

AGENDA

Meeting: Local Pension Board
Place: [Access the online meeting here](#)
Date: Tuesday 24 August 2021
Time: 10.00 am

Please direct any enquiries on this Agenda to Kieran Elliott of Democratic Services, County Hall, Bythesea Road, Trowbridge, direct line 01225 718504 or email kieran.elliott@wiltshire.gov.uk

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Membership:

Mark Spilsbury (Chairman)	Ian Jones
Paul Smith (Vice-Chairman)	Rod Lauder
Marlene Corbey	Mike Pankiewicz

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- Clearly state the key points
- If read aloud, be readable in approximately 3 minutes

Up to three speakers are allowed for each item on the agenda.

Questions

Those wishing to ask questions are required to give notice of any such questions electronically to the officer named on the front of this agenda no later than 5pm on Tuesday 17 August 2021 in order to be guaranteed of a written response. In order to receive a verbal response questions must be submitted no later than 5pm on Thursday 19 August 2021.

Please contact the officer named on the front of this agenda for further advice. Questions may be asked without notice if the Chairman decides that the matter is urgent. Details of any questions received will be circulated to members prior to the meeting and made available at the meeting and on the Council's website; they will be taken as read at the meeting.

- 8 **Minutes and Key Decisions of the Wiltshire Pension Fund Committee and Investment Sub-Committee** *(Pages 19 - 32)*
- To consider the Part 1 (public) minutes of the Wiltshire Pension Fund Committees held on 24 June 2021 and the Investment Sub-Committee minutes held on 10 June 2021.
- 9 **Scheme, Legal, Regulatory and Fund Update** *(Pages 33 - 36)* **10.15**
- To consider a report providing an update on the latest Scheme, Legal, Regulatory and Fund developments for the Board's information.
- 10 **Training Update** **10.25**
- To receive feedback on the release of Hymans Robertson on-line training portal, plus a summary of the training & development plan to date.
- 11 **Administration Quarterly Key Performance Indicators** *(Pages 37 - 48)* **10.35**
- A report presenting the Fund's administration Key Performance Indicators for review by the Board from the Head of Pension Administration and Relations.
- 12 **Pensioner Payroll Database Reconciliation** *(Pages 49 - 50)* **10.45**
- An update report from the Head of Pension Administration and Relations.

13 **tPR Governance & Administration Survey** *(Pages 51 - 56)* **10.55**

A brief update outlining the finding & recommendations of the latest tPR survey issued in June 2021 by the Fund Governance and Performance Manager.

14 **Risk Register Update** *(Pages 57 - 64)* **11.05**

A report presenting the Risk Register for the Wiltshire Pension Fund for review by the Board by the Fund Governance and Performance Manager.

15 **Urgent Items** **11.15**

Any other items of business which, in the opinion of the Chairman, should be considered as a matter of urgency. Urgent items of a confidential nature may be considered under Part II of this agenda.

16 **Date of Next Meeting and Forward Work Plan** *(Pages 65 - 70)* **11.25**

The next meeting of the Board will be held on 11 November 2021.

The Board to review and approve its new Scheme Year Forward Work Plan which is attached for members' consideration.

17 **Exclusion of the Public**

To consider passing the following resolution:

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Item Numbers 18-23 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

PART II

Item(s) during consideration of which it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed.

18 **Fund Data Security, Cyber Resilience & Business Continuity Planning** *(Pages 71 - 108)* **11.30**

A paper outlining the Fund arrangements with its two key software providers & its compliance with the Regulator's guidance.

19 **Key Financial Controls** *(Pages 109 - 116)* **11.40**

An update report on the Fund's key financial controls by the Head

of Pension Fund Investments.

20 **Minutes and Key Decisions of the Wiltshire Pension Fund Committee and Investment Sub-Committee** *(Pages 117 - 132)* **11.50**

To consider the Part II (private) minutes, and recommendations arising, from the meeting of the Wiltshire Pension Fund Committee held on 24 June 2021 and the Investment Sub-Committee held on 10 June 2021.

21 **Brunel Governance Review Update** **12.00**

An update on the BPP governance arrangements by the Head of Pension Fund Investments.

22 **Local Pension Board Minutes** *(Pages 133 - 144)* **12.10**

To approve and sign as a true and correct record the Part II (private) minutes of the previous meeting held on 20 May 2021.

23 **Urgent Items** **12.20**

Items agreed by the Chair to be discussed include;

- a) To receive members feedback on whether meetings should continue to be held virtually

Local Pension Board

MINUTES OF THE LOCAL PENSION BOARD MEETING HELD ON 20 MAY 2021 AT ONLINE MEETING

Present:

Mark Spilsbury (Chairman), Smith (Vice-Chairman), Marlene Corbey and Rod Lauder

Also Present:

Richard Bullen, Andy Cunningham, Jennifer Devine

1 **Membership**

Following the meeting of Full Council on 18 May 2021 after the local elections on 6 May 2021 it was confirmed that Cllr Richard Britton had been appointed as Chairman of the Wiltshire Pension Fund Committee. Accordingly, he would no longer be a Member of the Local Pension Board.

The Chairman thanked Cllr Britton for his support while a Member of the Board, and noted that a new employer representative would be appointed for the next meeting.

2 **Attendance of non-members of the Board**

There was no additional attendance at the meeting.

3 **Apologies**

Apologies were received from Ian Jones.

4 **Minutes and Action Tracking**

The public minutes of the meeting held on 18 February 2021 were presented for consideration, along with the action tracking summary, and it was,

Resolved:

To approve and sign the Part I (public) minutes as a true and correct record.

5 **Declarations of Interest**

There were no declarations.

6 **Chairman's Announcements**

The Chairman noted the outcome of the local elections on 6 May 2021. Three new members from Wiltshire Council had been appointed to the Wiltshire Pension Fund Committee, with membership from Swindon Borough Council soon to be announced.

The Chairman gave thanks to Cllr Tony Deane, who had not been returned to the Council, who had been Chairman of the Wiltshire Pension Fund Committee since 2009. He paid tribute to Cllr Deane's work to ensure the Fund was delivering a high quality and value for money service and that the strategic allocation was effective.

7 **Public Participation**

There were no public statements or questions submitted.

8 **Minutes and Key Decisions of the Wiltshire Pension Fund Committee and Investment Sub-Committee**

The public minutes and key decisions of the Wiltshire Pension Fund Committee on 30 March 2021 and the Investment Sub-Committee held on 25 February 2021 were received for consideration.

Resolved:

To note the Part I (public) minutes from the meetings of the Wiltshire Pension Fund Committee on 30 March 2021 and the Investment Sub-Committee on 25 February 2021.

9 **Scheme, Legal, Regulatory and Fund Update**

Andy Cunningham, Head of Pension Administration and Relations, updated the Board on the various Scheme, Legal, Regulatory and Fund updates. Details were provided on Covid-19 and return to work policies, with Wiltshire Council undertaking a pilot scheme, and Fund officers looking at the trial in respect of its own working practices.

It was then,

Resolved:

That the Board note the report.

10 **Training Update**

Richard Bullen, Fund Governance and Performance Manager, provided a training update verbal and written report.

Details were provided of an online tool developed by Hymans, and Legal Services was currently reviewing the proposed contract. The online tool would include 20 minute training items on specific topics.

The role of the Scheme Advisory Board (SAB) was highlighted, established as part of arrangements to address concerns regarding the increasing complexity and knowledge and understanding requirements in respect of Local Government Pension Schemes. The SAB could provide advice to the Secretary of State on the desirability of making changes to the Scheme and provide advice to administering authorities and Local Pension Boards in relation to effective and efficient administration and management. Further details were provided on functions of the SAB, which it was felt the terms of reference could be clearer on, and how processes such as vacancy process for members could be improved.

The Board discussed the update and sought additional information. It was confirmed that there were multiple SABs, but each was service specific, meaning there was only one SAB for Local Government Pensions. The online training portal from Hymans was confirmed to be available to go live, once the legal processes had been resolved. All Board members would receive instructions for the portal, and it was stated the portal may be referred to as a Learning Academy in some Hyman emails.

Board support for the Pension Fund Committee was discussed, with the Chairman confirming he intended to attend as many Committee meetings as he could, and was happy to offer support to the new Chairman of the Committee, Cllr Richard Britton, if this would be of assistance.

11 **Administration Quarterly Key Performance Indicators Key Performance Indicators (KPIs)**

A report was received from Andy Cunningham, Head of Pension Administration and Relations, in respect of the Fund's performance against Key Performance Indicators (KPI) in relation to the administration of pension benefits. This was stated to be a measure of data quality. The use of the i-Connect system had seen improvements toward meeting targets, which was expected to improve further through further implementation of the system, with 75% active members now covered. There was an intention to get close to 100% by the end of the next financial year.

It was stated that there were issues identified with reconciliation and rectification, to be discussed further under Minute 22, and that there had been a focus on clearing backlogs, with one post filled since December with approval for further staff to be recruited. In response to queries it was stated that recruitment was a national problem, as even with entry admin positions the technical complexity of systems and processes meant it took time for an impact to show.

At the conclusion of discussion, it was,

Resolved:

That the Board note the current situation.

12 **Low Volume Key Performance Indicators**

A report was presented by Richard Bullen, Fund Governance and Performance Manager, in relation to the Fund's performance measures in respect of data protection, Freedom of Information, complaints and other governance measures as detailed in the report, in order to provide the Board with oversight of all key functions.

It was detailed that this was an annual report designed to focus on Key Performance Indicators (KPI) that may not be necessary or appropriate to report on a quarterly basis. The previous report had focused on data breaches and Pension Regulator (tPR) breaches, with complaints, freedom of information, and subject access request logs also included in the latest update.

It was stated that there had been a slight drop in tPR and data breaches reported, with many borne out of historic case work. Details were provided on the internal dispute resolution procedure (IDRP), a formal process typically involving payment of benefits, with some recent examples which would need to be monitored.

The Board discussed the report, with the officer team praised for the very low number of breaches. Details were sought on 2 outstanding tPR breaches regarding late payments, which were being addressed. It was also stated that developing a scorecard reporting system to better quantify the status of specific issues was being looked into.

At the conclusion of discussion, it was,

Resolved:

- 1) **The Board noted the findings of the low volume performance measures being monitored by officers on behalf of the Fund.**
- 2) **In view of the low level of activity recorded within this annual report the Board recommended that the content of the report is only submitted to the Committee on an exceptional basis, where it is felt that a material operational need is present that would warrant the attention of the Committee.**

13 **Draft LPB Annual Report 2020/21**

The Chairman presented a draft annual report on the activities of the Local Pension Board for 2020, which the Board was required to produce and which would be provided to the Wiltshire Pension Fund Committee and published on the Pension Fund site. He thanked officers for preparing the report and stated

that a number of changes had been made in response to comments he had made, and he had produced the summary introduction.

The recommendations made by the Board to the Committee were set out in the report, and it was noted that all had been accepted by the Committee, and details provided of actions taken in response, including accepting requests or additional resources and facilitating staffing increases. The Chairman stated that the report indicated the Board was able to provide assurance that it was complying with its statutory duties.

The Board discussed the draft annual report. It was noted that the Fund's 2019/20 accounts had not been signed off at the Audit and Governance Committee on 10 February 2021 and remained unsigned, although it was stated this was not due to any issue with the Fund's accounts.

It was then,

Resolved:

To approve the draft Local Pension Board Annual Report.

14 **Responsible Investment**

Jennifer Devine, Head of Pension Fund Investments, presented a report on progress made in implementing responsible investments, following Committee focus and Mercers being commissioned to carry out climate change scenario modelling on strategic asset allocation. The business plan for 2021/22 had a high priority to further developing the Fund approach to responsible investment.

The Board received the update, welcoming the plan and progress report, and requested biannual updates on progress against that plan.

Resolved:

To note the progress made in developing the Fund's approach to responsible investment issues, and to receive biannual updates to be received by the Board.

15 **TPR Code of Practice 14 Self-Assessment for 2020/21**

Richard Bullen, Fund Governance & Performance Manager, presented an update on the findings of an internal review of the Wiltshire Pension Fund's compliance with the Pension Regulator's Code of Practice 14 for the Fund year 2020-21. The review had found 7 out of 8 areas marked for improvement had seen such an improvement in the last 12 months. A key factor had been the introduction of a digital platform, i-connect, which had helped with data quality and processing in a timely fashion. This was the fourth year in a row to see an improvement. The remaining area for improvement was around communications and disclosure, related to a backlog of work requiring further resource to address.

The Board discussed the update, and it was confirmed the findings of the review was not audited in 2020, partly as a new Code of Practice had been anticipated for the year, but that the findings would be reviewed for the next year.

At the conclusion of discussion, it was,

Resolved:

To note the internal self-assessment undertaken.

16 **Local Pension Board outturn report 2020/21**

The Chairman presented the outturn report for 2020/21, detailing the Board's spend against its budget. It was emphasised that this was small in context of the overall Fund.

Details were sought on the funding set aside for consultancy services, which had been reduced as some previous budget had not been utilised, but that it was intended to seek some consultancy service to provide external assessment on reports and governance to ensure best practice was maintained.

It was then,

Resolved:

To note the spend against budget for 2020/21.

17 **Fund Annual Report and Accounts and Audit update**

A verbal update was provided by Jennifer Devine, Head of Pension Fund Investments. It was confirmed the 2019/20 Fund accounts had not been signed off, and that there were no issues identified by the auditors, but that the auditors received the Fund accounts as part of the overall council accounts and there had been delays elsewhere. It was not known when the accounts would be signed off.

The auditors had already begun work on the 2020/21 accounts, with a draft completed the previous week.

The Board agreed to discuss issues relating to the accounts further under Item 24.

18 **Risk Register Update**

Richard Bullen, Fund Governance and Performance Manager, presented a report in relation to updates to the Fund's Risk Register.

The register had been reviewed against the business plan. No additional items had been included, and it was wanted to complete some projects before a new 3 year business plan was in place.

The Board discussed the changes made to the register. It was requested and agreed to amend the register to make clear the risk in relation to payroll and pension reconciliation, which would be discussed further under item 22. Further details were requested for risk PEN022 as set out in the report, to include any other differences between record systems that might be identified.

At the conclusion of discussion, it was,

Resolved:

That the risk register to be amended to be clear that it covers the payroll/pensions reconciliation due to GMP and other issues.

19 **Urgent Items**

There were no urgent items.

20 **Date of Next Meeting and Forward Work Plan**

It was noted that the date of the next meeting conflicted with the rescheduled Police and Crime Commissioner election on 19 August 2021. It was agreed to amend the meeting date, with details to be circulated to Board members once a new date was agreed.

21 **Exclusion of the Public**

The Board considered the recommendation to exclude the public. After which, it was:

Resolved:

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Item Numbers 22-27 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

22 **Pension Payroll Database reconciliation**

A report was received on the ongoing reconciliation project between the pension administrations system and the pensioner payroll system.

At the conclusion of discussion, it was,

Resolved:

The Board,

- 1) confirmed its support for the recommendations approved by the Pensions Committee in March 2021 in relation to this matter.
- 2) recommends to officers and the Pension Committee that, before any recovery processes are started, the Fund obtains advice on the legal position in relation to the recovery, or partial recovery, of over-payments, in terms of evidential requirements, any past case law, and the robustness of the decision making processes in this area.

23 **New pension payroll and immediate payments system**

A report was presented to update the Board on proposals to bring the pensioner payroll and immediate payment systems in-house.

At the conclusion of discussion, it was,

Resolved:

The Board supports, and recommends to the Pension Committee, the proposals set out in the report.

24 **Key Financial Controls (Budget outturn 2020/21)**

A report was received highlighting significant issues in relation to the Fund's key financial controls.

