

## AGENDA

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**Meeting:** Wiltshire Pension Fund Committee  
**Place:** Committee Room A - Council Offices, Monkton Park,  
Chippenham SN15 1ER  
**Date:** Thursday 6 December 2012  
**Time:** 10.30 am

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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](mailto:kieran.elliott@wiltshire.gov.uk)

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

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### Membership:

#### Wiltshire Council Members:

Cllr Tony Deane (Chairman)  
Cllr Charles Howard (Vice Chairman)  
Cllr Mark Packard  
Cllr Sheila Parker  
Cllr Fleur de Rhé-Philippe

#### Substitute Members

Cllr John Brady  
Cllr David Jenkins  
Cllr Helen Osborn  
Cllr Jeff Osborn  
Cllr Roy While

#### Swindon Borough Council Members

Cllr Brian Ford  
Cllr Des Moffatt

#### Substitute Members

Cllr Mark Edwards

#### Employer Body Representatives

Mrs Lynda Croft  
Mr Tim Jackson

#### Observers

Mr Tony Gravier  
Mr Mike Pankiewicz

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## PART I

### Items to be considered when the meeting is open to the public

1 **Membership**

To note any changes to membership of the Committee.

2 **Attendance of Non-Members of the Committee**

To note the attendance of any non-members of the Committee at the meeting.

3 **Apologies for Absence**

To receive any apologies or substitutions for the meeting.

4 **Minutes of the Previous Meeting** (*Pages 1 - 6*)

To confirm the minutes of the meeting held on **14 September 2012**.

5 **Chairman's Announcements**

To receive any announcements through the Chair.

6 **Declarations of Interest**

To receive any declarations of disclosable interests or dispensations granted by the Standards Committee.

7 **Public Participation and Councillors' Questions**

The Council welcomes contributions from members of the public.

#### Statements

If you would like to make a statement at this meeting on any item on this agenda, please register to do so **at least 10 minutes prior to the meeting**. Up to 3 speakers are permitted to speak for up to 3 minutes each on any agenda item. Please contact the officer named above for any further clarification.

#### Questions

To receive any questions from members of the public or members of the Council received in accordance with the constitution. Those wishing to ask questions are required to give notice of any such questions, **no later than 5pm on 29 November 2012**. Please contact the officer named on the first page 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 Committee members prior to the meeting and made available at the meeting and on the Council's website.

8 **LGPS Reforms Update**

A verbal update from the Head of Pensions on the latest position of the 2014 LGPS reforms for Members' information.

9 **Pension Fund Risk Register (Pages 7 - 12)**

An update from the Service Director, Finance on the Wiltshire Pension Fund Risk Register is circulated for Members to note.

10 **CIPFA Business Services Update**

A verbal update by Robert Summers (CIPFA Business Services) on current activities and the latest developments / issues within the LGPS sector for Members information.

11 **Date of Next Meeting**

To note that the next regular meeting of the Committee will be held on **Wednesday 27 February 2012 at The Longleat Room, New County Hall, Trowbridge, BA14 8JN.**

12 **Urgent Items**

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.

13 **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 Agenda Item Numbers **14 - 17** 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.

*Paragraph 1: Information relating to any individual.*

*Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information).*

## **PART II**

### **Items during consideration of which it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed**

14 **CIPFA Pension Administration Benchmarking Club Report (Pages 13 - 38)**

To note a confidential report reviewing the Fund's performance compared to the other members of the CIPFA Pension Administration Benchmarking Club.

15 **Investments Quarterly Progress Report (Pages 39 - 74)**

Two confidential reports are circulated updating the Committee on the performance of the Fund's investments for the quarter.

16 **Berenberg: Update on Implementation of Dynamic Currency Hedging Programme and Plans for the Future**

A confidential report from Berenberg bank is attached and Members are asked to consider this along with the verbal report at the meeting.

17 **CBRE: Review of 2011-12 and Plans for the Future**

A confidential Annual Report from CBRE is attached and Members are asked to consider this along with the verbal report at the meeting.

## **WILTSHIRE PENSION FUND COMMITTEE**

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**DRAFT MINUTES OF THE WILTSHIRE PENSION FUND COMMITTEE MEETING HELD ON 14 SEPTEMBER 2012 AT THE PRATCHETT ROOM - COUNTY HALL, TROWBRIDGE BA14 8JN.**

**Present:**

Cllr Tony Deane (Chairman), Cllr Brian Ford, Cllr Charles Howard (Vice Chairman), Mr Tim Jackson (Associate Member), Cllr Des Moffatt, Cllr Mark Packard, Mr Mike Pankiewicz, Cllr Sheila Parker and Cllr Fleur de Rhe-Philippe

**Also Present:**

Cllr John Brady, Mr Jim Edney and Joanne Holden

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94 **Membership**

There were no changes to Membership of the Committee

95 **Attendance of Non-Members of the Committee**

None.

