance of saving evidence to support any changes made in Altair. To remind staff of the processes which should be followed when making address changes and ensure this is monitored as part of the Quality Assurance (Action K) below.	30 April 2023 **Revised date 30 June 2023**	**90%**	**Staff reminder** 1) It was confirmed that staff had been reminded to ensure evidence of a change is recorded and that changes cannot be made without evidence. 2) Sample reviews to be replaced with a more comprehensive peer review arrangement, built into recipe cards, which are essentially a combination of checklists and work instructions. **Address & nomination changes** 3) The Fund's current processes are designed to encourage members to either complete a form or go on-line via MSS. The acts as the evidence gathering. **Tracing Agency casework** 4) The Operation Manager to liaise with the Systems Manager and his team concerning quality checking arrangements. Heywood's has been appointed as the new tracing Agent; however contractual terms need to be concluded. As new Agent workflow will automatically set up to monitor activity. It was noted that this work will ultimately be passed to the new payroll manager.
6	1	Aggregation processing and backlog	***Aggregations Historical Backlog:*** Since our last audit the Fund has outsourced 3500 cases to work through over the next 11 months. However, during our review 500 additional cases were identified. We were advised that these had not been picked up as a workflow status had not been set against them. ***Aggregations Ongoing Backlog:*** We reviewed the process to manage ongoing aggregations and if they are being processed in a timely manner. The Employer Services Team did not have a	The identified 500 aggregation cases are analysed and workflows updated to ensure a complete picture is reported in the weekly KPI reports. A plan will be developed to ensure timely completion of these tasks and progress updates reported to the Committee regularly.	30 September 2023	**65%**	**Aggregations Historical Backlog** 1) The number of outsourced aggregations can be quantified and determining aggregation types has improved. Hymans have currently cleared 1,400 although they are falling behind the project timetable as a whole. Officers liaising with Hymans to keep completion of the project on track. **Additional pockets of work** 2) Reporting of Altair has identified additional areas of work, hampering the accurate analysis of cases. Officers continue to assess these areas and take action to resolve them as required. Typically, this involved bulk

			robust workflow allocation process to manage this work. Furthermore, no targets have been set for processing the work and the manager believed that the team saw the importance of it.	Determine if there are any other historical aggregations which have not been outsourced. Implement a process to ensure future aggregations are processed in a timely manner, defining SLAs for their completion. This action also forms part of the Workflow (Action I). Regularly monitor for adherence and include in the weekly KPI report. This action is also reflected in the Finding J regarding KPIs. Remind staff of the importance of completing the aggregations tasks will under performance addressed.			mailshots to members to establish if the work has actually been resolved. **Aggregations Ongoing Backlog** 3) Officers continue to progress the management of the in-house aggregation backlog with the introduction of the SIT Team. Work is being completed, however checking of that work also needs to be completed. 4) SIT Team processes are still being developed however a clear overarching strategy to progress casework is in place. **KPI Improvement Plan** 5) A matrix of work for inclusion in the business plan is ongoing. Due to the restructure, the new employment of staff and subsequent reallocation of tasks, the Improvement Plan continues to be subject to a number of dependencies, delaying its drafting. 6) Officers are attempting to upgrade the KPI reporting to split outsourced and in-house aggregations, as well as new aggregations. However, it should be noted that report design and report content should be discussed separately.
7	2	Status 2 Members	A backlog of 4277 Status 2 cases currently exists. However, comparison against the KPIs reports identified only 3501 cases. We were advised that the figures differed as the KPI report does not include Status 2 cases where a workflow has not been set up or assigned a 'Status 2 Chase' workflow. The Employer Services Team does not have a robust workflow allocation process to manage this work and no targets have been set. Furthermore, a clear picture of the types of unprocessed leavers is not	The KPI report will be amended to capture outstanding Status 2 cases & form part of the KPI action in Action J. To ensure Status 2 cases are processed in a timely manner against defined SLAs is implemented. This will form part of the Workflow (Action I).	30 September 2023 Revised date 31 March 2024	**70%**	**Status 2's** 1) The analysis of Status 2 types initially involves barriers to completion. These include ceased employers or employers who are unable or unwilling to provide the required data. However, an exercise to overcome these barriers enabling record reconstruction is in place and good progress has been made by the SIT Team. Additionally, where data can't be acquired, the member is being informed of this. 2) In addition to inclusion in the KPI Improvement Plan the actioning of Status 2's will also be included as a mini project within