At the conclusion of discussion, it was,

Resolved:

The Board,

- 1) notes the issues identified within the report, and the progress made to rectify problems and develop improvements.
- 2) have concerns with the continued delay in the sign-off of the Administering Authority accounts for 2019/20, and recommends that the Pension Committee requests an update from Wiltshire County Council on the position for the next meeting of the Pension Committee.

25 **Minutes and Key Decisions of the Wiltshire Pension Fund Committee and Investment Sub-Committee**

The Part II (private) minutes of the Wiltshire Pension Committee meeting held on 30 March 2021 and the Investment Sub-Committee meeting held on 25 February 2021 were received, and it was,

Resolved:

The Board noted the Part II (Private) minutes from the meetings of the Wiltshire Pension Fund Committee and the Investment Sub-Committee.

26 **Brunel Governance Review Update**

Jennifer Devine, Head of Pension Fund Investments, updated the Board on the governance review in respect of the Brunel Pensions Partnership.

Resolved:

The Board noted the update on the governance review.

27 **Local Pension Board Minutes**

The Part II (private) minutes of the previous meeting held on 18 February 2021 were considered, and it was,

Resolved:

To approve and sign as a true and correct record the Part II (Private) minutes of the meeting held on 18 February 2021.

(Duration of meeting: 10.05 - 11.55 am)

The Officer who has produced these minutes is Kieran Elliott of Democratic Services, direct line 01225 718259, e-mail ellen.ghey@wiltshire.gov.uk

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Wiltshire Pension Fund Board - Actions Log

Minute reference	Section	Meeting Action	Task owner	Target date for completion	Completed and reported to last meeting
59 (11/10/18) (Was 13.3)	Governance (Fund Delegations and Controls)	To request the development of a formal record of Brunel, Committee and officer delegations in respect of; a) clarifying where different responsibilities should sit; b) the flow of communications between the various parties; and c) the level of decision making assigned to each party	AC	31/03/2021 (ASAP)	
73 (06/08/20)	Governance (Cyber Security)	Fund officers to work with ICT to develop an annual report for submission to the Fund's Board & Committee	AC	31/08/21	On the agenda
73 (06/08/20)	Governance (Cyber Security)	From 2021 the scope of the SWAP internal audit on GDPR is broadened to include internal controls relating to system access & request key security audits of ICT	RB	31/08/21	
89 (15/10/20)	Governance (SWAP Audit 2020/21)	An update on any outstanding recommendations would be brought forth to the Board in February 2021 to reassure members that action was being taken	AC	18/02/21	
90 (15/10/20)	Governance (SWAP Audit 2021/22)	The Board recommended that Fund officers request sight of SWAP Internal audit reports from other key service areas subject to the adherence of Council protocols.	RB	19/08/21	On the agenda
104 (18/02/21)	Governance (Actions log)	In the event that the 2019-20 Annual Report and Accounts were not signed off by the Audit and Governance Committee at their next meeting on 28 April 2021, the Board should give the matter further consideration	MS	20/05/21	20/05/2021 - Minute 23
110 (18/02/21)	Governance (Training)	To monitor members' training records and self-development progress on a no more than sixth-monthly basis	MS	11/11/21	
118 (18/02/21)	Governance (GCS)	Officers should change the Governance Compliance Statement to include external assurance in conjunction with any confirmed changes arising from the Scheme Advisory Board's Good Governance Review	RB	17/02/22	
122 (18/02/21)	Governance (Overseas pensioner existence exercise)	A further update should be provided at the next Board meeting of the outcome of the remaining non-respondes	AC	20/05/21	

127 (18/02/21)	Governance (Payroll reconciliation)	Further updates on the project to be brought to all future meetings until the situation is resolved	AC	20/05/21	On the agenda
18 (20/05/21)	Governance (Risk Register)	That the risk register to be amended to be clear that it covers the payroll/pensions reconciliation due to GMP and other issues	RB	24/06/21	24/06/2021 Committee Minute - 17
22 (20/05/21)	Administration (Payroll Reconciliation)	Before any recovery processes are started, the Fund obtains advice on the legal position in relation to the recovery, or partial recovery, of over-payments, in terms of evidential requirements, any past case law, and the robustness of the decision making processes in this area	AC	24/08/21	On the agenda
23 (20/05/21)	Accounts (Fund Report & Accounts 2019/20)	With reference to the continued delay in the sign-off of the Administering Authority accounts for 2019/20, the Board recommends that the Pension Committee requests an update from Wiltshire County Council on the position for the next meeting of the Pension Committee.	JD	24/06/21	

Wiltshire Pension Fund Committee

MINUTES OF THE WILTSHIRE PENSION FUND COMMITTEE MEETING HELD ON 24 JUNE 2021 AT COUNTY HALL.

Present:

Cllr Richard Britton (Chairman), Cllr Edward Kirk (Vice-Chairman), Cllr Steve Heyes, Cllr Gordon King, Cllr Christopher Newbury, Cllr Elizabeth Threlfall, Mike Pankiewicz (attending remotely) and Tracy Adams

Also Present:

Andy Brown, Claire Anthony and Marlene Corbey (attending remotely) and Andy Cunningham, Jennifer Devine, Richard Bullen, Chris Moore and Anthony Fletcher

1 Membership

The Chairman welcomed new members and made introductions for officers and members. It was noted Claire Anthony was to join the committee and this appointment would be made by Council in July.

2 Attendance of Non-Members of the Committee

Marlene Corbey (Local Pension Board) was in attendance.

3 Apologies

Apologies for absence were received from Stuart Dark and Mark Spilsbury.

4 Minutes of the previous meeting

Cllr Newbury requested changes to the minutes of the committee meeting held on 30 March 2021 on minute item 257. Due to there being few returning members of the committee, it was agreed Cllr Newbury would discuss the amendments to the minutes with officers to agree final working for this item.

Resolved:

To approve the minutes of the meeting, subject to a review of the minutes of the ISS item 257 between Cllr Newbury and officers.

5 **Review of Actions Log**

The Committee considered the Actions Log and a request from officers to remove the outstanding action for benchmarking, as there was currently not data available to benchmark against.

Resolved:

To note the Action Log and approve the removal of action 98.

6 **Review of the Minutes of the Local Pension Board & the recommendations made**

The Committee considered the Minutes of the Local Pension Board and discussed that it was important to have a summary of recommendations they wished the Board to action. It was noted that recommendations were picked up under relevant items, although items of a more general nature and their relevance to the Committee could be made more explicit by way of a summary paper.

Resolution:

To note the minutes and recommendations of the Local Pension Board meeting and request a summary of the key recommendations are provided to the Committee moving forward for ease of reference.

7 **Chairman's Announcements**

The Chairman thanked Tony Deane for his service to the Wiltshire Pension Fund Committee as Chairman over the years. Cllr Deane had not been returned following the Wiltshire Council elections in

8 **Declarations of Interest**

The Chairman noted for transparency, he was a Director of Selwood Housing, an admitted body.

9 **Public Participation**

No members of the public were present

10 **Training Day**

Members were encouraged to attend an event on 8th July which would provide training on investment matters.

In response to a previous member request, the Head of Pensions Administration delivered a training session on discretion policies. Discretions were decisions that could be made by the Fund or employers within the Fund according to various parts of the LGPS Regulations. However in most cases,

the Fund was required to administer the LGPS in line with nationally set regulations.

It was explained that scenarios were included in the discretion policy for transparency and consistency of approach. Key existing policy areas were summarised. The most controversial discretion was considered to be the allocation of a death grant in the event of a complicated family situation. The discretions policies had previously been approved by Board and Committee and then the decisions themselves were made by officers.

The Chairman thanked the officer for the presentation.

11 **Scheme, Legal, Regulatory and Fund Update**

The Committee was provided with a written update on Scheme, Legal, Regulatory and Fund matters. A question was raised in relation to the scope of the 'Fair Deal' reforms and it was advised that the current provisions only covered some employers and the new reforms would cover more employers, in addition to other additional matters. It was advised that some employers within the fund (eg. colleges) would not be considered as part of the public sector in general and would not form part of the Fair Deal. It was noted the Fair Deal reforms had not progressed much in two years.

The Chairman questioned the update positions in the paper where there were no risks associated. In response it was explained there were risks associated, and noted in the Fund's separate risk register, although an improvement could be made by cross-referencing these.

Resolved:

To note the update request that officers cross-reference this update with the Risk Register.

12 **Key Performance Indicators (KPIs)**

The Head of Pensions Administration provided an update on KPIs as detailed in the report. A key update included that recruitment had been undertaken for staff to reduce current backlogs. The work had been delayed due to needing to go through a number of recruitment exercises as it had been challenging to find individuals with pensions experience.

Good progress was being made with i-Connect, however onboarding had been slower than planned. One reason for the delay had been the inability of employers to access certain information from their offices due to the covid-19 pandemic. Additionally, McCloud data had needed to be addressed prior to i-Connect onboarding. More recently, an upgrade prevented the need for prior linkage with McCloud and now onboarding could be addressed more swiftly as employers had adapted to remote working.

Benefits Estimates were identified by Committee as underperforming versus the benchmark. Officers explained the Fund was now encouraging members to access estimates online and therefore volumes were expected to decrease. Processing of Death Cases was performing well by contrast, and it was noted that this was being worked on to ensure a good distribution of resources allocated to the lower performing areas. In terms of interchangeability of resources to address KPI areas, it was noted that more senior staff could be deployed onto other areas, whereas this was less possible for junior members of staff who required further training due to the complexity of pensions work.

Resolved:

To note the KPIs and progress being made.

13 **Budget Outturn**

Chris Moore, Senior Investment and Accounting Officer, presented the outturn report and budget underspend for 2020/21.

A question was raised over whether estimates for manager fees could be included in the budget and it was explained this was hard to estimate and for that reason they were provided separately to the budget outturn. It was confirmed an increase in Investment Administration Costs was due to the recruitment of two additional members of staff, as approved by the committee. The budget for legal fees for 2021/22 had been higher than actual spend (although a reduction on the 2020/21 budget) as a result of the pensions reconciliation work which was expected to incur additional legal costs.

Resolved:

To note the budget outturn position.

14 **Fund Annual Report and Accounts**

The Head of Pensions Investment explained the drafting of the accounts was now finished and was being finalised with the auditors; no significant changes were expected. The Annual Report would be circulated to Committee and Board shortly for comment prior to publication. The Chairman suggested it would be useful to meet with the auditors to discuss auditing policies and standards.

Key headlines from the accounts were that the value of the Fund was just shy of £3billion, the value of investments had increased, and management expenses had come down year on year. Investment management expenses in page 85 of the agenda pack were discussed in detail. In response to a question on the reconciliation of investment movements during 2020-21 it was confirmed that transitions to Brunel had been paused due to market volatility following the onset of the pandemic, but had since been completed in the 2021-22 year.

Resolved

- a) To note the status of the audit of the 2019/20 accounts;**
- b) To approve the 2020/21 accounts, and authorise officers to make any necessary minor amendments following the conclusion of the audit;**
- c) To recommend to the audit committee that the 2020/21 accounts are approved for signing;**
- d) To approve the going concern statement in Appendix 1;**
- e) To approve the process for publication of the 2020/21 annual report;**
- f) That the Head of Investments have further discussion with the Chairman on auditing policies.**

15 **Responsible Investments Update**

The Head of Pensions Investments explained the Responsible Investment (RI) Plan had been considered by the Sub-Committee, alongside allocations to sustainable equities outlined in the report, and these were now recommended to Committee.

A question was raised on fiduciary duty and the UNPRI statement, it was explained this statement referred to how investments were affected by the climate and other ESG matters, rather than how the investments themselves directly impacted upon the climate. The two-way linkage would be a longer-term priority to develop.

It was questioned whether specific sustainable allocations would result in the Fund being committed and unable to exit from these investments if they became less desirable. In response, the Independent Advisor explained the same risks applied as with other investments and this was an opportunity for the Fund to diversify and invest in a new area. The Head of Pensions Investments explained the target returns for sustainable equities were as high as the Global Alpha Fund therefore ESG investments were also expected to perform. During debate, it was noted there was no indication that the fund was overweight in renewables.

Cllr King explained that the recommendation on RI had been made on the basis of significant expert advice. It was suggested that a briefing on the investment modelling be re-run for new members of the committee.

In response to questions it was confirmed the allocation would be regularly reviewed, and could be adjusted within weeks if deemed necessary.

Resolved:

- a) To note the report and the progress that was being made towards implementing responsible investment related issues;**
- b) To approve the Responsible Investment Plan 2021/22, and the actions and costs noted therein;**

c) To make a strategic allocation to sustainable equities, of 8% of the Fund in the interim, and 5% long term;

d) To approve that this allocation is implemented via the Brunel sustainable equities portfolio;

e) To approve that the sustainable equities portfolio is funded by transferring funds from the Brunel Global High Alpha portfolio.

16 **Local Pension Board Annual Report**

Richard Bullen, Fund Governance Manager, summarised the report covered the work of the Local Pension Board over the last 12 months. It was noted that all recommendations from the Board had been accepted by the Committee. Mr Bullen noted that areas of previous non-compliance in Fund Governance has been well addressed and reflected positively in the annual report.

Resolved:

To note the update

Cllr Newbury left the meeting at 11:55am. The Committee adjourned for a 5 minute break

17 **Pension Fund Risk Register**

The Fund Governance and Performance Manager explained changes made by the Board to the Fund's Risks Register and that the Register has been reviewed against the Business Plan. The change arising from the Board had been in relation to Risk 22 on pension payroll reconciliation.

Resolved:

To approve the Risk Register and accept the recommendations submitted by the Board.

To request the Risk Register be linked to the scheme, legal, fund and regulatory update.

18 **Look Forward Plan Review**

The committee noted the Forward Plan which linked to Business Plan objectives and the Chairman highlighted his intention to business of the Committee moving forward.

19 **Date of Next Meeting**

The next meeting was to be held on 23 September 2021.

20 **Urgent Items**

There were no urgent items.

21 **Exclusion of the Public**

Resolved:

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Item Numbers 22 – 31 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraphs 1 & 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

22 **Minutes of the previous meeting**

Resolved:

To approve the minutes of the meeting, subject to a review of the minutes of the ISS 257 between Cllr Newbury and officers

23 **Pension Payroll Database Reconciliation**

The Head of Pensions Administration explained the reconciliation taking place between HR and pensions payroll systems.

Resolved:

To note the update on the database reconciliation.

24 **New pension payroll and immediate payments system**

The Committee considered next steps for its payroll and immediate payments system.

Resolved:

To approve the direction of travel for the WPFC to progress an implementation of an integrated payroll and payment system based on the formal quote received.

To request future updates on the project are brought back to committee.

25 **Key Financial Controls**

It was explained the report on Key Financial Controls had been provided to the Local Pension Board, and summarised controls and processes on the accounting side.

Resolved:

To note the issues identified within the report, and the progress made to rectify problems and develop improvements.

26 **Brunel Governance Review Update**

A verbal update on Brunel was provided by Jenny Devine, Head of Pension Investments.

Resolved:

To note the update provided.

27 **Brunel Shareholder Representative**

The Committee was asked to consider appointments in respect of Brunel Pension Partnership.

Resolved:

To appoint the S151 Officer as the Shareholder Representative and the Chairman of the Committee as the representative on the Brunel Oversight Board.

28 **Manager Fees**

A paper was provided to summarise investment manager fees.

Resolved:

To note the investment management fees and costs.

29 **AVC Provision**

The committee discussed the Fund's AVC provision.

Resolved:

To note the current level of service being provided by Prudential, the planned improvements, and expectation that an update at the next committee meeting will be more positive.