96 **Apologies**

Apologies were received from Mrs Lynda Croft.

97 **Minutes of the Previous Meeting**

**Resolved:**

**To confirm and sign as a correct record the minutes of the Committee meeting held on 25 July 2012.**

98 **Chairman's Announcements**

The Chairman reported that arrangements were being made for a Training Day for Members of this Committee to be held on either 16 or 23 October 2012, the subjects being Investment Management and the Role of the Regulator. Further

details would be sent to all Members of the Committee shortly and he hoped that all Members would be able to attend.

99 **Declarations of Interest**

There were no declarations of interest.

100 **Public Participation and Councillors' Questions**

There were no members of the public present or councillors' questions.

101 **Pension Fund Risk Register**

The Committee received a report by the Service Director, Finance which provided an update in changes to the Fund's Risk Register.

It was noted that Risk PEN012: Over-reliance on key officers had now reduced from red to green to reflect the implementation of the Pension Team restructure.

**Resolved:**

**To note the update of the Risk Register and measures being taken to mitigate the current high and medium risks.**

102 **Budget Monitoring 2012-13 Report**

Consideration was given to a report by the Service Director, Finance about the current budget monitoring position for the Wiltshire Pension Fund for the year based on the latest position.

**Resolved:**

**To note the current position.**

103 **Officers Training Update**

The Committee received a report by the Service Director, Finance which gave an update on the training plans being implemented for Officers as part of the CIPFA Knowledge & Skills Framework (KSF).

**Resolved:**

**To note the on-going activities in relation to Officers' training.**

104 **External Audit Report**

The Committee received the draft Final Audit Report for the Wiltshire Pension Fund prepared by KPMG, the Council's external auditor, which was presented by Ms Gemma Broom assisted by Ms Megan Lumsdaine.

Ms Broom explained that there were no matters that would cause KPMG to delay issuing their certificate of completion of the audit and it was anticipated that an unqualified audit opinion on the financial statements within the Authority's report would be issued by 30 September 2012. KPMG also anticipated that an unqualified opinion on the Annual Report would be issued by 1 December 2012.

Members of the Committee thanked Ms Broom for her report and also the Officers for achieving such a satisfactory external audit.

**Resolved:**

**To note the contents of KPMG's draft Final Audit on the 2011-12 Annual Report for the Wiltshire Pension Fund.**

105 **Internal Audit Report Update**

Consideration was given to a report by the Service Director, Finance which provided an update on actions undertaken since the Internal Auditors' Report to the Wiltshire Pension Fund from their 2011/12 audit which was presented to this Committee at its meeting on 23 May 2012.

Appended to the report was an Action Plan which highlighted the developments which had taken place since May 2012. It was noted that although there were no high level risks identified by Internal Audit, three medium level risks had been found.

It was further reported that Officers would continue to work with SWAP to monitor the implementation of all the recommending actions and further updates would be provided at future meetings of this Committee.

**Resolved:**

**To note the Action Plan update to address the issues raised during the 2011/12 Internal Audit of the Wiltshire Pension Fund.**

106 **Actuarial Update on 2014 LGPS, 2013 Triennial Valuation and Current Issues**

The Committee received a presentation by Mr Peter Summers of Messrs Hymans Robertson, the Fund's Actuary, about their view on the proposed Local Government Pension Fund (LGPS) changes, the forthcoming triennial valuation and other current issues.

107 **Date of Next Meeting**

**Resolved:**

To note that the next meeting was scheduled to be held on Thursday 6 December 2012, starting at 10.30am.

108 **Urgent Items**

There were no urgent items.

109 **Exclusion of the Public**

**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 Minute Numbers 110-113 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.

110 **Update on the Implementation of the Dynamic Currency Hedging Programme**

On considering a confidential report by the Service Director, Finance,

**Resolved:**

To note the updated position in respect of the implementation of the Dynamic Currency Hedging programme with Berenberg.

111 **Investments Quarterly Progress Report**

Consideration was given to a confidential report by the Service Director, Finance on investment activity and performance of the Fund for the quarter to 30 June 2012, together with a review of investment managers' performance for the same period prepared by Messrs Mercer.

*Resolved: To note the Fund's investment activity and performance.*



112 **Investment Structure Review Update**

Consideration was given to a confidential report by Messrs Mercer that reviewed and proposed potential amendments to the Fund's fixed income allocations.

After some discussion,

**Resolved:**

**To continue to monitor the situation and to report further to the next meeting on 6 December 2012.**

113 **M&G: Review of 2011-12 and Plans for the Future**

The Committee considered the Annual Report by M & G Investments which outlined action taken during the past year and policy for the next period.