			present. Forecasting clearance of outstanding work is therefore difficult.	To monitor performance and address underperformance. The leaver backlog is fully analysed as a priority, and a plan to clear cases not outsourced.			the business plan. Progress reporting monitoring the output and productivity of Status 2s has been put in place. 3) The Operations Manager has prepared a report identifying the number of Status 2's cases.
8	3	Retired members (Over 75's)	All retired members had been contacted; however, a report is to be written to enable bulk letters to be sent out to members on a regular basis. In the absence of this, each retired member has to be contacted individually. This was seen as inefficient.	Finalise a report to enable letters to be sent to retired members in bulk	31 March 2023	**100% COMPLETED**	**Retired members report** 1) Systems has drafted a report to enable bulk letters to be issued regularly. In addition, birthday emails and correspondence are being issued to members as a reminder, as they approach 75. 2) Officers are managing the bulk processing of letters and regular reporting is occurring to future proof this process.
9	2	Workflow Management	***Member Services Team:*** IWAS helps the Member Services Team to distribute tasks by a pre-defined priority of high to medium. High tasks first followed by medium tasks once all high tasks have been completed. Medium tasks were now falling behind the SLA deadlines on a regular basis, noting that: ***Retirements –*** 20% were not sent within the SLA deadline. ***Transfers out –*** Circa 50% were not sent out within the SLA deadline. ***Employer Services Team:*** IWAS has not been implemented in the Employer Services Team, although this is planned. As a result, SLA adherence has not occurred namely: ***Name change –*** Circa 40% of name changes. ***Nomination change –*** 25% of nomination changes.	To review how medium tasks are managed and ascertain if any of these should be re prioritised. This will consider if the backlog of tasks is impacting compliance with the SLA deadlines. To introduce a process to manage overpayments (see Finding B above). To implement a robust workflow system to manage the tasks completed by the Employer Services Team	**30 June 2023**	**60%**	**Review IWAS prioritisations** 1) IWAS is largely considered to be operating the right order of prioritisation, albeit limitations have been identified such as it is not recognising that aggregation checking should be prioritised. 2) Although the IWAS tool identifies work priorities, as required, output remain sporadic. Officers are considering the root causes relating to this and manually allocating daily task lists. Daily clearance of email enquiry box also remains an area of progress. **Implement IWAS into the Employer Services Team** 3) A strategy to manage Employer Services work has been put in place, this has been split between cyclical and non-cyclical tasks with monthly reports run, following which officers will systematically work through their list of tasks. On appointment of a Work Management Officer (currently suspended) the intention will be to prioritise the cyclical

