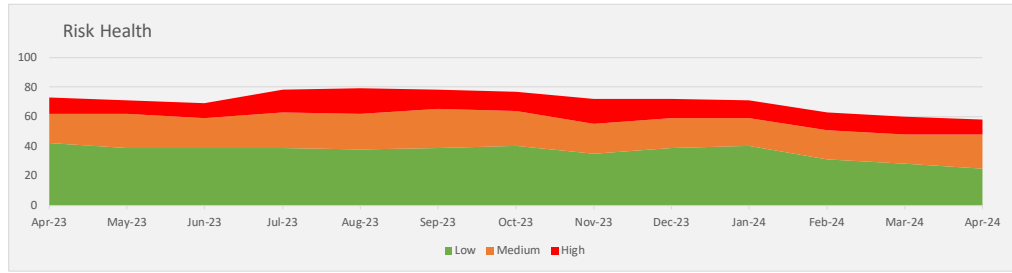
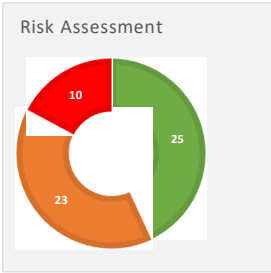


Committee Risk Register

Owner: Richard Bullen

Medium Overall Risk



Risk Area	Key Risks	Risk Assessment	Updates to note
Service Delivery	<p>A failure exists where levels of post and work volumes remain high creating a concern over the failure to meet the KPI targets. This includes the internal backlogs which staff are seeking to reduce.</p> <p>A failure exists where the late payment of benefits to members occurs, which in turn impacts the Fund's KPI targets.</p> <p>A failure to address casework backlogs in accordance with the KPI Improvement Plan.</p>	High	<p>Regular KPI meetings are held by management to ensure work is processed in accordance with the KPI Improvement Plan.</p> <p>A casework log has been introduced "Principals and Precedent" to record a consistent treatment of complex cases.</p> <p>Weekly KPIs are now circulated and analysed and weekly insights reports have been published to the teams which show staff productivity.</p> <p>Embedding the use of bulk processing is better supporting Fund processes and output.</p>
Financial Management	<p>Failure to maintain an accurate employer contribution rate schedule, the Fund being unable to determine if it is receiving the correct contributions, or identify ceasing employers at an early stage is a key risk</p> <p>The Fund pays incorrect pensions, lump sums and other one off payments to pensioners.</p> <p>Failure to process Treasury Management actions on a timely basis, impacting budgeting and forecasting too.</p> <p>A lack of guidance relating to covenant reviews and processes could cause a financial risk to the Fund.</p>	Medium	<p>Officers maintain an Employer Contribution and Data Management Working Group to mitigate the risk of the contribution not being paid. An update is presented to members periodically.</p> <p>Officers ensure that the contributions rates are implemented & paid by all employers, and that this requirement is maintained.</p> <p>A covenant strategy is being implemented following approval of the Covenant policy.</p> <p>Officers are working with Wiltshire Council Finance to review finance procedures and enable Fund officers to directly reconcile against the Fund's bank account.</p> <p>Officers are now able to access Oracle information to manage ledger coding & the recording of financial movements in the accounts. This has improved the Fund's ability to monitor payments on a timely basis and financial data integrity generally.</p>
Fund Governance	<p>Failure to maintain the implemented risk and control framework and embed it into departmental culture</p> <p>A failure to receive consistent independent auditing of the Fund's internal controls could lead to material risks being created.</p> <p>A failure to manage key procurements and ensure the completion of these procurements as a result of poor resources, knowledge and experience. This concern extends to the sourcing of existing contracts.</p>	High	<p>Officer training on the risk and control framework has been completed and regular meetings are held to reinforce the concept.</p> <p>Officers are working with both the procurement team and internal auditors to ensure that these strategic management issues of the Fund are fulfilled.</p>
Systems Management	<p>Failure to successfully migrate from SAP the Fund's payroll function in April 2024.</p> <p>Failure from April 2024 of the Evolve Project plan to properly embed the migrated payroll system and other fund services to Oracle and prepare for the subsequent migration of the payroll to Altair in August/September 2024.</p>	Medium	<p>The migration to the Oracle payroll database occurred in April 2024, however Fund officers continue to work with the Evolve team to manage the secondary activities associated with the migration, as well as other WC functions that could impact the Fund if not properly migrated.</p> <p>Implementation of the Altair payroll to mitigate risks has helped and has been successful, however the Fund remains reliant on the Council's Evolve programme to move the Fund's payroll in August/September.</p>
Investment	<p>Failure in investment performance by managers is poor or misaligned with expectations leading to risks concerning the funding level, the fulfilment of the investment strategy and poor benchmarking.</p> <p>Failure of BPP to operate effectively and ensure funds are well managed, with investments being made on a timely basis to deliver their objectives.</p> <p>Failure to maintain sufficient and appropriately skilled resource to undertake RI and stewardship strategy tasks.</p>	Medium	<p>The Fund is working with Brunel on pooling arrangements.</p> <p>The Fund is currently benefitting from net fee savings, but costs are under constant pressure to rise with high budget increases.</p> <p>Officers are working with BPP and other authorities in the partnership to update BPP's constitution.</p> <p>A new arrangement with BPP is enabling face to face visits concerning portfolio discussions</p> <p>A suitable candidate has been offered a role in the team as an investment analyst</p>
Compliance with Regulations	<p>Anticipated changes in legislation could impact the Fund adversely, specifically regarding compliance and resourcing.</p> <p>Failure to achieve statutory requirements & deadlines due to work volumes</p>	Low	<p>Regular updates to the Committee and Board enable all stakeholders to monitor any potential changes in legislations. This work is supported by adviser guidance.</p> <p>Project planning and holding of regular management meetings to ensure deadlines are achieved. Where required, meetings with Scheme Employers are also held to ensure deadlines are met, particularly where those deadlines involve 3rd party input.</p>
Performance	<p>Failure to deliver good customer service by maintaining performance in line with the KPI Improvement Plan. This includes poor operational performance, communication and implementation of new software and working practices</p> <p>Failure of Scheme Employers to perform appropriately, by providing full and accurate information of a timely basis. Which as a result requires escalation measures to be taken.</p>	Medium	<p>Weekly and Monthly meetings are held to ensure performance is maintained in line with the KPI Improvement Plan. Objectives are set to keep the plan on track. Note: Resource levels may limit progress.</p> <p>Scheme Employers are regularly monitored via the Employer Data and Contribution Working Group. Where required, the performance of underperforming employers is escalated. The revised escalation strategy is being updated within the Pension Administration Strategy document.</p>