30 **Treasury Management Annual Report**

The Committee was asked to note the annual treasury management report for 2020/21.

Resolved:

To note the report.

31 **Investment Sub-Committee and Local Pension Board Minutes (Part II)**

Resolved:

To note the minutes and agree the recommendations arising from the Investment Sub Committee and Local Pension Board meetings.

(Duration of meeting: 10.00 am - 12.50 pm)

The Officer who has produced these minutes is Libby Johnstone of Democratic Services, direct line 01225 718214, e-mail libby.johnstone@wiltshire.gov.uk

Press enquiries to Communications, direct line ((01225) 713114 or email communications@wiltshire.gov.uk

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Investment Sub-Committee

PART I (PUBLIC) MINUTES OF THE INVESTMENT SUB-COMMITTEE MEETING HELD ON 10 JUNE 2021 AT ONLINE MEETING .

Present:

Cllr Steve Heyes, Cllr Richard Britton (Chairman), Cllr Gordon King and Cllr Elizabeth Threlfall (Substitute)

Also Present:

Anthony Fletcher, Andy Brown, Joshua Caughy, Kieran Harkin, Rod Lauder, Marlene Corbey, Chris Moore, Mike Pankiewicz, Liam Robson, Richard Bullen, Andy Cunningham, Jennifer Devine, Cllr Pauline Church and Cllr Christopher Newbury

1 Membership

Following the elections on 6 May 2021 and appointments to committees, Councillors Richard Britton, Edward Kirk and Steve Heyes were added as new members of the Investment Sub-Committee.

2 Apologies

Apologies were received from Councillor Edward Kirk, who was substituted by Councillor Elizabeth Threlfall.

3 Minutes

The Part I (Public) minutes of the meeting held on 25 February 2021 were received for consideration, and it was,

Resolved:

To approve and sign the minutes as a true and correct record.

4 Declarations of Interest

There were no declarations.

5 Chairman's Announcements

Subject to consideration of the formal status of the Sub-Committee, the possibility of an amendment to the name of the Sub-Committee was raised.

6 Public Participation and Councillor Questions

No questions or statements were received.

7 **Responsible Investment Update and Progress Report**

Jennifer Devine, Head of Pension Fund Investments, presented a progress report on responsible investment issues, including the Responsible Investment Plan 2021/22.

Details were provided of recent actions and recommendations including commissioning of a report from Mercers on the Fund achieving net zero carbon by 2050 and annual carbon footprint analysis. It was agreed that there should be an update on responsible investment at quarterly intervals and noted the Committee's resolved support for the current approach. Members sought detail on the achievability of the plan, which was confirmed by officers to have been set to be achievable, and a legal memorandum in respect of fiduciary duty.

At the conclusion of discussion, it was,

Resolved:

To note the report and the progress that is being made towards implementing responsible investment related issues.

To approve the Responsible Investment Plan 2021/22, and the actions and costs noted therein.

8 **Date of Next Meeting**

The date of the next meeting was confirmed as 2 September 2021.

9 **Urgent Items**

There were no urgent items.

10 **Exclusion of the Public**

It was,

Resolved:

That in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Item Numbers 11-16 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

11 **Private Markets Progress Report**

Jennifer Devine, Head of Pension Fund Investments, introduced the report on the Private Markets Portfolios managed by Brunel.

It was then,

Resolved:

To recommend the Committee:

- 1) To note the report, and use it as a basis to ask questions of Brunel;**
- 2) To approve that progress on the private markets portfolios is reported to the ISC every six months;**
- 3) To approve that Brunel are invited to present on these portfolios again in February 2022**

12 Sustainable Equities

Jennifer Devine, Head of Pension Fund Investments, introduced the report providing members with information regarding Brunel's Sustainable Equities portfolio.

It was then,

Resolved:

To recommend the Committee:

- 1) make a strategic allocation to sustainable equities, of 8% of the Fund in the interim, and 5% long term;**
- 2) approve that this allocation is implemented via the Brunel sustainable equities portfolio;**
- 3) approve that the sustainable equities portfolio is funded by transferring funds from the Brunel Global High Alpha portfolio**

13 Private Markets Portfolio

Richard Fanshaw and Chris Crozier delivered a presentation on the Private Markets Portfolio.

14 Listed Markets

David Cox delivered a presentation on the Listed Markets Portfolio.

15 Investment Quarterly Progress Report

Jennifer Devine, Head of Pension Fund Investments, introduced a report in relation to the Fund's investment performance to 31 March 2021.

It was then,

Resolved:

To recommend the Committee:

- 1) note the investment reports and the update provided by officers and advisers at the meeting;**
- 2) approve that officers begin work with Brunel on assurance for the property transition, and bring back a plan for transitioning the property portfolio to Brunel for the September 2021 ISC meeting.**

16 **Minutes**

The Part II (Private) minutes of the meeting held on 25 February 2021 were presented for consideration, and it was,

Resolved:

To approve and sign the minutes as a true and correct record.

(Duration of meeting: 10.00 am - 12.50 pm)

The Officer who has produced these minutes is Kieran Elliott of Democratic Services, direct line 01225 718504, e-mail kieran.elliott@wiltshire.gov.uk

Press enquiries to Communications, direct line (01225) 713114/713115

Scheme, legal, regulatory and Fund update

Organisation	Subject	Link	Status	Comments	Risk Ref
HM Treasury	Reforms to public sector exit payments.		No change since the last meeting	After revoking the Restrictions on Public Sector Exit Payment Regulations, we are yet to hear what replacement regulations will be implemented or when this may apply (i.e. if it will be in 2021 or later).	PEN021
MHCLG	Fair Deal Consultation	https://www.gov.uk/government/consultations/local-government-pension-scheme-fair-deal-strengthening-pension-protection	No change since the last meeting	<p>No movement on this since 2019 although we understand that changes are still planned.</p> <p>Officers have responded to the consultation but have yet to hear anything further from MHCLG. The next step is likely to be either another consultation or the introduction of legislation. Due to the Parliamentary backlog, further progress may not be seen until 2022.</p>	PEN040
	<i>Changes to the Local Valuation Cycle and the Management of Employer risk Consultation</i>	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/800321/LGPS_valuation_cycle_reform_consultation.pdf	No change since the last meeting	<p>Scope:</p> <p>1). Amendments to the local fund valuations from the current three-year (triennial) to a four-year (quadrennial) cycle.</p> <p>2). A number of measures aimed at mitigating the risks of moving from triennial to quadrennial cycles.</p> <p>3). Proposals for flexibility on exit payments.</p> <p>4). Proposals for further policy changes to exit credits</p> <p>5). Proposals for policy changes to employers required to offer LGPS Membership (allowing further education, sixth form colleges to close entry to new employees)</p> <p>Reform progress:</p> <p>The Government has introduced legislation in relation to items 3 and 4. The changes resulting from item 4 are already embedded in the Fund's cessation policy and the changes from item 3 were covered in a paper revising the Fund's cessation policy in the December 2020 committee pack.</p> <p>We are unaware of any further developments on the other areas.</p>	PEN044
	Consultation: Taking action on climate risk	https://www.gov.uk/government/consultations/taking-action-on-occupational-pension-schemes	New	MHCLG are shortly expected to release draft regulations and statutory guidance for consultation on how schemes will need to take action on climate risk. The DWP have already issued a consultation for occupational pension schemes – this is the link provided – and the	PEN041

Organisation	Subject	Link	Status	Comments	Risk Ref
		climate-risk-improving-governance-and-reporting-by-occupational-pension-schemes-response-and-consultation-on-regulations		<p>MHCLG consultation will apply to the LGPS and is expected to be virtually identical.</p> <p>The Fund is in a good place here as the Committee has already done significant work to address this risk, via modelling, education (both of Committee members and the wider scheme membership), transparent reporting and meaningful actions.</p>	
The Department of Work and Pensions (DWP)	Pension dashboard project	https://pensionsdashboardproject.uk/industry/about-the-pensions-dashboard-project/	Updated since the last meeting.	The Fund's software provide, Aquila Heywood, is part of the national working party to help deliver the Pensions Dashboard. Implementation is likely to be in 2023 and it is still unclear what the impact may be for the Fund (as well as what level of take up for this initiative may exist from the general public).	PEN038
Financial Reporting Council	Proposed revision to the UK Stewardship Code	https://www.frc.org.uk/investors/uk-stewardship-code	No change since the last meeting	<p>The Financial Reporting Council (FRC) published the revised Stewardship Code on 24th October 2019 which sets substantially higher expectations for investor stewardship policy and practice.</p> <p>Officers will now review Fund compliance to the new code and begin drafting a new Statement of Compliance for review by the FRC, but 31 March 2021.</p>	
Scheme Advisory Board (SAB)	Cost cap mechanism & McCloud case		No change since the last meeting	<p>The McCloud consultation has now closed and officers still await to see the final outcome.</p> <p>As part of the i-Connect, officers continue to update part-time hours histories for active staff. For other categories, there is little work officers can do until the final remedy is released and the administration software is updated.</p>	PEN042
	Goodwin Case		No change since the last meeting	With some similarities to McCloud, another discrimination case affecting public service schemes including the LGPS, this time on the grounds of sexual orientation whereby it has been shown that it is discriminatory for female partners of members who are in a same sex	PEN056

Organisation	Subject	Link	Status	Comments	Risk Ref
				<p>or opposite sex marriage to receive different survivor benefits from one other.</p> <p>Although the funding costs will be small, this will be a further administration and communication burden to address.</p> <p>Little information has so far been provided of the impact on the LGPS, but the DfE has started a consultation in relation to the Teacher's Pension Scheme to start the process of altering the scheme rules. It is expect MHCLG will undertake a similar process for the LGPS in due course.</p>	
	Good Governance Project (formerly known as the Separation Project)	http://www.lgpsboard.org/images/PDF/BoardFeb18/PaperBItem50218.pdf	No change	<p>Hymans-Robertson, on behalf of the SAB, has released its report on phase II which outlines a number of specific recommendations.</p> <p>Hymans Robertson and SAB are now moving towards Phase III of the project and a proposal is going to MHCLG to implement the proposals.</p> <p>The timeframes for implementation are still unclear.</p>	PEN039
The Pension Regulator (tPR)	Single code of practice		No change	<p>tPR have released a consultation concerning its intention to produce a single code of practice covering all pension schemes (rather than over 15 at the moment).</p> <p>Whilst some of the exercise is merely one of administrative consolidation, tPR have also used this as an opportunity to make some changes.</p>	PEN050

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WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD
24 August 2021

ADMINISTRATION KEY PERFORMANCE INDICATORS

Purpose of the Report

1. The purpose of this report is to present the Fund's performance against its key performance indicators (KPIs) in relation to the administration of pension benefits.

Background

2. In the interests of transparency and to help monitor overall administration performance, officers agreed with Committee and Board to publish quarterly benefits administration key performance indicators (KPIs)
3. KPIs are an important aspect of providing an efficient and effective customer-focussed benefits administration service.

Considerations for the Board

4. The figures in this report cover the period 1 April 2021 to 30 June 2021 unless otherwise indicated.
5. As the Fund's approach to administration continues to develop, officers have updated our approach to our key performance indicators. A new approach is outlined in the appendices of this paper and further explained below:

Appendix 1: Disclosure requirement performance (using the CIPFA template) – these are quasi-legal performance targets. This is largely unchanged although some items are removed where Scheme members have instant access to quotes.

Appendix 2: The Pension Regulator (tPR) performance monitoring metrics – the key indicators that tPR focuses on within its annual report. This now includes the annual benefit statement measure but is otherwise unchanged from early versions.

Appendix 3: Internal targets (Fund performance). All Fund-decided targets have been consolidated into one section. The administrative targets focus on the high priority payment-related processes rather than the lower priority administrative tasks which are based on updating member records (although this may follow at a later date). Although backlog monitoring is still included which is a more a meaningful analysis of the lower priority tasks. No 'backlogs' exists for high priority tasks.

Appendix 4: Internal targets (Employer performance): With increasing number of employers using i-Connect, officers have revised the tables to focus on the timeliness and accuracy of i-Connect reports. For completeness, officers have also included employer performance against sending contributions in on time (for i-Connect employers only).

Conclusions

General comments

Disclosure Regulations (Appendix 1)

6. The table in appendix 1 shows high levels in all areas except deferments, joiners and some death notifications. Some technical difficulties have persisted whilst changing processes which have led to joiners and deferments being lower than hoped while death notifications are sometimes limited by not receiving timely information from, or being able to identify, the next of kin. Officers anticipate that joiners and deferments should improve in future quarters once the technical issue is resolved.

tPR Common and Conditional Data percentages (Appendix 2a)

7. The Fund's common data figure of **98.5%** and the conditional/scheme specific figure of **96.4%** (both improvements since last year) compare favourably to the industry averages of 96.6% (common) and 94.6% (conditional) respectively. Whilst still lower than the long-term goal, which we expect will be met through further implementation of i-Connect, good progress in this area has been made over the last three years.

Annual Benefit Statement (ABS) production levels (Appendix 2b)

8. As this paper, and the Local Pension Board, occur before the 31 August 2021 deadline, the production rate for this year is currently unknown and is dependant on employer response rates to the remaining queries. However, officers anticipate exceeding last year's percentage and being close to the target of a 99% production rate. The outcome for this year will be shared at the next LPB meeting.

Administration Strategy KPIs – Fund (Appendix 3a)

9. Table 1 shows the Fund has made good improvement in all areas in the last quarter although further work is still required to reach the desired performance levels. The Fund is gradually seeing the benefits of greater automation of tasks, which is freeing up officer time, and this programme of improvements will continue over the rest of this year and into the next year.

i-Connect and My Wiltshire Pension (MSS) onboarding (Appendix 3b-3c)

10. i-Connect take up received a significant boost with the onboarding of Swindon Borough Council (the 2nd largest employers) and a large payroll provider in the Fund, FS4S; both with effect from March 2021, increasing the active membership coverage to over 75%. Officers will continue to work with the remaining circa 93 employers (mostly reasonably small), with the aim of onboarding them by the end of the financial year. However, it is noted that Swindon Borough Council have had difficulties in producing subsequent reports and therefore they are currently a number of months behind.
11. MSS sign-ups are broadly in line with industry-norms after successful attempts to encourage more members to sign up and these figures are unlikely to change materially in future now, although some small improvements are still evident in the last few months.

Backlog monitoring (Appendix 3d)

12. Whilst the current backlogs are not leading to a material number of complaints, they are still an issue which needs further work to improve overall efficiency and customer service.
13. However, there has been a reduction in the number of outstanding cases in both the last two quarters and officers have recently appointed two new members of staff. One has already started and is undergoing training and the other is due to start shortly.

Administration Strategy KPIs – i-Connect (Appendix 4)

14. The timeliness of submissions varied materially over the period but was highest in June at 89%. Contributions from i-Connect are overwhelming also sent on time but only 80% of returns currently pass the test of checking contribution amounts received versus data.

Environmental Impact

15. There is no environmental impact from this report.

Financial Considerations

16. There are no immediate financial considerations resulting from the reporting of the Fund's performance against its key performance indicators.

Risk Assessment

17. There are no direct risks to the Fund associated with this reporting.

Legal Implications

18. There are no immediate legal implications arising from this report.

Safeguarding Considerations/Public Health Implications/Equalities Impact

19. There are no implications at this time.

Proposals

20. The Board is asked to note the content of this paper, including the revised tables, and is invited to make any comments or recommendations on the revisions it may have.