Mr J Atkin and Mr G Parker answered questions concerning the report.

**Resolved:**

**To note the information contained in the report and the investment policy proposals as detailed by M & G Investments.**

(Duration of meeting: 10.30 am - 1.40 pm)

The Officer who has produced these minutes is Roger Bishton, of Democratic Services, direct line 01225 713035, e-mail [roger.bishton@wiltshire.gov.uk](mailto:roger.bishton@wiltshire.gov.uk)

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WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND COMMITTEE

6 DECEMBER 2012

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## WILTSHIRE PENSION FUND RISK REGISTER

### Purpose of the Report

1. The purpose of this report is to update the Committee 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. 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 / Financial Implications

3. The significance of risks is measured by interaction of the likelihood of occurrence (likelihood) and by the potential damage that might be caused by 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 has been one significant change in risks since the last report in September 2012.
5. **PEN011: Lack of Expertise of Pension Fund Officers and Service Director, Finance** – this risk has now reduced from amber to green to reflect the completion of the Pension team restructure. This restructure provides more resources with a better blend of skills and technical knowledge at the appropriate levels. Consequently this risk can now be reduced.

### Environmental Impacts of the Proposals

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

### Proposals

7. The Committee is asked to note the update of the Risk Register and measures being taken to mitigate the current high and medium risks.

MICHAEL HUDSON  
Service Director, Finance

Report Author: David Anthony, Head of Pensions.

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

Appendix: Risk Register

Wiltshire Pension Fund Risk Register				26-Nov-12				Current Risk Rating				Target Risk Rating							
Ref.	Risk	Risk Category	Cause	Impact	Risk Owner	Controls in place to manage the risk	Impact	Likelihood	x	Level of risk	Further Actions necessary to manage the risk	Risk Action Owner	Date for completion of action	Impact	Likelihood	x	Level of risk	Date of Review	Direction of Travel
PEN001	Failure to process pension payments and lump sums on time	Service Delivery	Non-availability of ALTAIR pensions system, SAP payroll system, key staff, or error, omission, etc.	Retiring staff will be paid late, which may have implications for their own finances. It also has reputational risk for the Fund and a financial cost to the employers if interest has to be paid to the members.	David Anthony	Maintenance and update of ALTAIR and SAP systems, sufficient staff cover arrangements, sufficient staff training and QA checking of work.	2	2	4	Low	Need to ensure ALTAIR calculations are more thoroughly tested, especially to ensure regulations changes are correctly processed.	Martin Summers		2	2	4	Low	26 Nov 2012	→
PEN002	Failure to collect and account for contributions from employers and employees on time	Finance	Non-availability of CRS/SAP systems, key staff, error, omission, failure of employers' financial systems, failure to communicate with employers effectively.	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.	David Anthony	Robust maintenance and update of ALTAIR and SAP systems, sufficient staff cover arrangements, sufficient staff training and QA checking of work. We constantly work with employers to ensure they understand their responsibilities to pay by 19th of the month.	2	1	2	Low	New electronic forms rolled out to all employers to allow collation of membership and contributions detail by member to facilitate monthly reconciliations ahead of year end.	Catherine Dix		2	2	4	Low	26 Nov 2012	→
PEN003	Insufficient funds to meet liabilities as they fall due	Service Delivery	Contributions from employees / employers too low, failure of investment strategy to deliver adequate returns, significant increases in longevity, etc.	Immediate cash injections would be required from the scheme employers. This shouldn't be an issue for the Wiltshire Pension Fund short term although longer term (5-10 yrs) investment income may be used to meet payments.	David Anthony	Funding Strategy Statement, Investment Strategy, Triennial Valuations, membership of Club Vita, etc. Now the LGPS reforms have initially been announced and the proposed increase in members contribution rates is known the actuary will be asked to model the potential impact in cashflows.	4	1	4	Low	The "maturity" profile of cashflows could be brought forward if members choose to opt-out of the scheme (although the proposed 50:50 option may reduce this number) along with the reduction in public sector employees from the spending constraints. This will be modelled at a high level. Employers who experience a large number of outsourcings may also see maturing cashflow profiles.	David Anthony	Dec-12	4	1	4	Low	26 Nov 2012	→
PEN004	Inability to keep service going due to loss of main office, computer system or staff	Service Delivery	Fire, bomb, flood, etc.	Temporary loss of ability to provide service	David Anthony	Business Continuity Plan in place. The team will be locating to East Wing site from Old County Hall in August. This is being managed by Wiltshire Council's transformation team and assessments and a programme have been agreed to minimise the potential disruption.	4	1	4	Low	Business Continuity Plan has been refreshed in and approved by the CFO in Oct 2011. All the team now have laptops that would mean they can access ALTAIR remotely if required.	Andy Cunningham		4	1	4	Low	26 Nov 2012	→
PEN005	Loss of funds through fraud or misappropriation	Fraud / Integrity	Fraud or misappropriation of funds by an employer, agent or contractor	Financial loss to the Fund	David Anthony	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	Low	None	Catherine Dix		4	1	4	Low	26 Nov 2012	→

