

WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD
18 October 2017

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). The Risk Register was considered by the Pension Committee at its meeting on 27 September 2017.

Background

2. The Committee approved a Risk Register for the Wiltshire Pension Fund at its meeting on 12 May 2009. Members requested that the highlights, particularly upward/downward movements in individual risks, be reported back to the Committee on a quarterly basis.

Key Considerations for the Committee / Risk Assessment

3. The significance of risks is measured by 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).
4. There are two risks increasing since the last report in June 2017.
5. **PEN009: Failure to Hold Personal Data Securely:** This has risen from green to amber to reflect the increasing importance of prioritising resources to ensure the required changes to processes and documentation are implemented ahead of the new General Data Protection Regulations (GDPR) Act that come into force in May 2018. The Fund is currently one of several working together nationally to review the implications of the new act and to knowledge share solutions and approaches. The Fund is also working with Wiltshire Council's corporate project team to ensure they are updated of progress. Failure to meet the GDPR requirements could lead to significant fines along with the associated reputational risk. A review of the project plan is being undertaken to assess the key risks and resource implications for the Fund.
6. **PEN023: Resources of Officers and Members to Meet the Expansion of Business Items:** This has risen from amber to red with the resignation of the Head of Pensions who leaves at the end of November following this month's departure of the Strategic Pension Manager. This means in the short term, resource and knowledge to support the Committees and Board will be limited. Officers are considering both short and long term options to mitigate this risk as outlined below.
7. The current staffing levels mean that **PEN011: Lack of expertise of Pension Fund Officers**, **PEN012: Over-reliance on key officers** and **PEN020: Pooling of LGPS assets** all remain red risks. The pension team structure was already being reviewed to consider realignment of cover to take account of changes to roles arising from the Brunel Pension Partnership. This is now being finalised, with the intention to commence recruitment to the senior management roles shortly. As an interim measure, Hymans Robertson will continue to provide additional support to the Fund. A further verbal will be provided to the Board at this meeting.

8. Work continues to mitigate where possible the risks above along with the other remaining medium risks highlighted on the risk register.

Financial Implications

9. There is a potential increase in staff costs as a result of any staffing review that will be funded from the Wiltshire Pension Fund administration budget.

Legal Implications

10. There are no known implications from the proposals.

Environmental Impacts of the Proposals

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

Safeguarding Considerations/Public Health Implications/Equalities Impact

12. There are no known implications at this time.

Proposals

13. The Board is asked to note the attached Risk Register and measures being taken to mitigate risks.

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Treasurer to the Pension Fund

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