Andy Cunningham

Head of Pensions Administration and Relations

Report Author: Andy Cunningham – Head of Pensions Administration and Relations

APPENDIX 1

Disclosure Requirements (CIPFA template) – Quasi-legal performance measures

The table below is based on a template produced and updated by CIPFA for insertion within LGPS Funds annual report. It is based on what are collectively known as the 'disclosure requirements' which broadly means that the Fund is required to supply certain information to members (or their next of kin).

Benefit Administration Key Performance Indicators

Disclosure Regulations

Period 01/04/2021 to 30/06/2021

Process name		Disclosure Requirement	%	Change since last quarter	No. cases within Legal Timeframe
Deaths - initial letter acknowledging death		2 months	96.9%	+11.9%	126
Deaths - letter notifying amount of dependants pension		2 months	81.8%	-1.2%	106
Retirements - letter notifying estimate of retirement benefits	Active	2 months	n/a		n/a
	Deferred		n/a		n/a
	Total		93.7%	-3.3%	465
Retirements - letter notifying actual retirement benefits + process and pay benefits on time	Active	2 months	96.9%	+0.9%	245
	Deferred		99.6%	+0.6%	247
	Total		98.4%	+1.4%	492
Deferment - calculate and notify deferred benefits		2 months	58.8%	+13.3%	368
Refund - process and pay a refund		2 months	99.3%	-0.7%	138
Divorce quote - letter detailing cash equivalent value and other benefits		3 months	96.4%	-3.6%	75
Joiners - notification of date of enrolment		2 months	61.6%	-2.4%	492

Explanatory notes

Deaths: For both measures, the timeframes start on the date of notification. However, sometimes the notification is not from the next of kin (e.g. we are notified from a tracing agent) and it can take some time to establish who is the next of kin and if a dependent pension is due.

'Transfers out' quote and estimates: We have removed this measure from the table as members have instance access to quotes.

Joiners: This measures the time taken to confirm to a member that we have set them up in the Scheme. However, it is an employer responsibility to begin the deduction of contributions with effect from the member's start date and also to inform the member of their start date.

We have also removed very low volume task as percentages are not a good measure of performance.

APPENDIX 2: tPR Data performance measures

The Pension Regulator (tPR) helps regulate each LGPS's Fund compliance with various legislation. It has various enforcement powers such as setting improvement plans and fining.

In respect of administrative performance, tPR focuses on two types of measures as explained separately below. The Fund is required to submit its scores against these measures each year as part of its Scheme Return.

tPR target's for all of these scores is 100% although there is an informal acceptance that scores are likely to often be slightly less.

a). Common and Conditional/Scheme Specific data scores

Common data scores test the Fund's data quality (existence and accuracy of data) against various data measures it expects all Pension Funds to hold (e.g. name, address etc). 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.

Note: It was somewhat onerous and costly to do this analysis so at present the Fund only revisits these scores annually, normally in October, in order to complete its annual report.

The Fund's latest scores are: (as at 12 October 2020)

tPR Common Data Percentage

Total score = 98.5% (+0.6% since 11/10/2019)

tPR Conditional Data Percentage

Total score = 96.4% (+1.0% since 11/10/2019)

These percentages are re-calculated annually.

b). Active Annual Benefit Statement (ABS) production

The Fund is required under the LGPS Regulations to produce active ABSs by the 31 August of each year (related to the member's pension as at 31 March of that same year). The Fund currently uploads all ABSs to the MSS member portal (My Wiltshire Pension). It only sends out paper statements to members who have opted in to receiving paper statements.

The Fund's active ABS production rate for 2020 was as follows:

2020 = 96.9%

The Fund's target for 2021 is to reach 99% by 31 August 2021.

The Pension Regulator stated within its *Public Service Governance and Administration Survey 2020-2021*, that the average ABS production rate in the public sector for 2020 was 94%, down slightly from the 95% in 2019.

However, around 48% of Local Government Funds stated they met the target for all members.

APPENDIX 3: Internally set targets (Fund)

While the figures in appendix 1 outline the (quasi) legal requirements using a CIPFA template, and appendix 2 outlines the tPR's own metrics against which it may take action, appendix 3 outlines internally set, aspirational service level targets. The Fund's administrative performance priority is its performance against the targets in appendices 1 and 2 but the following sets of information set's out internally set targets to help met the goals of the Fund's business plan.

a). Administration payment processing scores (higher priority administrative tasks)

The following table shows the Fund's process times against the timeframes set out in the administration strategy. It covers the high priority tasks, data on lower priority administrative tasks (such as deferrals and aggregations) will be shared at a later date. The tasks which are deemed as higher priority are the ones which relate to making a payment to the member (or a beneficiary). Members are now able to instantly access benefits estimates and therefore there is no longer a disclosed target related to this.

Period	01/04/2021 to		30/06/2021		Completed cases time to complete						Total	% on target (15 working days)	Change since last quarter
Type of case	Created cases in period	Open cases at period end	Percentage against membership	0 - 5 days	6 - 10 days	11 - 15 days	16 - 20 days	20 - 40 days	40 + days				
Active to Retirement	196	101	0.44%	91	40	31	38	36	16	252	64%	+45%	
Deferred in to retirement	247	10	0.03%	125	55	52	13	2	1	248	94%	+10%	
Processing of Death cases	132	162	0.20%	17	32	20	12	37	12	130	53%	+23%	
Refund of contributions	53	17	0.07%	33	103	1	1	0	1	139	99%	+1%	
Grand Total	628	290		266	230	104	64	75	30	769			
Percentage				35%	30%	14%	8%	10%	4%				

b). i-Connect onboarding progress

The following table shows the progress in onboarding employers on to i-Connect. The long-term target is now to onboard all employers on to i- by the end of 2021/2022. Data was last calculated on 7 June 2021.

	Number onboarded	Number left to onboard	Completion rate
Active members	17,701	5398 (total = 23,099)	76.6% (+30.8% since last meeting)
Employers	77	93 (total = 170)	45.3% (+21.8%)

The active member percentage is much higher than the employer percentage because officers have focussed on onboarding the largest employers.

c). MSS (My Wiltshire Pension) take up

A table summarising the position as at 7 June 2021 is shown below. Note the figures are 'pension record' level figures, rather than member level, as this is easier to report and there is little difference in the percentages. There has been very little change in recent quarters, which is as expected as the take up rate is in line with industry norms.

RECORDS	
ACTIVE	7 June 2021
Registered	9,041
Total	23,101
Percentage	39.1% (up 1.6%)
DEFERRED	
Registered	10,291
Total	31,692
Percentage	32.5% (up 1.2%)
TOTAL	
Registered	19,340
Total	54,793
Percentage	35.3%

d). Backlog monitoring

Prior to making a number of process improvements to the refunds, deferreds and aggregations processes, the Fund accumulated processing backlogs in certain areas. Officers define a backlog for a process where there are more than 300 outstanding cases. Where this is the case, officers plan to ring-fence this area of work and manage the backlog area of work separately although this is not in place as at the date of this report.

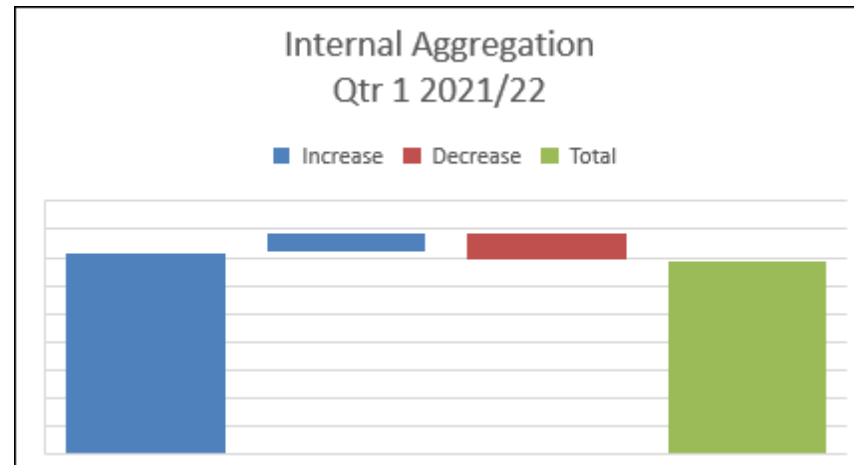
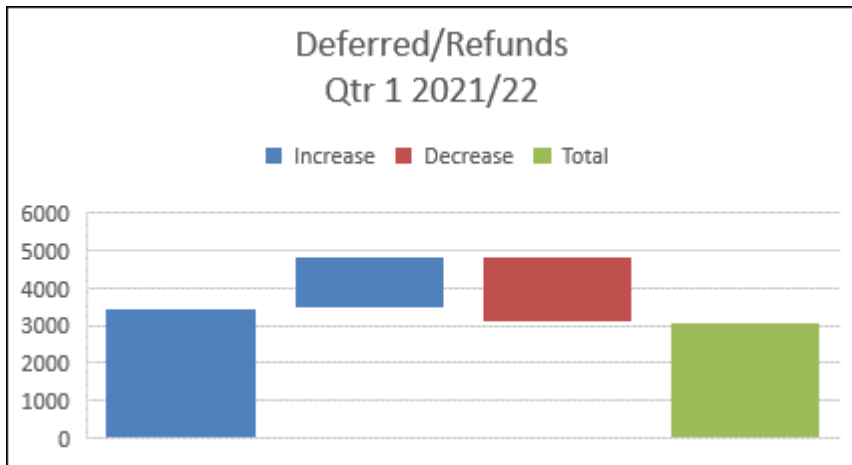
At present, there are two areas which meet this criteria and current situation in respect of these processes are outlined:

i). Deferred/Refunds

Cases where the member has left and we need to calculate their pension entitlement, but they are not old enough to be able to start receiving their benefits.

ii). Internal aggregation cases

These cases are where the member has more than one record at Wiltshire Pension Fund which should be combined together. Members are not financially disadvantaged by delays in completing this work.



APPENDIX 4: Internal targets - Employers

a). i-Connect submission performance

Note: 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.

i). Timeliness measure of submissions

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.

Percentage/number returns received on time	April 2021	May 2021	June 2021
Large employers* (>250 actives)	3/5 (60%)	1/5 (20%)	3/5 (60%)
Medium employers* (50-249 actives)	11/13 (85%)	1/13 (8%)	13/14 (93%)
Small employers* (10-49 actives)	23/24 (96%)	12/25 (48%)	22/24 (92%)
Very small employers* (Under 10 actives)	7/12 (58%)	7/11 (64%)	10/11 (91%)
Total	44/54 (81%)	21/54 (39%)	48/54 (89%)

*Employers numbers are just assessed once a year.

ii). Quality measures

Data quality gradings: The Fund categorises each employer into one of three quality measures depending on the quality of the returns being produced. The middle category of Silver is the starting category. Gold means good quality returns are consistently produced, Silver means that good quality returns are mostly produced by some issues and errors occur while Bronze means that there are a number of concerns with the quality of data produced which requires frequent intervention, more checks and escalation with the employer. These categories are regularly monitored internally but not reported here.

Contributions vs data comparisons: Additionally, as part of its control checks, officers undertake a cross comparison between the data and the contributions received. A failure of this check for an employer indicates that either the contribution payment or the membership data submitted was incorrect (or both are incorrect) and further investigation with the employer is required.

The current breakdown of employers against this measure is as follows:

Contributions received consistent with data	April 2021	May 2021	June 2021
Large employers (>250 actives)	0/5 (0%)	3/5(40%)	3/5 (60%)
Medium employers (50-249 actives)	3/13 (23%)	12/13 (92%)	13/14 (93%)
Small employers (10-49 actives)	14/24 (58%)	19/25 (76%)	18/24 (75%)
Very small employers (<10 actives)	10/12 (83%)	9/11 (82%)	9/11 (82%)
Total	27/54 (50%)	42/54 (78%)	43/54 (80%)

b). Timeliness of contributions payments

Below is a breakdown showing the timeliness of employer contribution payments (i-Connect employers only).

Percentage/number returns received on time	April 2021	May 2021	June 2021
Large employers (>250 actives)	5/5 (100%)	5/5 (100%)	5/5 (100%)
Medium employers (50-249 actives)	13/13 (100%)	13/13 (100%)	14/14 (100%)
Small employers (10-49 actives)	24/24 (100%)	23/25 (92%)	24/24 (100%)
Very small employers (<10 actives)	11/12 (92%)	11/11 (100%)	11/11 (100%)
Total	53/54 (98%)	52/54 (96%)	54/54 (100%)

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WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD
24 August 2021

PENSIONER PAYROLL DATABASE RECONCILIATION PROJECT & NEW PENSIONER PAYROLL SYSTEM UPDATE

Purpose of the Report

1. The purpose of this report is to provide a further update on the detailed, and ongoing reconciliation project between the pension administration system (Altair) and pensioner payroll system (SAP) as well as the project to move across to an integrated pensioner payroll system.

Background

2. This paper provides an update on how the situation has developed since that meeting.

Current situation

Rectification project

3. The current situation of the rectification project is as follows, for the cases in scope:
 - a). There are now around 150 cases still at 'stage 2' (where the pension administration system, Altair, is inconsistent with itself). Each case continues to take some time to correct and involves close working with the systems provider to remove complex errors. These errors need to be removed before they can be properly assessed as part of stage 3, where a comparison is taken against SAP (the pensioner payroll system).
 - b). At the time of writing, officers have now initially been through all of the c1,000 cases that have already passed stage 2 and have peer reviewed 272 of the cases (completing stage 3). Corrections to Altair or SAP can only take place once a case has been peer reviewed (not all cases result in a change being needed to SAP).
 - c). Corrections to the payroll system (stage 4) began in July, which required changes and these are continuing for each month afterwards. As a general rule, officers are giving members around 8 weeks notification of any change to their payment amounts (with some exceptions for very small differences) to allow the member time to manage their financial circumstances.
 - d). For cases where SAP is correct and Altair is incorrect, these are being prioritised behind those cases where SAP is incorrect.
 - e). As anticipated, where the value of the change is relatively small, officers have received no correspondence from members. For some of the larger differences, some members have expressed their dissatisfaction or their intention to make a formal complaint although no cases have entered the form Internal Dispute Resolution Procedure (IDRP) stage yet. However, it is too early to provide analysis of this in greater depth.

New pensioner payroll system update

4. The Committee approved the purchase of Altair Pensioner payroll and immediate payments (subject to compliance with procurement rules and contract) at its last meeting.
5. Officers are close to completing the necessary procurement exemption (it is awaiting director approval), to avoid the need to go out to competitive tender, and we will then move towards agreeing the contract. Project timeframes are still unclear, mainly due to the rectification project detailed above, but officers anticipate going live in the summer or autumn of 2022.

Considerations for the Board

6. Officers are taking a highly cautious approach to going through cases to try to limit the chance of errors being made as part of this review; in many cases, there is a large amount of information to review and consider to reach a final view point and hence the timeframes for the completion of this project are relatively long and difficult to predict. It is possible that corrections could continue up to February or March 2022 but officers are hopeful they will be corrected sooner.

Environmental Impact

7. There is no environmental impact from this report.

Financial Considerations

8. There are no financial considerations related to this update paper.

Risk Assessment

9. There are a number of material risks related to this project in general in terms of compliance risk, financial risk and reputational risk, officers have sought to manage this risk as best as is possible in the circumstances through their approach to this project.

Legal Implications

10. There is potential for a number of complaints (informal or formal), leading to quasi-legal issues resulting from undertaking stage 4 of this project. Conversely, a failure to correct known errors would also be considered a breach of legislation, creating further legal implications. Legal advice was taken on the paper presented to Committee in March.

Safeguarding Considerations/Public Health Implications/Equalities Impact

11. There are no implications at this time.

Proposals

12. Officers ask the Board to consider the information held within this paper to provide and comments or recommendations that it may have.