			Address change **–** 10% of address changes. Findings in the Aggregations and Status 2 sections also highlighted this issue.				work first and then consider the non-standard tasks within the team.
10	2	KPIs, Reports & Monitoring of Staff Productivity	***Inaccuracy of KPIs*** The aggregations KPIs were not accurate. The Status 2 KPIs fall under the leavers data but this was not accurate. Transfers in backlog allocations was not flagged. The weekly KPI reports were not consistent with themselves. Closing and opening positions differed. ***KPIs not captured*** No KPIs to monitor overpayment aged debt chasing. No KPIs to monitor new joiners processing. No KPIs to monitor amendments. **Data Quality** A data quality report can be run but this is only done on an ad hoc basis and is not reported to management to monitor. **Staff Productivity** Weekly report introduced for the Member Services Team, including determination of the average time it should take to complete a task. This is not yet live for the Employer Services Team but will be.	To review the KPIs and address the inaccuracy issues identified. To introduce KPI monitoring for overpayments, new joiners, amendments. To monitor the data quality for active members and ensure tPR requirements are met. To implement the staff productively monitoring report in the Employer Services Team.	30 April 2023 Revised date 30 September 2023	**70%**	**PROGRESS PAUSED – SWAP KPI AUDIT HAS SUPERCEDED THIS AUDIT ACTION** **Inaccuracy of KPIs** 1) A resolution concerning the opening and closing balances on the KPI reports had been found, through the removal of the deletion button and reporting on terminations. A separate SWAP review is planned to oversee that resolution; however, the scope is still to be determined. The Operations Manager will provide periodic updates concerning the reconciliation of cases. Separate Accounting team reporting exists for TV-in allocations, therefore there is no requirement for this to be included in the KPI reports. **KPIs not captured.** 2) The outstanding new joiner reporting is assigned to the Systems Manager. In addition to this reporting, better controls around bulk processing are being enacted to address sub-ordinate actions such as aggregations at an earlier stage and evidence that work through additional reporting. Overpayment aged debt chasing falls into two parts. Part 1 – The reporting is provided monthly by the accounting team and Part 2 – The procedure to chase up overpayments/ write off is under review. Due to resourcing & special activities like SBC data the monitoring of amendments has been deferred. **Data Quality reporting** 3) Initially monthly reporting of data quality will be completed. The Operations Manager to implement the process. It is noted that different grades of quality need to be defined in relation to its different uses. **Employer Services Productivity reporting**

							4) Reporting to be split into standard cyclical work and non-standard work. Performance levels now being reported & circulated to team members. The impact of poor employer data and issuance of ABSs is also being assessed.
11	2	Quality Assurance	The Member Services Manager and their deputy have been completing quality assurance reviews, but weaknesses were identified: Sampling may not be representative and not proportionality to the split by Officers and transaction types. The number of cases reviewed each month differed. To define how many cases should be reviewed each month. The quality assurance sign offs are not being independently assessed. No quality assurance reviews have been carried out by the Employer Services Team. The Fund is hoping to have this in place by the end of January 2023.	All samples to be representative. To define how many cases should be reviewed each month and ensure the reviewer has not been involved. Adherence monitored through the Risk register and management reports. A quality assurance process is implemented for the Employer Services Team and adherence monitored on a regular basis. To ensure the issues identified in Findings E are included.	30 April 2023 Revised date 30 September 2023	**90%**	**Member Service Team Quality Assurance checks** **1)** Sample reviews to be replaced with a more comprehensive peer review arrangement, built into recipe cards. Checking will be a requirement in the MS team in addition to daily allocations of work. The BCAS policy will be replaced with a new policy guide for all staff. **Employer Service Team Quality Assurance checks** 2) Sample reviews to be replaced with a more comprehensive peer review arrangement, built into recipe cards, which are essentially a combination of checklists and work instructions. When in place, time is required for the cards to bed in and be finally signed off. **Pension Administration Strategy review** 3) To assist in the finalisation of this QA action officers propose to review the PAS document.
12	1	Pensions Payroll Reconciliation Project	Although outsourced it was noted that 35 outstanding cases still sit with the Fund to resolve: 11 cases are not in the correct payroll area, and they need to be altered by the Payroll Team. 4 cases have an issue on Altair which need to be resolved (not payment related); and 20 cases have payment discrepancies that need to be resolved. No deadlines had been set to resolve the above and resolution is not being monitored.	To ensure the issues noted with the 35 outstanding cases still sat with the Fund are resolved	31 March 2023	**100% COMPLETED**	**35 outstanding payroll cases** 1) It is understood that all 35 cases have been dealt with. These appear to relate to non-pension Fund related pension payments (Employer ex-gratia payments) which Wiltshire Council have included on the Fund's payment. The payments need to be moved to another payment area.

