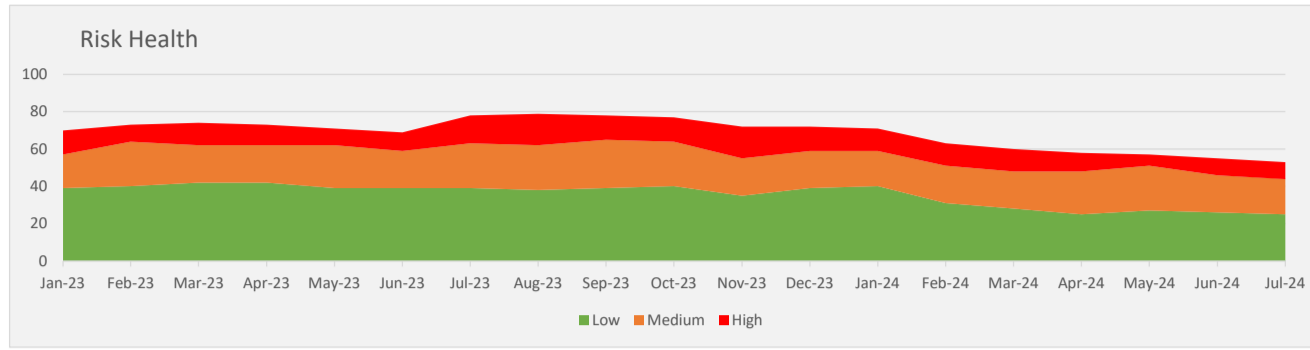
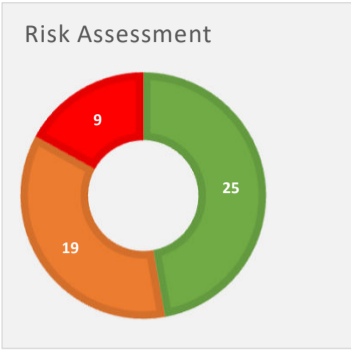


Committee Risk Register

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> <p>Inappropriate impact on service delivery due to network or system downtime: &</p> <p>Failure to meet customer service levels in line with external accredited standards</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> <p>Officers are working with key system providers and receiving quarterly report in order to monitor system downtime.</p> <p>CSE & PASA accreditations are being project managed and will be introduced following signs that the KPI Improvement Plan has had a positive impact on delivery.</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>Failure to pay correct 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>Failure to ensure that the running costs of the Fund continue to be aligned with the approved budget</p> <p>Failure to receive 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 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 and it running costs against its budget, however these arrangements still need to be embedded. Procedural notes are now being drafted.</p> |
| Fund Governance | <p>Failure to maintain the implemented risk and control framework and embed it into departmental culture</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> | Low | <p>Officer training on the risk and control framework has been completed and regular meetings are held to reinforce the concept. Discussions relating to the integration with the Council's new Corporate Risk Management framework have gone well and officers have started to consider their strategy to implement the changes.</p> <p>Officers are working with the procurement team to ensure that the strategic management of procurements are fulfilled.</p> |
| Systems Management | <p>Failure to maintain the Fund's cyber security in accordance with strategic requirement and the Fund's Business Continuity Plan.</p> | Medium | <p>Fund officers continue to liaise with the Council's Security Management and the review of its cyber security arrangements includes cyber insurance.</p> <p>Confirmation that the appropriate accreditations are in place as central to securing insurance.</p> |
| Investment | <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>A Central Govt. response on the future of pooling has been submitted by Fund officers concerning the strategic direction of BPP</p> <p>A new arrangement with BPP is enabling face to face visits concerning portfolio discussions</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> | Medium | <p>Regular updates to the Committee and Board enable all stakeholders to monitor any potential changes in legislation. This work is supported by adviser guidance.</p> <p>Project planning and the holding of regular management meetings ensures deadlines are achieved.</p> <p>Communications concerning the Govt's Pensions Review, including potential significant changes to the LGPS has caused concern. Fund officers are issuing communications of their own and liaising with Professional Advisers in order to establish the facts.</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> | 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> |
| Employer Management | <p>Failure of contact maintenance which requires ongoing improvement.</p> <p>Failure to effectively manage employer performance.</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>Exercises continue to be undertaken to update employer contacts, attend communication forums, review historic employer relationship issues and admission agreements and in particular employer scorecards. Where required and where empowered officers are also seeking to manage employer performance.</p> <p>New employer processes are now embedded however, ongoing resource issues are hampering progress. Officers have improved the tracking of information in relation to new set up and cessation.</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> <p>Failure to obtain good data in respect of TUPE transfers or external payroll changes.</p> | Medium | <p>To enable the i-Connect onboarding process officers continue to work 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>Delays in the receipt of the backlog essential data and information via Oracle have largely been overcome however the processes still aren't fully embedded. The Fund's employer services, accounting and project teams continue to work together to acquire the essential data from Wiltshire Council.</p> <p>Where other employers or their payroll providers are not providing data (including TUPE data) on a timely basis, or correctly, officers are actively contacting those organisations. Officers have highlighted a resource concern in this area and are seeking support from their database administrator in order to prepare the relevant files.</p> |
| Stakeholder Engagement | No material risks are current identified in this area | Low | |
| Funding | No material risks are current identified in this area | 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.</p> <p>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> | Medium | <p>A recruitment campaign during the last few months has seen many of the vacancies filled. In addition, a training strategy is underway to bring new and existing officers up to speed within the department. Where a knowledge gap exists officers are still able to turn to external consultants and independent advisors for guidance;</p> <p>The Board/Committee are following their approved training plans and a new training plan for 2024/25 has now been approved.</p> |

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| 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. Failure in receiving updated climate data reporting 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 reports against the requirements of the Task Force on Climate-related Financial Disclosures (TCFD). 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. |
| Projects | Failure of projects to be managed effectively, the key projects currently being McCloud and the Pensions Dashboard. Regular oversight is provided by the management team, Committee and Board to avoid projects failing. | Low | McCloud calculation routines have been run and its is anticipated that only about 200 potential members will be effected. Pension Dashboard interface procurement underway with a view to being completed by December 2024. |
| Reputational risk | Failure to manage the Fund's reputation due to factors such as government policy, press attention, poor service delivery, controversial investments, failure to achieve our climate targets, failure to achieve statutory reporting requirements, breaches of law and regs, and other factors beyond the Fund's control. | Medium | Officers are monitoring the Fund's public image to manage signs of increased scrutiny on the LGPS and its potential impact on Fund's reputation |
| Other External Risks | No "other" risks currently identified. | Low | |