Andy Cunningham

Head of Pensions Administration and Relations

Report Author: Andy Cunningham – Head of Pensions Administration and Relations

WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD
24 August 2021

PENSION FUND – TPR PUBLIC SERVICE SUMMARY 2020-21

Purpose of the Report

1. The purpose of this report is to identify any additional actions that the Wiltshire Pension Fund's (WPF) Local Pension Board (LPB) could recommend to the Pension Committee following the publication of the Pension Regulator's (tPR) 6th Public Service Governance & Administration survey 2020-21.

Background

2. The results of the survey looked in depth at how the key features of good governance of a Pension Fund worked in practice (with a 72-page report). Officers compared the 2020/21 report against the 2019 results which the LPB reviewed at their meeting on 18 February 2021. In officers' opinion the WPF continued to fall into the group of 70% of Schemes cited by tPR as fulfilling all six of the key processes expected by it, namely;
 - a) That the LPB has a conflict of interest policy in place;
 - b) That members have access to knowledge, have an understanding of the Scheme & have the skills needed to run the it;
 - c) That the Scheme has its own process for assessing & managing its risks;
 - d) That the Scheme has a process for monitoring its record accuracy & completeness;
 - e) That the Scheme has a process for monitoring contribution payment issues; &
 - f) That it also has a process in place to identify, assess & report on breaches of law.
3. The original emphasis of tPR's core concerns of governance, record keeping, cyber security & member communications were further reappraised with the completion of this survey. Whilst the core concerns of cyber security, effective governance and administration remain in place, this year's survey objectives (Background section Page 9) also sought to acquire information on Pension Fund responses to the Covid-19 pandemic and business continuity planning. It also requested information about the Fund's readiness for the proposed pensions dashboard and the extent to which Funds had prepared for climate change related risks and opportunities. It is noteworthy that tPR have not sought to publish any of its overall conclusions from their findings, but based on the information provided, the consensus of opinion from officers and third-party organisations have been outlined in the sections below.

Considerations for the Board

4. Whilst the WPF is satisfied that it is one of the 70% of Funds that has all six of tPR key processes in place (a rise from the 64% of Funds quoted in 2019), Fund officers elected to undertake this review against the 2020/21 survey in order to identify any additional areas on which the WPF may be able to improve upon.
5. The table below sets out the key areas cited by respondents as their top governance and administration risks for their Funds & officers have reviewed those risks against the WPF's compliance to determine whether the WPF could further improve its working practices. Brief comments of officer assessment are also set out below.

Top governance and administration risks highlighted (Page 27 & 28 – Table 4.2.4)			
Risk	tPR's LGPS %	WPF View	WPF comment
Funding or investment	54% (Down 9%)	Not an issue	As at 30/06/21 the Fund was 101.5% funded.
Remediation (McCloud judgement)	37% (Up 31%)	Partial concern	WPF continue to work to gather part-time hours and other key data items, however work to remedy the record-keeping in line with the McCloud judgement has currently been paused whilst final legislation and systems updates are outstanding.
Record-keeping (i.e. receipt and management of correct data)	32% (Down 8%)	Not an issue	The Fund's latest Pension Regulator data quality scores are as at 16/10/20 and are Common 98.5% & Conditional 96.4%
Securing compliance with changes in scheme regulations	30% (Up 8%)	Partial concern	Officers are confident that capacity is either in place or is being resourced to support change. However, concern exists in relation to the timeliness and quality of guidance from central government, or their organisational dictates e.g. the scope & implementation requirements of Exit Cap reforms. Based on information to date, items like the good governance review, the new Code of Practice and the TCFD disclosures are not seen as overly concerning.
Cyber risk	23% (Up 4%)	Area of concern	Whilst 2020 saw progress in establishing the Fund's cyber risk approach, little activity has occurred in delivering on that approach. The survey cited that 90% of Fund's had at least half of the controls in place, an achievement our Fund only just managed to fulfil and is support by its own review within this meeting pack. Hymans and the LGA also cite cyber security as a key issue.
Recruitment and retention of staff or knowledge	22% (Down 10%)	Not an issue	In the last 12 months 2 staff have left, 5 have joined and the Fund, with interviews taking place to fill the last key appointment. Staffing losses are therefore low with legitimate reasons offered for leaving. The approved additional resource now being in place to remedy key projects.
Lack of resources/time	22% (Up 6%)	Not an issue	The Fund's 2021/22 business plan and budget approved on 30 March

			2021 was set in place to address both the resource and time capacity issues.
Systems failures (IT, Payroll, Administration issues etc)	16% (No change)	Partial concern	Whilst day to day systems failures is seen as unlikely, change management requirements have increased the Fund's concern in this area. A new payroll system in 2022 is now anticipated and the Fund's implementation of its cyber security arrangements are now strongly recommended.
Administration issues (expenses, performance etc)	10% (Down 3%)	Partial concern	Despite the Fund's technological investment, to date improvements in administrative output has not seen the increases anticipated. The impact of Covid-19 may have had a bearing on this however to assist output staff performance & support will be focused upon during 2021/22.
Receiving contributions from employer(s)	9% (Down 1%)	Not an issue	The rollout of an improved contribution reconciliation against payments process has been embedded. Along with the ongoing rollout of i-Connect & an increased emphasis on employer monitoring & escalation process the timely receipt of contributions is under control.
Production of annual benefit statements	6% (No change)	Not an issue	As at 31/08/20 96.9% of active & 99.9% of deferred members received a statement. An average of 98.4%. An improving yearly score. These % are expected to improve in 2021.
Lack of knowledge, effectiveness or leadership among key personnel	6% (Down 2%)	Partial concern	Committee & Board members have a training strategy which is regularly reviewed. Officers have a separate training strategy. However, particularly following the Local Government elections the gaining and maintaining of sufficient levels of K&U across all WPF stakeholders continues to remain a challenge.
Guaranteed Minimum Pension (GMP) reconciliation	3% (Down 3%)	Partial concern	The Pension Payroll reconciliation project, including GMP rectification is currently in progress with updates reported to Committee. Initial reaction to the completion of this project suggest its execution is being accepted without complaint.

6. Hymans Robertson & the LGA have also undertaken assessments of the tPR's survey and have highlighted the following key themes;

- a) That there were some concerns about the effectiveness of Business Continuity Plans on commencement of the pandemic (Hymans);
- b) That the results show general improvements in risk management processes, cyber controls and the proportion of members receiving their annual benefit statement on time (LGA);
- c) That most schemes identified implementing the McCloud remedy as a significant risk (LGA); &
- d) That governance has generally stood up well given the unique challenges the last year has presented (LGA).

In consideration of all the themes cited, the WPF officers view is that whilst business and usual work remained largely solid during the Covid-19 pandemic, areas which require effective change management were slow to be embraced, not only at a local level, but also at a national one.

Conclusions

- 7. After a review of the top governance and administration risks highlighted in paragraph 5 & where an appropriate measure hadn't already been taken by the WPF, only one area of concern was identified. A recommended measure for consideration by the Board, associated with this concern is set out in paragraph 9.
- 8. In self assessing itself against the findings of tPR's 2020/21 survey, the WPF considers itself to be operating above average within the Public Sector Fund environment. Addressing the area of concern will ensure the Fund's continued compliance and will aim to place the Fund in an upper quartile position against its peers.

Recommendations

- 9. Based on the findings, officers have made the following recommendation;
 - a) That the Board & the Committee should place a high emphasis on ensuring that the Fund's cyber security and business continuity arrangements are fully embedded within its governance arrangements.

Environmental Impact

- 10. There is no environmental impact from this report.

Financial Considerations

- 11. There are no immediate financial considerations.

Risk Assessment

- 12. There are no risks identified at this time other than those considered within this report.

Legal Implications

- 13. There are no immediate legal implications arising from this report.

Safeguarding Considerations/Public Health Implications/Equalities Impact

- 14. There are no implications at this time.

Proposals

15. To review the findings of the Pension Regulator's report against the risks identified by officers and make the recommendation in paragraph 9 to the Committee.

ANDY CUNNINGHAM

Head of Pensions Administration and Relations

Report Author: Richard Bullen – Fund Governance & Performance Manager

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WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD
24 August 2021

WILTSHIRE PENSION FUND RISK REGISTER

Purpose of the Report

1. The purpose of this report is to update the Board in relation to changes to the Fund's Risk Register (see Appendix).

Background

2. The Committee approved a Risk Register for the Wiltshire Pension Fund at its meeting on 12 May 2009. A reconfiguration of the Risk Register took place during 2019 to make it a more dynamic document and the new design was approved by the Committee on 18th July 2019. Members requested that whilst a full Risk Register is maintained by officers only the following risks need to be highlighted to Committee on a quarterly basis.
 - New risks;
 - Risks which have changed or been re-categorised;
 - Risks which are rated red; and
 - Risks which are considered to have been mitigated & stabilised & can be recommended for approval to the register's ceased/dormant category for continued monitoring by officers only.
3. Under the reconfigured Risk Register strategy, the identification of risks will be more evidence based using the Scheme update, Business Plan, Audit recommendations, Minutes of meetings, Fund's KPI dashboard and Brunel and investment pooling data as sources of information for risk identification.

Key Considerations for the Committee / Risk Assessment

4. The significance of risks is measured by the interaction of the likelihood of occurrence (likelihood) and the potential impact of such an occurrence (impact). This register uses the Council's standard "4x4" approach, which produces a risk status of Red, Amber or Green (RAG).
5. During the last quarter no "new risks" were identified.
6. The evidence-based review of the register identified the following risks had changed or need to be recategorized;
 - **PEN058: Service disruption is created during the implementation of the Council's Evolve Programme on the Fund** (From Green to Amber) A potential lack of co-ordination between the Evolve & Altair payroll project management timetables could increase the risk of success of this migration. Regular communication between project managers should be established.
 - **PEN052: COVID-19:** (From Red to Amber) An infectious global virus which WHO has classed as a pandemic. The impact of COVID-19 is being largely managed and there are signs that the nation is returning to normal. Recommend that this risk be moved to ongoing.

- **PEN055: Failure by Brunel Pension Partnership to properly address shareholder concerns via the governance review:** (From Red to Amber) The governance arrangements by which BPP will operate have been set out in a terms of reference and Wiltshire along with all the shareholders are satisfied with the breadth and depth of the resulting changes. Recent communications suggest progress is beginning to be made. Recommend that this risk be monitored and moved to ongoing.
- **PEN024: The implementation of Brexit causes investment volatility or unexpected legislative changes:** (From Amber to Green) Any impact which would have been caused by Brexit has now been built into investment valuations. Recommend that this risk be moved to dormant.
- **PEN012: Over-reliance on key officers:** (From Amber to Green) A full compliment of staff are now appointed to roles enabling suitable cover. The majority of appointments are experienced and have served in their positions for quite some time. Recommend that this risk be moved to dormant.
- **PEN011: Lack of expertise of Pension Fund Officers and Service Director, Finance:** (From Amber to Green) Senior Officer appointments are experienced and have served in their positions for quite some time. Recommend that this risk be moved to dormant.
- **PEN009: Failure to comply with Data Protection Legislation (GDPR & Data Protection Act 2018):** (From Amber to Green) SWAP audit actions concerning GDPR were minor in nature & have now been completed.
- **PEN026: A lack of effectiveness of Committee meetings due to the impact of MiFID II Regulations:** (From Green to Amber) Recent changes to the Committee and the consequential loss of knowledge have increased the risk of the Committee's effectiveness. Recommend that this risk be moved to ongoing.

7. Risks remaining “red”, high risk:

- **PEN022: Rectification of records with GMP issues – Time-consuming, costly & may causes reputational damage:** (From Red) Potentially incorrect liabilities being paid by the Fund as a result of GMP and other pension component values missing, incorrectly recorded or incorrectly valued. Consequently, progress with the Pensioner Payroll Database reconciliation project may impact on the Fund's liabilities and its reputation.
- **PEN041: The Fund's inability to implement a strategy to ensure Climate Change considerations are integral to its investment strategy:** (Red) Work on developing the Fund's policies, disclosures and strategy is ongoing. Additional resource will be required, likely to be by way of specialist consultancy support.
- **PEN042: Significant retrospective legislation changes related to the McCloud case:** (Red) Following the release of the Government's consultation document in July 2020 analysis of the Scheme's members who may be affected was undertaken. Indications suggest that potentially c27k members may be affected, as well as increasing the work on several supplementary administrative tasks. The impact actuarially speaking is likely to be minimal. Members requested that it be kept as a red risk until the administrative impact is completely clear.
- **PEN048: The transition of the pooling of LGPS assets with BPP fails to deliver the projected savings:** (Red) Progress and updates should continue to be regularly reported to Committee. The Board recommended the introduction of a monitoring & reporting timetable & an independent audit should be conducted in 2021.

8. It is recommended that three risks which are currently in Dormant/Closed be deleted on the basis that they are no longer relevant. These are;

- **PEN046: The transition of assets to the Brunel global high alpha equities portfolio does not go according to plan resulting in investment losses:** No longer relevant (Green).
- **PEN020: The transition to pooling of LGPS assets with BPP proves ineffective causing higher costs, poorer returns and/or weak controls:** (Red) However it has been replaced by PEN048.
- **PEN014: Failure to provide the service in accordance with sound equality principles:** (Green) Risk description is vague and the basis for its reason has been replaced by more specific risks such as PEN055: The Goodwin Case & PEN055: The Accessibility Regulations.

9. General comment – It is recommended that risk **PEN058: Service disruption is created during the implementation of the Council's Evolve Programme on the Fund** (Green?) be split into two risks. The first risk managing the migration of the Fund's pension payroll and the second risk managing the remaining Evolve Programme activities affecting the Fund. This second risk be categorised as Green.

Financial Implications

10. No direct implications.

Legal Implications

11. There are no known implications from the proposals.

Environmental Impacts of the Proposals

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

Safeguarding Considerations/Public Health Implications/Equalities Impact

13. There are no known implications currently.

Proposals

14. The Board is asked to note the attached Risk Register and recommend the changes/actions made by officers in points 5 to 9 to the Committee.