13	2	Pension Fund's Risk and Controls Register	Each month it is the managers responsibility to document and evidence in the Risk Register if their controls for the month have been completed. Not all managers have been updating the register and output on risks is not accurate.	To continue to embed the Risk Register and formally address managers performance when controls are not updated.	31 March 2023	**100% COMPLETED**	**Risk Register updates** 1) It was noted that embedding of the risk register had been completed, however it was agreed that this should be monitored for a couple of months before this item was closed.

Training for Committee Members

Overview

This is an aid to the Pension Committee for understanding their responsibilities in relation to the Fund. The training plan sets out how the Committee Members should obtain and maintain the necessary knowledge and skills for Committee Members to fulfil their role.

Objectives:

The funds objectives relating to knowledge and understanding are:

- Make sure the Fund is managed appropriately and those individuals responsible have the appropriate knowledge and skills.
- Make sure there is effective Governance and administration of the Fund.
- Make sure there is internal challenge and scrutiny on decisions and performance.

CIPFA Knowledge and Skills Framework

The Pension Committee members must have the knowledge and understanding, the fund would require them to have the same knowledge and understanding as the Pension Board.

All Committee members will have access to the Hymans LOLA which has 8 modules which covers the CIPFA Knowledge and Skills Framework. There will be a biannual National Knowledge Assessment in the intervening years there will be a Progress Assessment.

The Pension Regulator's Tool Kit

The regulators toolkit provides basic information and should be completed when joining the committee but is a generic and will not cover specific requirements of the LGPS. There are 7 short modules to complete.

MiFID 11

For those committee members making investment decisions must be able to demonstrate the capacity to be treated professional investors.

Measuring the training

Committee members will be expected to complete the training log with dates and times of online training, conferences an outside training.

Approach

	Type	**Proactive/Reactive**	**Support**
1	New Members	Reactive	Training and Engagement Officer
2	Quarterly training held in the Meetings	Proactive	Training and Engagement Officer, Governance Officer and Accounting and Investment Officer
3	Conferences and Seminars	Proactive	Training and Engagement Officer

1 New Members

	At Present	**Planned**
New Members to the Committee and Board	Member Handbook, Induction Training from Officers LGPS Fundamentals Training Course and Pension Regulators on-line toolkit	No change.

Note: LGPS fundamentals may be able to complete as an online course with Hymans. This is in the process of being investigated.

2 Quarterly Training held during Committee and Board meetings.

	At Present	Planned
15 to 20 mins at the beginning of the meetings	Set training – should cover areas that up for discussion during Committee meeting	No change – Quarterly Training plan issued at the beginning of the year.

Subjects to be covered over the year:

CIPFA Framework Category	Training	Presenter	Meeting Focus
MiFID II Self Certification			
Committee Role and Pension Legislation	TCFD, The Stewardship Code and the Funds Voting Policy	Officer	Investment
Actuarial Method	Valuation training	Hymans	Administration
Investment Risk and Risk Management	Performance Management Monitoring	Officers	Investment
Committee Role and Pension Legislation	TPR Single Code of Practice	Officers	Administration
Member Effectiveness Review			
Accounting and Audit	Statutory Annual Accounting and Reporting Standards	Officers	Investment
Administration	The Benefit Structure	Officers	Administration
MiFID II Self Certification Annual Assessment Review			
Financial Markets and Product Knowledge	Myners Principles and MiFiD II	Officers	Investment
Actuarial Method	Employer Covenants	Officers	Administration
Financial Markets and Product Knowledge	Responsible Investment Modelling	Officers	Investment
Administration	Pension Payroll and NFI	Officers	Administration

Note: Training will be given by either Training and Engagement Officer, Governance Officer or Accounting and Investment Officer or outside provider in certain circumstances covering subjects not part of the Fund expertise.

These subjects are not exhaustive and can be added to when needed.

Added so far:

Training	Delivered by	Meeting Focus
Equality, Diversity, and Inclusivity	AON	General
Employer Covenants	Hymans	Administration

3 Conferences and Seminars

	At Present	Planned
Committee Members	Proactive	Details of up-and-coming relevant conferences and seminars will be circulated

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