Employer Management	<p>Failure of contacts to have inadequate knowledge, skills and experience to administer the Scheme correctly and effectively.</p> <p>Failure of contact maintenance which requires ongoing improvement.</p> <p>Failure of employers not being 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.</p>	Medium	<p>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 its Actuarial advisers to ensure new sets up are managed correctly. In addition, officers maintain the Fund's unitisation database.</p> <p>Exercises to update employer contacts, issue scorecards, attend communication forums, review historic employer relationship issues and admission agreements are all being undertaken.</p>
Data Management	<p>Failure to meet statutory deadlines due to poor data provision from individual employers, particularly large ones. This can heavily impact the Fund's data management.</p> <p>Failure to implement and maintain internal controls particularly in relation to i-Connect. Controls & checks by employers may impact data accuracy and timeliness, noting that information is posted through both i-Connect & employer spreadsheets and can be provided late.</p>	Low	<p>To enable the i-Connect onboarding process officers have worked closely with the outstanding employers, particularly major employers to obtain outstanding data. Relevant data quality checks associated with i-Connect submissions have been implemented and also passed to accounts to enable financial checks.</p> <p>With the migration to Oracle accounting resource has also been assigned to managing this implementation.</p> <p>Assignment of responsibilities to specific officers aids the management of data.</p> <p>Where employers or their payroll providers are not providing data on a timely basis, or correctly, officers are actively contacting those organisations.</p>
Stakeholder Engagement	<p>Failure to ensure good customer service is maintained due to poor service delivery</p>	Low	<p>Feedback from members indicates a fall in customer satisfaction with the Fund's service. This has also been identified through the Low Volume Performance Report which has recorded an increase in complaints during 2023/24. Officers are reinforcing the KPI Improvement Plan as the framework by which to improve the underlying poor customer service. The key issue being the delay in the payment of member benefits.</p>
Funding	<p>No material risks are current identified in this area</p>	Low	
Resourcing	<p>Failure to appropriately resource the Fund and adequately train staff to enable the service to be delivered in a sustainable and reliable way. In addition, key departures leading to a loss of crucial knowledge in the team.</p> <p>Failure to maintain an approved Committee training plan could increase the risk around a lack of knowledge and understanding in key areas</p>	High	<p>Key people in the team are seeking to transfer specialist knowledge to colleagues by documenting procedures and notes. In addition, a training strategy is in place 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;</p> <p>Whilst key vacancies have been filled staff have also left leading to a cycle of recruitment & replacement which can effect the overall knowledge base.</p> <p>The Board/Committee are following their approved training plans and a new training plan for 2024/25 is being developed.</p>
Climate risk	<p>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.</p> <p>Difficulty in receiving updated climate data reporting could lead to poor decision making</p>	Medium	<p>The Fund has a climate change policy (within the responsible investment policy), decarbonisation targets, and has assessed alignment of all portfolios. The Fund reports against the requirements of the Task Force on Climate-related Financial Disclosures (TCFD).</p> <p>BPP hold stock in the name of the Fund which is not in accordance with the Fund's climate change flightpath. However, the investments overall are close to the SAA. Officers continue to liaise with BPP and other Fund's in the group to ensure that the SAA of the Fund's climate change flightpath remains on track</p>
Projects	<p>Failure of projects to be managed effectively, the key project currently being managed is McCloud. Regular oversight is provided by the management team, Committee and Board to avoid projects failing.</p>	Low	<p>McCloud calculation routines have been run and it is anticipated that only about 200 potential members will be effected.</p>
Other External Risks	<p>No "other" risks currently identified.</p>	Low	