ANDY CUNNINGHAM
Head of Pensions Administration and Relations

Report Author: Richard Bullen, Fund Governance & Performance Manager
Unpublished documents relied upon in the production of this report: NONE

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Ref.	Risk	Cause	Impact	Primary Risk Category (CIPFA)	Secondary Risk Category (Operational)	Risk Owner	Level of risk (Inherent)	Impact	Likelihood	Inherent risk score	Controls in place to manage the risk	Impact	Likelihood	Residual risk score	Further Actions necessary to manage the risk	Level of risk (Residual)	Direction of Travel	Risk Action Owner	Date for completion of action
Horizon Risks																			
PEN058	Service disruption is created during the implementation of the Council's Evolve Programme on the Fund	Wiltshire Council intends to introduce a replacement for SAP, with the intended process due to be completed by September & the implementation by December 2022	SAPs replacement will impact on multiple services areas provided by the Council to the Fund, most notably the Fund's payroll function & IT services.	GOVERNANCE	BUSINESS PLAN 2021/22 (Objective(s) 6)	Andy Brown	Medium	3	2	6	As part of the Fund's oversight of its Payroll & IT services, it is recommended that the Committee request periodic strategic updates during the course of 2021 from the Fund's s151 Officer to be able to assess the level of risk & whether any mitigations need to be identified. Consideration is being by the Fund concerning the migration of its payroll to its own separate payroll software service	1	1	1	Current payroll system to be phased out and a new integrated system with the Pensions Administration database approved to be introduced. Auditors to be involved to oversee the reconciliations and controls to be put in place. The project plan should be discussed with the Auditor. Project management completion timelines are increasing the risk of success of this migration. Irrespective of the payroll migration Evolve risks remain for the Fund in over aspects of the Evolve Programme such as general accounting practices.	Low	↑	Andy Brown	Dec-21
PEN056	Failure to implement the findings of the Goodwin vs the UK case in relation to discrimination which will affect public service pension schemes on the grounds of sexual orientation	Following a male to female transsexual post operative procedure the claimant stated that her human rights had been infringed when she was still treated as a man for National Insurance contributions purposes, as she continued to make payments after the age at which a woman would have ceased payments, thus causing harassment. A second similar claimant stated she was unable to obtain work as she was unable to provide her birth certificate revealing her gender history.	There is no remedy proposed yet, although some auditors are pressing for an allowance to be included in 2020 IAS19/FRS102 reports. Whilst the funding costs are expected to be small, this will be a further administration and communication burden to address.	ADMINISTRATION	BUSINESS PLAN 2021/22 (Objective(s) 31)	Andy Cunningham	Low	1	1	1	The implementation of risk controls will be introduced on communication of remedies.	1	1	1		Low	↑	Andy Cunningham	N/A
PEN050	Failure to comply with IPR's anticipated new Single Code of Practice Statement	The new requirements for pension scheme governance came into force on 13 January 2019 as part of the transcription of the IORP II Directive into UK law. The new EU Directive covers the activities and supervision of institutions for occupational retirement provision (IORP)	Consequently the IPR is simplifying its codes of practice as part of its 'clearer, quicker, tougher' campaign and in response to new requirements for scheme governance, the Occupational Pension Schemes (Governance) (Amendment) Regulations 2018. Codes combined notably relate to 9, 13, 14 & 15.	GOVERNANCE	BUSINESS PLAN 2021/22 (Objective(s) 6,31)	Richard Bullen	Low	2	2	4	It is anticipated that early focus will be on the codes that are most affected by the new regulations, starting with internal controls & effective governance. Trustees will need to be able to demonstrate that they have an effective system of governance within 12 months of its publication	3	1	3	None, until the Single Code of Practice Statement is released which not anticipated until 2021.	Low	←	Richard Bullen	N/A
PEN044	Change to valuation cycle	The Government is consulting on changing the fund valuation cycle. The next valuation will be in 2022 but it is unclear when the next one will follow.		GOVERNANCE	SERVICE FUNCTION	Andy Cunningham	Low	1	3	3	Officers will respond to the consultation stating they are not in favour of such a change	1	3	3		Low	→	Andy Cunningham	N/A
PEN043	Administration disruption and employer cost pressures cause by the Cost Cap review	The cost cap floor has been breached meaning the Scheme rules need to be adjusted.	Administration: Some impact on administration processes and communications - unknown at the moment as the details have not been finalised. Cost: Higher costs for employers	ADMINISTRATION	SERVICE FUNCTION	Andy Cunningham	Medium	2	4	8	None until further information is available. Note: this is unlikely to happen until the McCloud case changes are finalised, as McCloud will already increase costs in itself.	2	4	8	None	Medium	→	Andy Cunningham	N/A
PEN042	Significant retrospective legislation changes related to the McCloud case	An age discrimination case taken to Court by a group of firefighters and Judiciary employees	Increased contribution rates for employers and high levels of administration time and complication.	ADMINISTRATION	BUSINESS PLAN 2021/22 (Objective(s) 31)	Andy Cunningham	High	3	4	12	None - Whilst it now appears almost certain that a change will take place, it is still unclear exactly what the change will be, its magnitude and how the Fund can mitigate it. It is noted that the Valuation results have made no allowance for the consequences of the McCloud case, primarily due to the prudence applied to the investment return expectations of 75%, but also due to the implementation of actuarial guidance.	2	4	8	a) On actuarial guidance it is anticipated that whilst a review will be required the financial impact may be minimal as in most cases the underpin check for a member's benefits will not bite. b) Following the release of the Government's consultation document in July analysis of the Scheme's members who may be affected has been undertaken. Early indications suggest that c27k members from all status types will need to be reviewed, however cases where the underpin bites continues to be considerably less. Supplementary impacts such as the Annual Allowance, transfers & dependent benefits will also need to be considered, as well as changes to the Fund's internal controls to ensure that cases are reviewed as the liability falls due & that those which have been reviewed are marked accordingly.	Medium	→	Andy Cunningham	N/A
PEN039	The Fund's inability to implement the reforms associated with the Good Governance Project	SAB has requested a review of governance structures for the LGPS using a criteria of four possible governance models which might help funds to deliver good governance for their employers and members. A final consultation report is due in July 2019	Poor governance has a reputational risk impact, leading to poor service for Fund stakeholders, a lack of clarity of roles & responsibilities and potential conflicts of interest emerging	GOVERNANCE	BUSINESS PLAN 2021/22 (Objective(s) 6,29,30,31)	Andy Cunningham	Low	2	2	4	Officers have contributed feedback to the consultation exercise in May 2019 and taken part in various discussions. This has helped officers gain an understanding of the likely direction of travel and help ensure the Fund is aligned and prepared (for example by making certain adjustments to the terms of reference).	2	2	4	Officer to introduce a statement of Fund principles, beliefs & precedents.	Low	→	Richard Bullen	N/A

Dynamic Risks																			
PEN057	Failure to implement the Accessibility Regulations	For the Fund to comply with the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018, the Equality Act 2010 & subject to understanding the Web Content Accessibility WCAG 2.1 guidelines which came into full force from September 2020.	Government Digital Service (GDS) monitors public sector bodies' compliance on behalf of the Minister for the Cabinet Office. If GDS decides that a public sector body has failed to publish an accessibility statement, or that the accessibility statement is incorrect, it will publish the name of that body & a copy of the decision. In addition organisations in breach of the Equality Act 2010 and the Disability Discrimination Act 1995 may be liable to investigations, unlawful act notices and court action leading to reputational damage.	GOVERNANCE	BUSINESS PLAN 2021/22 (Objective(s) 1,23,24)	Andy Cunningham	Low	1	1	1	Although not strictly a Pension Fund responsibility, the Administering Authority determined that as the Pension Fund operated a separate URL in respect of the Pension Fund's website it would view it as a separate entity & therefore required the Fund to make its own compliance arrangements. Fund officers have therefore initiated a project team to implement website compliance which will include an independent audit of its website compliance. The Fund's initial accessibility meeting took place on 5th November to scope its strategy.	1	1	1	The key actions agreed on 5th November are;	Low	→	Ashleigh Salter	N/A
PEN055	Failure of the Brunel Pension Partnership to properly address shareholders concerns via the governance review	Governance arrangements set in place at the outset of Brunel are due for review and it is vitally important that Wiltshire and all shareholders are satisfied with the breadth and depth of the review, and the resulting changes.	With the Wiltshire Pension Fund & other stakeholders being required to invest significant sums of money with BPP, robust governance arrangements are vital to ensure that shareholders are able to take assurance over the running of the partnership	GOVERNANCE	BUSINESS PLAN 2021/22 (Objective(s) 14)	Andy Brown	Medium	3	2	6	Brunel's governance review is ongoing. Wiltshire has actively engaged with Brunel, by sending a letter on behalf of Committee members, to make Wiltshire's expectations clear, and also via the Head of Pension Fund Investments' input at a client group level.	4	2	8	Officers will regularly monitor the progress of the governance review and engage at all possible opportunities. Committee members will be kept informed of all developments.	Medium	↓	Andy Brown	N/A

PEN053	Failure to implement Fund's Data Retention Strategy	Poorly implemented strategies agreed by the Board & Committee to ensure that the retention of data is properly executed in respect of both the Fund & Scheme Employers may occur.	A failure to adhere to the strategy could potentially breach GDPR compliance & create service issue in the event of data being inadvertently minimised or deleted.	ADMINISTRATION	SERVICE FUNCTION	Mark Anderson	Low	1	2	2	Heywood (Altair Database manager) to introduce a tool to minimise & delete records. Includes an export function to identify records managed via this process which can be reported on. This can be cross referenced against the membership statistics if required.	1	2	2	Low	←	Mark Anderson	N/A
PEN052	COVID-19	COVID-19 is an infectious global virus which WHO has classed as a pandemic. The UK could be taking similar actions to other countries bad affected by this virus such as China & Italy which will cause significant business continuity issues to the pension fund	In a worst case scenario the Council's officers & service provider offices will be closed making remote working essential but difficult. In addition, it is expected that up to 20% of people will be off sick & needing to self-isolate causing service issues. Consequently issues around staffing, investment returns, employers supplying data, management of employer covenants, support from suppliers & contractors are all likely to be factors in the management of the Fund	GOVERNANCE	SERVICE FUNCTION	Andy Cunningham/ Jenny Devine	Medium	3	2	6	The Council's/Fund's Business Continuity Plan will need to be activated. Regular communication with key services & service providers should be maintained. Fund officers have already taken a series of steps to ensure ongoing service & are giving consideration to the daily government updates & Council policy in the taking of those decisions.	4	4	16	High	↓	Andy Brown/ Andy Cunningham/ Jenny Devine	N/A
PEN047	There is uncertainty around the ability of Brunel to resource its property portfolio offering	It is intended that property assets will transfer to Brunel in late 2020.	If Brunel are not adequately resourced, this could result in the portfolio not being effectively managed, and/or costs being higher than expected.	INVESTMENT PERFORMANCE & RISK	BUSINESS PLAN 2021/22 (Objective(s) 26)	Jennifer Devine	Low	4	1	4	Officers are working with Brunel to ensure that the transition plan is appropriate before proceeding with this transition. Define reporting metrics for the Committee to make a decision.	4	1	4	Low	→	Jennifer Devine	Jun-20
PEN045	GMP legislative changes	The Government has been planning to make a number of changes to way that GMPs work which brings about certain risks. In particular, changes to the indexation approach (which have been repeatedly delayed) and equalisation between males and females.	Both sets of plans could increase scheme costs and cause material amounts of additional administrative work.	ADMINISTRATION	SERVICE FUNCTION	Andy Cunningham	Low	2	2	4	HMRC undertook a consultation in the last quarter of 2020 requesting responses by 30 December 2020. The WPF along with many other organisations responded to that consultation and on publication of the results the Fund will seek guidance from its professional advisers in respect of both its equalisation & indexation responsibilities on the next steps it should take. Results expected by April 2021.	2	2	4	Low	↓	Andy Cunningham	N/A
PEN041	The Fund's inability to implement a strategy to ensure Climate Change considerations are integral to its investment strategy	Climate change is a key environmental risk which could have a material financial impact on the Fund's returns, and as such needs to be considered, managed and monitored as part of the Committee's fiduciary duty, and to protect the investment returns of the Fund.	Failure to embed climate change considerations in the investment strategy could cause a negative impact on investment returns over the long term.	FINANCIAL MARKETS & PRODUCTS	BUSINESS PLAN 2021/22 (Objective(s) 12,20,30)	Jennifer Devine	High	3	4	12	The Committee is engaged in ongoing work to help determine the most appropriate direction of travel, with expert consultancy support. Significant progress has been made so far, but current considerations around amending the investment strategy and implementing changes are still a work in progress. Work is also being done within the Brunel pool to address this risk.	2	4	8	Medium	→	Jennifer Devine	On-going
PEN038	The Fund's inability to implement the DWP's Dashboard within a notified timescale.	Late communication by the DWP to specify their requirements for the Fund to comply with this new nationwide Dashboard. Potential for unexpected implementation costs and/or the Fund being unable to meet the reporting requirements.	Non-compliance would lead to a reputational risk for the Fund. A statutory requirement to contribute may also be created.	ADMINISTRATION	SERVICE FUNCTION	Andy Cunningham	Low	1	2	2	Senior officers to keep themselves apprised of developments and seek more detailed information as the project develops.	1	2	2	Low	→	Mark Anderson	N/A
PEN037	Failure to implement a strategy to address the administration backlogs	Failure to effectively administration the scheme could result in incorrect payments, inefficiencies in the process, failure to meet disclosure timeframes, complaints and inadequate oversight over the fund.	Poor administration resulting in incorrect payments and can lead to reputational risk issues. The mitigation of this risk is contingent on the mitigation of other risks such as PEN034 & PEN036	ADMINISTRATION	BUSINESS PLAN 2021/22 (Objective(s) 9,22,23,27)	Andy Cunningham	Medium	3	3	9	The implementation of PEN034 & PEN036 along with addressing the internal auditors comments in their 2018/19 Key Controls report should mitigate this risk. As part of the 2020/2021 budget, approval for more resource is available to help mitigate this risk although this could take time to use given the impact of COVID-19 on office based working.	3	2	6	Medium	→	Jennie Green	On-going
PEN034	Failure to implement Lean process review	Low KPI performance has been identified, particularly in relation to the disclosure requirements, as a result of inefficient processes and insufficient training and support.	An end to end processing review of all repeatable processes with the key objectives of improving the customer experience and identifying and realising efficiencies. Semi-automated work allocation is required to target key items of casework more quickly	ADMINISTRATION	BUSINESS PLAN 2021/22 (Objective(s) 6,9,11,13,16,23,27)	Andy Cunningham	Medium	3	2	6	The Fund's Project team has started a programme of work over a 2 year timeframe to review repetitive processes within the dept. As at April 2020, revised processes are in place for starters, leavers/refunds, aggregation and child pension reviews. Other processes will be looked at based on priorities with the intention of completing the reviews during 2020/2021.	3	1	3	Low	→	Samantha Wooster	On-going
PEN022	The rectification of records with GMP issues is time-consuming, costly & causes reputational damage.	From 1 April 2016, State Second Pension ceases and HMRC no longer provides GMP data on members to Funds. The Fund is looking to complete the reconciliation during the 2020/2021 year.	If GMP records for members are inaccurate there is the potential for incorrect liabilities being paid by the Fund.	ADMINISTRATION	BUSINESS PLAN 2021/22 (Objective(s) 8)	Andy Cunningham	High	3	4	12	Large project is still ongoing and software from Heywood's is being used to process amendments to Altair on bulk. Progress has been delayed due to the Fund trying to engage with Government to agree on a nationwide approach and in order to undertake further analysis of the problems identified.	2	4	8	Medium	→	Mark Anderson	u/k
PEN021	Ineffective implementation of the Public Sector Exit Cap	The Treasury is consulting on draft regulations to introduce a cap of £95,000 on exit payments in the public sector, in response to concerns about the number of exit payments that exceed or come close to £100,000 and the need to ensure they represent value for money. This will include changes to LGPS regulations. Introduction of exit cap will require an additional burden on the administration team as it is likely to effect all redundancy calculations. Funds are often given little time to implement changes which brings about this risk.	Changes need to be communicated to individuals and employers and systems adapted once the revised regulations have been approved. LGPS Fund's could be in breach of the legislation in they are logistically unable to implement the cost cap mechanism once introduced. Engagement with the relevant public service HR dept's in relation to the implementation of the Exit will be essential.	LEGISLATIVE	SERVICE FUNCTION	Andy Cunningham	Low	2	1	2	The consultation is due to be completed on 9th November. Key risk controls should include; 1) Fund officers should ensure that relevant HR officers understand the implications of the Cap. 2) Review the Compensatory Regulations after they've been re-written and LGPS Regulations too as a priority 3) Ensure Fund officers understand the new regulations & draft proforma to manually calculate options, prior to the delivery of automated calculation routines 4) Consider any TUPE transfer implications 5) Liaise with HR department concerning potential redundancy exercises in 2021 & 6) Undertake a review of Fund's documentation to include disclaimers	2	3	6	Medium	↑	Andy Cunningham	N/A
PEN018	Failure to set in place appropriate Cyber Security measures	Over reliance by Fund is potentially being place on its Administering Authority's IT security arrangements & that of its key software database providers without proper scrutiny/reporting of their security arrangements	Impact is significant concerning the operational effectiveness of the Fund, notably in relation to the data held and the ability to calculate and process member benefits	ADMINISTRATION	BUSINESS PLAN 2021/22 (Objective(s) 23)	Andy Cunningham	Medium	4	2	8	Cyber security reports to be requested on an annual basis from both Wiltshire Council's IT department & the main database manager Heywood's. Further steps will be considered on the receipt of those reports	4	1	4	Low	↑	Andy Cunningham	N/A

Ongoing Risks

PEN048	The transition to pooling of LGPS assets with BPP fails to deliver the projected savings	The Fund needs to pool its LGPS assets with other Funds using the Brunel Pensions Partnership.	Poor implementation could be costly in terms of unanticipated costs and/or savings less than projected.	INVESTMENT PERFORMANCE & RISK	BUSINESS PLAN 2021/22 (Objective(s) 3,4)	Jennifer Devine	High	4	3	12	The Fund is working with Brunel Pension Partnership on pooling arrangements. Progress and updates regularly reported to Committee. The Fund's passive portfolios have been pooled with significant fee savings, but a budget increase is also currently being proposed. The final position is still uncertain.	3	3	9	Medium	→	Jennifer Devine	On-going
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PEN036	Failure to implement a Dashboard of KPIs for regular monitoring	Difficulties in extracting the required data from the workflow section of the administration system. Improve the range of Key Performance Indicators (KPIs) produced for the Committee and Local Pension Board to help provide transparency and clearer oversight & management of administration performance.	Failure to implement a dashboard of comparable benchmarks, will be counter to the Pension Regulator's requirements on factors such as data quality measures	ADMINISTRATION	BUSINESS PLAN 2021/22 (Objective(s) 6,13,16,18)	Andy Cunningham	Low	1	2	2	Officers have implemented a suite of KPIs to be utilised at different levels. Namely, at a Statutory level, for the Committee & the Board, for use between Employers & the Fund & at management level for use at an operational level within the Pension's dept. The introduction of a new PAS document will enhance the flow of KPI information to members. Further work is required to introduce a suite of customer service based KPIs.	1	2	2	Low	↓	Mark Anderson	On-going
PEN033	Failure to manage AVC providers	The Fund is a Data Controller with four AVC providers under management who operate to a system of policies & endorsements rather than service provider contracts. Consequently, there is a risk due to the mismatch between Fund responsibility & control in relation to the assets under management.	Failure of a AVC provider can lead to issues of reputational risk to the Fund, as well as being exposed to adverse governance & financial implications.	ACCOUNTING & AUDITING	BUSINESS PLAN 2021/22 (Objective(s) 6)	Jennifer Devine	Low	2	2	4	A minimum of annual service review reviews have been implemented with all AVC providers, managed by the Investment & Accounting team. The review will cover customer service & investment performance.	2	1	2	None.	→	Jennifer Devine	On-going
PEN028	Failure to introduce new administration software effectively	Implementation of new software including I-connect, payment instruction automation and a new member website. All to be completed during 2021/2022.	Delay in the payment of member benefit, poorer data quality, sub-standard communication arrangements with members & employers & slower delivery times leading to a more costly service	ADMINISTRATION	BUSINESS PLAN 2021/22 (Objective(s) 10,21,23,32,33)	Andy Cunningham	Low	2	2	4	Individual project plan have been prepared for each implementation of software, including their GDPR implications, with individual project issue logs and risk registers. A bespoke Project team has also been established within the pension's dept. who initiate formal handovers to officers on completion of the new implementation. i-Connect, which will have the largest impact, is partially delivered with around a third of active members onboarded.	2	1	2	SQL capability to be developed within team to enhance reporting & verify effective implementation. Nova Sail will also be introduced to leverage & optimise the software capability employed by the Fund.	→	Samantha Wooster	On-going
PEN025	Further academisation of Schools, the possibility of MAT breakups and cross fund movements.	Potential for further schools to convert to academy status, MATs to breakdown	Additional governance and administration risk. If all schools were to convert then the number of employers in the Fund could jump from 180 to between 400 and 500.	GOVERNANCE	SERVICE FUNCTION	Andy Cunningham	Low	2	2	4	Regular communications with schools to understand their intentions. Revised cessation policy aims to address some of the risks relating to MAT breakups.	2	2	4	The Fund is monitoring the SAB review of academies roles in the LGPS and will take actions (e.g. respond to consultations) as necessary to try to mitigate this risk further.	→	Andy Cunningham	N/A
PEN024	The implementation of Brexit causes investment volatility or unexpected legislative changes	With 31 st December approaching the UK & EU's trading agreement is still uncertain	The arrangements by which the UK leaves the EU may produce short term volatile market movements which could impact on asset performance.	FINANCIAL MARKETS & PRODUCTS	SERVICE FUNCTION	Jennifer Devine	Low	3	1	3	The Fund had liaised with its investment managers on the potential impact of an exit. Since that decision the Fund has undertaken a valuation & in parallel reset its investment strategy. The dominant factors of the investment strategy continue to be the traditional funding of liabilities to pay its pensions, climate change & a possible global recession.	3	1	3	The markets appear to have now factored in the Brexit effect.	↓	Jennifer Devine	On-going
PEN017a	A lack of knowledge and expertise on the Pension Fund Committee	Lack of structured training and continuous self assessment of skills gap to ensure knowledge levels are adequate to carry out roles to the best of their ability	Bad decisions made may be made in relation to any of the areas on this register, but particularly in relation to investments. There is also a requirement for Funds to 'Comply or Explain' within their Annual Report on the skills knowledge of members of the Committee	GOVERNANCE	BUSINESS PLAN 2021/22 (Objective(s) 17,25)	Andy Cunningham	Medium	2	3	6	Members are given Induction Training when they join the Committee, as well as subsequent opportunities to attend courses/seminars and specialist training at Committee ahead of key decisions. There is a Members' Training Plan and Governance Policy. Further training and advice can be called on from our consultants, independent advisors and investment managers too.	2	1	2	The results of the knowledge assessment was presented to 12 Dec 2018 Committee and 24 January 2019 Local Pension Board. Overall, their level of knowledge was deemed good but there were areas of improvement identified that Officers will consider when looking at future training plans. Pensions is a complex subject, so the training needs of the Committee will need to be continued reviewed. Generally both Committee & Board members are taking a more active approach to training and requesting structured training in key areas	→	Richard Bullen	On-going
PEN017b	A lack of Committee Member compliance with all regulations	Lack of Member willingness or awareness to be compliant with new regulations as they come into force leading to breaches of legislation and reportable offences	Over reliance on officers & advisers to ensure compliance leading to a lack of oversight challenge	GOVERNANCE	BUSINESS PLAN 2021/22 (Objective(s) 25,31)	Andy Cunningham	Medium	2	3	6	Member attendance at conferences & seminars enables independent information sources. Update of the Look forward plan including the introduction of an annual audit plan to ensure the fund's compliance requirements are implemented & the results of the audit reported to Committee	2	1	2	None	→	Richard Bullen	On-going
PEN016	A lack of effectiveness in respect of the Fund's Treasury Management Services	The Fund's treasury function is now segregated from Wiltshire Council. This includes the investment of surplus cash in money markets.	Exposure to counterparty risk with cash held with external deposit holders could impact of Funding level of the Fund	INVESTMENT PERFORMANCE & RISK	BUSINESS PLAN 2021/22 (Objective(s) 6,13)	Jennifer Devine	Low	3	1	3	The Pension Fund will review an updated Treasury Management Strategy annually which follows the same criteria adopted by Wiltshire Council but limits individual investments with a single counterparty to £6m. The Fund will also review in Treasury Management Agreement with the Council in 2019.	2	1	2	The Council uses Sector's credit worthiness service using ratings from three rating agencies to provide a score. Surplus cash is transferred to the Custodian at month end ensuring cash balances are minimal. A minimum of annual updates by the Council need to be presented to the ISC	→	Jennifer Devine	N/A
PEN015	Failure to collect payments from ceasing employers	When an employer no longer has any active members a cessation valuation is triggered and a payment is required if a funding deficit exists to meet future liabilities. The impact of COVID-19 on financial markets means the likelihood is currently increased.	Failure to collect cessation payments means the cost of funding future liabilities will fall against the Wiltshire Pension Fund	ACTUARIAL METHOD	SERVICE FUNCTION	Andy Cunningham	Low	2	2	4	The Pension Fund Committee approved a revised cessation policy on 26 March 2020 to address regulatory changes made in March 2020 (backdated to May 2018). Furthermore, all new admitted bodies require a guarantor to join the Fund which means that a stable Scheme Employer is required to act as the ultimate guarantor. Due to the current impact on COVID-19 situation on investment returns, we are currently encouraging employers to delay cessation crystallisation events where possible to avoid crystallise a large deficit.	2	1	2	A new employer cessation policy was approved in March 2020, however since then further guidance has been published nationally setting out Fund discretionary payment plans already introduced by Wiltshire. It should be noted that whatever determination the Fund makes there is a risk it will be open to challenge. In summary the Fund needs to amend our FSS & consider how this should work best and communicate out to employers accordingly. Furthermore, with regards to the spreading of exit payments & deferred debt agreements officers need to consider what changes to the existing cessation policy (sections 7 and 9) are needed for the Fund to be compliant	↓	Andy Cunningham	On-going
PEN013	Failure to communicate properly with stakeholders	Lack of clear communications policy and action, particularly with employers and scheme members.	Scheme Members are not aware of the rights and privileges of being in the scheme and may make bad decisions as a result. Employers are not aware of the regulations, the procedures, etc, and so the data flow from them is poor.	GOVERNANCE	BUSINESS PLAN 2021/22 (Objective(s) 24,29)	Andy Cunningham	Low	2	2	4	The Fund has a Communications Manager and Employer Relationship Manager posts dedicated to these areas full-time, including keeping the website up-to-date, which is a key communications resource. The Fund also has a Communications Policy.	2	1	2	None	→	Denise Robinson/ Samantha Wooster	N/A
PEN012	Over-reliance on key officers	The specialist nature of the work means that there are inevitably relatively experts in investments and the local authority pension regulations	If someone leaves or becomes ill, a large knowledge gap could be left behind.	GOVERNANCE	SERVICE FUNCTION	Andy Cunningham	Low	3	1	3	Key people in the team are seeking to transfer specialist knowledge to colleagues by documenting procedures and notes. In the event of a knowledge gap, however, we can call on our external consultants and independent advisors for help in the short-term.	2	1	2	None - the risk will reduce once the existing team increases its level of knowledge and experience through greater time in their roles. A knowledge hub is being developed within the Fund and the LGA may create a practitioners bible which would work as a reference document for officers. Following the Accounting & Investment team restructure a key person risk has emerged in relation to supporting the Head of Pension Fund Investments.	↓	Andy Cunningham/ Jennifer Devine	18/07/19
PEN011	Lack of expertise of Pension Fund Officers and Service Director, Finance	Lack of training, continuous professional development and continuous self assessment of skills gap to ensure knowledge levels are adequate to carry out roles to the best of their ability. Resourcing issues due to holding a vacancy in a key role in the investments team.	Bad decisions may be made in relation to any of the areas on this register, but particularly in relation to investments. Risk of being unable to fulfil statutory obligations and/or maintain key financial controls.	GOVERNANCE	BUSINESS PLAN 2021/22 (Objective(s) 17,19)	Andy Cunningham/ Jennifer Devine	Low	3	1	3	Officers ensure that they are trained and up-to-date in the key areas through attendance at relevant courses and seminars, reading, discussions with consultants and peers, etc. Formulated annual Training Plans relevant to officers are also reviewed against the CIPFA Knowledge & Skills Framework to ensure adequate expertise exists. A Fund knowledge hub is being developed.	2	3	6	The Director of Finance & Procurement is now filled on a permanent basis and other senior officer roles in the Pension Fund are now filled by permanent staff for a significant period of time. Officer training to be enhanced to assist knowledge & understanding.	↓	Andy Cunningham/ Jennifer Devine/ Corporate Directors	On-going
PEN010	Failure to keep pension records up-to-date and accurate	Poor or non-existent notification to us by employers and members of new starters, changes, leavers, etc. Early indications suggest the likelihood is increased due to the impacts of COVID-19 on employers and Fund officers.	Incorrect records held, leading to incorrect estimates being issues to members and incorrect pensions potentially being paid.	GOVERNANCE	BUSINESS PLAN 2021/22 (Objective(s) 6,7,8,9)	Andy Cunningham	Medium	3	3	9	Data & systems Team constantly working to improve data quality, data validation checks carried out through external partners (e.g. the Fund's actuaries and tracing agencies), proactive checks done through national fraud initiative and the Fund's Data Improvement Plan.	3	1	3	The Fund is currently addressing new data issues identified by a review of the tPR two key data standards and other data reviews while ensuring data is of high quality is an on-going responsibility.	→	Mark Anderson	On-going

PEN009	Failure to comply with Data Protection Legislation (GDPR & Data Protection Act 2018)	Poor procedures for data transfer to partner organisations, poor security of system, poor data retention, disposal, backup and recovery policies and procedures.	Poor data, lost or compromised, fines from the Information Commissioner, reputational risk of failure to meet Data Protection legislation.	LEGISLATIVE	SERVICE FUNCTION	Andy Cunningham	Low	2	2	4	Compliance with Wiltshire Council's Data Protection & IT Policies. Annual Data Protection training given to the team. On-going cleansing of data undertaken by Systems Team. The Fund has produced a new suite of procedures and controls following the introduction of GDPR.	2	1	2	Further reviews and changes in relation to the GDPR. First internal audit (Key Controls - April 2019) identified a lack of clarity in relation to the Fund's Data Retention strategy, where no justification for retaining personal data can be made, notably Exit No-liability records. Data Cleaning must be carried out. Officers to agree with IG Data Cleaning approach. The 2nd internal audit identified the need for improvements to the Fund's DPIA arrangements.	Low	↓	Mark Anderson	On-going
PEN008	Failure to comply with LGPS and other regulations	Lack of technical expertise / staff resources to research regulations, IT systems not kept up-to-date with legislation, etc	Wrong pension payments made or estimates given. Investment in disallowed investment vehicles or failure to comply with governance standards. Effect: Unhappy customers, tribunals, Ombudsman rulings, fines, adverse audit reports, etc	ADMINISTRATION	BUSINESS PLAN 2021/22 (Objective(s) 5,6,7,8,9,10,12,13,24,31)	Andy Cunningham	Low	2	2	4	*Sufficient staffing, training and regulatory updates. *Competent software provider and external consultants. *Technical & Compliance post reviews process and procedures and maintains training programme for the team. *KPIs against statutory standards *Imbedding checks and controls into all processes. *Audits & internal reviews to maintain best practice	2	2	4	Review of ABS requirements to ensure on-line delivery is compliant with disclosure requirements	Low	→	Luke Webster/ Jennie Green	N/A
PEN007b	Significant rises in employer contributions for non-secure employers due to poor/negative investment returns	Poor economic conditions, wrong investment strategy, poor selection of investment managers, poor consideration of all financial & non-financial risks including ESG issues.	Poor/negative investment returns, leading to increased employer contribution rates	FINANCIAL MARKETS & PRODUCTS	BUSINESS PLAN 2021/22 (Objective(s) 15)	Jennifer Devine	Low	2	2	4	Use of expert consultants in the selection of investment strategy and investment managers, regular monitoring of investment managers (1/4ly), regular reviews of investment strategy (annually). Monthly review of % of Fund held in each mandate. Also a flight path strategy implemented to take off risk as funding levels improve. Fund member of LAPFF & uses PIRC to proxy vote on shares in line with agreed policy for ESG issues. Compliance with Stewardship code.	2	2	4	A risk based framework is now in place to review employers long term financial stability. This informs the policy for stepping in contribution rates to assist in affordability issues where requested by an employer. It will be continuously reviewed, as part of the updating of the Investment Strategy Statement. Query over covenant reviews following expiry of PWC contract.	Low	→	Jennifer Devine	On-going
PEN007a	Significant rises in employer contributions for secure employers due to poor/negative investment returns	Poor economic conditions, wrong investment strategy, poor selection of investment managers, poor consideration of all financial & non-financial risks including ESG issues.	Poor/negative investment returns, leading to increased employer contribution rates	INVESTMENT PERFORMANCE & RISK	SERVICE FUNCTION	Jennifer Devine	Low	2	1	2	Use of expert consultants in the selection of investment strategy and investment managers, regular monitoring of investment managers (1/4ly), regular reviews of investment strategy (annually). Monthly review of % of Fund held in each mandate. Also a flight path strategy implemented to take off risk as funding levels improve. Fund member of LAPFF & uses PIRC to proxy vote on shares in line with agreed policy for ESG issues. Compliance with Stewardship code.	2	1	2	The implementation of the Stabilisation Policy limits increases for secure employers.	Low	→	Jennifer Devine	On-going
PEN006b	Significant rises in employer contributions for non-secure employers due to increases in liabilities	Scheme liabilities increase disproportionately as a result of increased longevity, falling bond yields, slack employer policies, etc. The current price of gilts lead to a worsening Funding Position.	Employer contribution rates become unacceptable, causing upward pressure on Council Tax and employers' costs.	ACTUARIAL METHOD	SERVICE FUNCTION	Andy Cunningham	Low	2	2	4	As above	2	2	4	As above	Low	→	Andy Cunningham	On-going
PEN006a	Significant rises in employer contributions for secure employers due to increases in liabilities	Scheme liabilities increase disproportionately as a result of increased longevity, falling bond yields, slack employer policies, etc. The current price of gilts lead to a worsening Funding Position.	Employer contribution rates become unacceptable, causing upward pressure on Council Tax and employers' costs.	ACTUARIAL METHOD	SERVICE FUNCTION	Andy Cunningham	Low	2	2	4	Longevity and bond yields are generally beyond the control of the Fund as are the values of the liabilities in general. However, the Fund has started the 2019 Triennial Valuation process and it is concurrently reviewing its investment strategy and implementing separate employer investment strategies. Furthermore, the Fund and each employer must have a Discretions Policy in place to help control discretionary costs (e.g. early retirements, augmented service, etc).	2	2	4	None	Low	→	Andy Cunningham	On-going
PEN005	Loss of funds through fraud or misappropriation	Fraud or misappropriation of funds by an employer, agent or contractor	Financial loss to the Fund	ACCOUNTING & AUDITING	SERVICE FUNCTION	Jennifer Devine	Low	4	1	4	Internal and External Audit regularly test that appropriate controls are in place and working. Regulatory control reports from investment managers, custodian, etc, are also reviewed by audit. Due Diligence is carried out whenever a new manager is appointed. Reliance is also placed in Financial Services Authority registration.	4	1	4	Officers completed an Anti-Money Laundering questionnaire issued by Deloitte's & returned to the Accountancy firm in January 2020. The responses will form part of the Auditor's audit strategy.	Low	→	Jennifer Devine	On-going
PEN002	Failure to collect and account for contributions from employers and employees on time	Non-availability of SAP systems, key staff, error, omission, failure of employers' financial systems, failure to communicate with employers effectively. LGPS 2014	Adverse audit opinion for failure to collect contributions by 19th of month, potential delays to employers' FRS17 year-end accounting reports and to the Fund's own year-end accounts.	ACCOUNTING & AUDITING	BUSINESS PLAN 2021/22 (Objective(s) 2,6,7)	Jennifer Devine	Medium	3	2	6	Robust maintenance and update of Altair and SAP systems, sufficient staff cover arrangements, sufficient staff training and QA checking of work. Officers regularly work with employers to ensure they understand their responsibilities to pay by 19th of the month. The Breaches framework now require the Fund to log material late payments.	2	2	4	The 2020 SWAP internal audit report highlighted a Priority 2 risk requesting officers ensure that a review of the member contribution processes raised in their report are undertaken promptly & to future-proof those processes to ensure appropriate efficiencies are made	Low	↑	Jennifer Devine	On-going

LOCAL PENSION BOARD - WORK PLAN 2021-22

Meeting:	LPB Term of Reference item	Description of scope as defined by the LPB ToR	20/05/21	24/08/21	11/11/21	17/02/22	No expected review in 2021/22	May-22	Guidance comments
GOVERNANCE - Board Specific									Comments
Election of Vice Chair	42	Appointments made as defined in the Board's Term of Reference				✓			Annual appointment between Member & Employer Reps. Member reps to be appointed in odd years
Board Annual Report	85	Recommendation under the legislation	✓					✓	Draft submission to the Board for there approval
Board Budget setting	78	Review & recommend to the Committee the budgetary requirements for the Board during the next Scheme year				✓			Review in conjunction with the Look Forward plan in order to anticipate future costs
Review Board's Terms of Reference (if and as required)	81g	Provide advice and make recommendations when required to the Committee on areas that may improve the effectiveness and efficient operation and governance of the Fund.				✓			This review should be in conjunction with the Committee & ISC's ToR review to ensure continuity. Lasted reviewed in July 2020 and a 3 year cycle may be viewed as good governance
Board Annual Training Plan Update (To include Member training policy)	80i	Review arrangements for training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme.			✓				To be completed each Scheme year for subsequent inclusion in the Board's Annual Report & the Fund's AR&A. Officer training strategy attached too.
Member Training review	80i	Review arrangements for training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme.		✓		✓			To receive a six monthly update of both Committee and Board member training
Training Item relevant to agenda	80i	Review arrangements for training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme.	✓	✓	✓	✓		✓	To be consistent with Member's training & development strategy
Code of Conduct & Conflicts of Interest Policy	80d	Review such documentation as is required by the Regulations including the Single Code of Practice and Good Governance Review			✓				3 year plan last approved on 15/10/2020. Annual reviews should be undertaken by Democratic Services in each Q4
Effectiveness review	81g	Provide advice and make recommendations when required to the Committee on areas that may improve the effectiveness and efficient operation and governance of the Fund.			✓				3 year plan last raised with the Board on 12/12/2018. The LPB should also compare itself against its own core functions as set out in its ToR. Last completed on 24/01/2019
Review Actions from previous meetings	n/a	Maintained by officers to enable Members manage their responsibilities	✓	✓	✓	✓		✓	Address primarily during pre-meeting planning meeting

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Forward Work Plan Review	87	Maintained by officers to enable Members manage their responsibilities	✓	✓	✓	✓		✓	Officers to update the next Scheme year's plan in time for the new Scheme year. Annual reviews to therefore be undertaken in Q1
GOVERNANCE - Fund Specific									
Review of Risk Register	81e	Review the risk register as it relates to the scheme manager function of the Administering Authority	✓	✓	✓	✓		✓	Quarterly review. Recommendations are made to the Committee, via LPB minutes
Fund update & comments on minutes of PC & ISC	80a	Review regular compliance monitoring reports which shall include reports to and decisions made under the Regulations by the Committee.	✓	✓	✓	✓		✓	Amongst other purposes Members should use the minutes to identify risks which can be added to the register
Review Governance Compliance Statement	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.			✓				4 year plan last approved on 30/03/2021.
Review Fund Training Programme	80i	Review arrangements for training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme.			✓				Complete 3 year training plan last approved on 12/12/2018. Annual reviews undertaken in Q4 each year.
Review all Fund Declarations of Interest	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.			✓				2 year plan last approved on 12/12/2020. Annual reviews should be undertaken by Democratic Services in each Q4
TP Code of Practice 14/record keeping compliance survey results	80b	Review management, administrative and governance processes and procedures in order to ensure they remain compliant with the Regulations, Relevant Legislation and in particular the Code.	✓					✓	Annual exercise of Self-assessment by officers & review by Members. Every other year the self-assessment will be independently audited
Review fund delegations and internal controls. Include the Fund's escalation policy	80b	Review management, administrative and governance processes and procedures in order to ensure they remain compliant with the Regulations, Relevant Legislation and in particular the Code.				✓			3 year plan last raised with the Board on 11/10/2018 (Note: To include changes arising from the new Single Code of Practice and SAB Good Governance Review)
Scheme Legal, Regulatory & Fund update	n/a	A summary for Board members the latest legal, regulatory and Fund issues affecting the Pension Fund	✓	✓	✓	✓		✓	Quarterly update by the Head of Pensions
Review external advisor appointments process/controls and internal SLAs	81b	Review the effectiveness of processes for the appointment of advisors and suppliers to the Administering Authority.		✓					Committee requested Board annually review advisors & services providers. Plus the Procurement framework by which it is done
Monitor Internal Audit Report	81d	Monitor internal and external audit reports			✓				Audit recommendations actioned
Monitor External Audit Report	81d	Monitor internal and external audit reports			✓				Audit recommendations actioned
Input to Annual External Audit Plan	n/a	Recommend to Committee the audit scope & timetable to be commissioned in the next Scheme year			✓				Committee to liaise with the Audit Committee concerning the scope of Deloitte's audit
Input to Annual Internal Audit Plan	n/a	Recommend to Committee the audit scope & timetable to be commissioned in the next Scheme year			✓				Committee to liaise with the Audit Committee concerning the scope of SWAP's audit

GOVERNANCE - Fund Plans, policies & strategies									Comments
Review Business Plan	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.				✓			3 year plan last approved on 24/03/2019 Interim review 30/03/2021
Review Pension Administration Strategy	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.					Not expected	✓	3 year plan last approved on 17/12/2019
Review Communication strategy	80e	Review scheme members and employers communications as required by the Regulations and Relevant Legislation					Not expected	✓	3 year plan last approved on 17/12/2019. E-communication strategy update
Review Data Improvement Plan	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.		✓					3 year plan last approved on 24/03/2019. To include a Data Retention Strategy update
Review Admin Charging Policy	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.				✓			2 year plan last approved on 17/12/2019
Review Admin Authority Discretions	80j	Review the complete and proper exercise of employer and administering authority discretions					Not expected		3 year plan last approved in 30/03/2021
Review Cessations policy	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.					Not expected		3 year plan last approved in 17/12/2020
Review Funding Strategy Statement	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.					Not expected	✓	3 year plan last approved on 17/12/2019. Next Fund Valuation 31/03/2022
Review Compliance with FRC stewardship code (FRC replaced by the Audit, Reporting and Governance Authority (ARGA))	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.		✓					Annually - Consider TCFD requirements as part of the process
Review Investment Strategy Statement	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.				✓			3 year plan last approved on 30/03/2021 (Ensure inclusion of MiFID II arrangements)
Review Fund "Responsible Investment Strategy"	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.				✓			To be reviewed in conjunction with the Investment Strategy Statement. To cover Climate Change Statement.
Review the Fund's Annual Report & Accounts	80l	Review draft accounts and Fund annual Report		✓					To ensure CIPFA compliance requirements have been applied
Review Internal Audit Reports	80k	Review the outcome of internal and external audit reports			✓				Three Reports in 2021/22 - Report 1 covers Pension Transfers and Brunel Cost Savings; Report 2 covers Key Financial Controls, GDPR & System and Security Access Controls; Report 3 covers Accessibility Regulations

Review External Audit Report	80k	Review the outcome of internal and external audit reports			✓				Published by 1st December. Recommendations to feed into the commissioning of the 2022/23 audit plan
Employer Admissions Policy	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.					Not expected		3 year plan last approved in 16/07/2020
Employer Training Policy	80d	Review such documentation as is required by the Regulations including the Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.					Not expected		3 year plan last approved in 06/08/2020
ADMINISTRATION									Comments
Review employers compliance (data)	80c	Review the compliance of scheme employers with their duties under the Regulations and Relevant Legislation			✓				Incorporate with ABS review process & update on Fund's Data Improvement Plan.
Review Fund fraud prevention and mitigation measures	80b	Review management, administrative and governance processes and procedures in order to ensure they remain compliant with the Regulations, Relevant Legislation and in particular the Code.					Not expected		Completed every 2 years and will be an update of the Fund's NFI & Certificate of Existence exercises. Last reviewed April 2020. To include Whistleblowing policy in 2022
Review Fund website contents/resilience	80b	Review management, administrative and governance processes and procedures in order to ensure they remain compliant with the Regulations, Relevant Legislation and in particular the Code.		✓					To also cover Cyber Security reporting on an annual basis. Cyber security last reviewed 06/08/2020
Review an annual report of an complaint & IDPR cases, including a review of the Fund's procedures	80f, 80g & 80h	Monitor complaints and performance on the administration and governance of the scheme & review the Internal Dispute Resolution Process & Pensions Ombudsman cases	✓					✓	Covered in Low Volume Performance Report. To consider the appointment of adjudicators by each Employer
Review Fund Communications (employers/members)	80e	Review scheme members and employers communications as required by the Regulations and Relevant Legislation		✓					To provide templates of key Fund documentation & evidence its compliance
Review of Data Security & Business Recovery	80b	Review management, administrative and governance processes and procedures in order to ensure they remain compliant with the Regulations, Relevant Legislation and in particular the Code.		✓					Report set out the arrangements in place & when they were last tested
Review GMP Rectification	81a	Monitor performance of administration, governance and investments against key performance targets and indicators	✓	✓	✓	✓		✓	Regular update concerning SAP & Altair database reconciliation. To consider migration to new payroll system.
Board KPIs to monitor	81a	Monitor performance of administration, governance and investments against key performance targets and indicators	✓	✓	✓	✓		✓	Quarterly Administration performance reporting
Benchmark KPIs in Annual Report & Accounts information with other Funds	80f	Monitor complaints and performance on the administration and governance of the scheme				✓			Annual Report & Accounts must be disclosed each 1st December
Review of Annual Benefit Statement process	81a	Monitor performance of administration, governance and investments against key performance targets and indicators			✓				Percentage issued, action plan to issue outstanding ABSs & process improvement review
FUNDING & INVESTMENTS									Comments

Review Triennial Valuation Process	n/a	Consider how the whole valuation exercise was executed & what recommendations may be made to improve the process next time					Not expected		Next valuation currently due 31/03/2022
Review Triennial Valuation Results	81f	Review the outcome of actuarial reporting and valuations					Not expected		Verify that the FSS, ISS & Valuation results are consistent
Brunel Governance review	81g	Provide advice and make recommendations when required to the Committee on areas that may improve the effectiveness and efficient operation and governance of the Fund.	✓						To receive an annual update after Brunel AGM
Pension Fund budget outturn	81c	Monitor investment costs including custodian and transaction costs.	✓					✓	To receive a monitoring update on the Fund's actual expenditure against its budget for the previous Scheme Year
Treasury Management Strategy	81c	Monitor investment costs including custodian and transaction costs.	✓					✓	Annual review, including cashflow forecasting and preferred bank account maintenance
Cost transparency of BPP, Managers & the Custodian	81c	Monitor investment costs including custodian and transaction costs.				✓			To be presented in conjunction final Annual Report & Accounts
Review Investment performance against Fund's benchmarking criteria	81a	Monitor performance of administration, governance and investments against key performance targets and indicators				✓			To be presented in conjunction final Annual Report & Accounts

Total number of Agenda Items:	14	16	22	20	16
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