Ref.	Risk	Risk Category	Cause	Impact	Risk Owner	Controls in place to manage the risk	Current Risk Rating				Further Actions necessary to manage the risk	Risk Action Owner	Date for completion of action	Target Risk Rating				Date of Review	Direction of Travel
							Impact	Likelihood	x	Level of risk				Impact	Likelihood	x	Level of risk		
PEN006a	Significant rises in employer contributions for secure employers due to increases in liabilities	Economic	Scheme liabilities increase disproportionately as a result of increased longevity, falling bond yields, slack employer policies, etc.	Employer contribution rates become unacceptable, causing upward pressure on Council Tax and employers' costs.	David Anthony	Longevity and bond yields are really beyond the control of the Fund although some Funds have considered buying longevity insurance through the use of SWAPS. However, 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	3	6	Medium	Quarterly monitoring in liabilities movements is undertaken providing advance warning to employers. The Stabilisation Policy has limited increases for secure employer. Monitor cashflow profiles to review Fund's maturity. The current increase in Quantative Easing by the Government is forcing up the price of gilts leading to a worsening Funding Position that may mean a review of the Stabilisation Policy at the 2013 Valuation.	David Anthony / Andy Cunningham	Mar-14	3	2	6	Medium	26 Nov 2012	→
PEN006b	Significant rises in employer contributions for non-secure employers due to increases in liabilities	Economic	Scheme liabilities increase disproportionately as a result of increased longevity, falling bond yields, slack employer policies, etc.	Employer contribution rates become unacceptable, causing upward pressure on Council Tax and employers' costs.	David Anthony	Longevity and bond yields are really beyond the control of the Fund although some Funds have considered buying longevity insurance through the use of SWAPS. However, 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	3	6	Medium	Quarterly monitoring as described above. The rates for the 2010 Valuation have now been agreed and through the use of stepping in of contribution rate increases where requested the need for large increases was avoided for certain employers. Monitor cashflow profiles to review Fund's maturity. The current increase in Quantative Easing by the Government is forcing up the price of gilts leading to a worsening Funding Position that may mean a review of the Stabilisation Policy at the 2013 Valuation.	David Anthony / Andy Cunningham	Mar-14	3	2	6	Medium	26 Nov 2012	→
PEN007a	Significant rises in employer contributions for secure employers due to poor/negative investment returns	Economic	Poor economic conditions, wrong investment strategy, poor selection of investment managers	Poor/negative investment returns, leading to increased employer contribution rates	David Anthony	Use of expert consultants in the selection of investment strategy and selection of investment managers, regular monitoring of investment managers (1/4ly), regular reviews of investment strategy (annually). There is a monthly review of the % of the Fund held in each mandate and strategy.	2	2	4	Low	Quarterly monitoring in investment movements is undertaken providing advance warning to employers. An investment strategy review is currently being undertaken by Mercers. The implementation of the Stabilisation Policy limits increases for secure employer.	Catherine Dix	Mar-14	2	2	4	Low	26 Nov 2012	→
PEN007b	Significant rises in employer contributions for non-secure employers due to poor/negative investment returns	Economic	Poor economic conditions, wrong investment strategy, poor selection of investment managers	Poor/negative investment returns, leading to increased employer contribution rates	David Anthony	Use of expert consultants in the selection of investment strategy and selection of investment managers, regular monitoring of investment managers (1/4ly), regular reviews of investment strategy (annually). There is a monthly review of the % of the Fund held in each mandate and strategy.	2	2	4	Low	Quarterly monitoring as described above. The review of employers long term financial stability and stepping in of contribution rate prevented affordability issues for the 2010 Valuation.	Catherine Dix		2	2	4	Low	26 Nov 2012	→

Ref.	Risk	Risk Category	Cause	Impact	Risk Owner	Controls in place to manage the risk	Current Risk Rating				Further Actions necessary to manage the risk	Risk Action Owner	Date for completion of action	Target Risk Rating				Date of Review	Direction of Travel
							Impact	Likelihood	x	Level of risk				Impact	Likelihood	x	Level of risk		
PEN008	Failure to comply with LGPS and other regulations	Legal / Statutory	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	David Anthony	Sufficient staffing, training and regulatory updates. Competent software provider and external consultants.	3	3	9	Medium	Internal Audit report (March 2012) identified need for implementing more regular reconciliations of systems. Pension team structure review has been implemented which ensures staff with the relevant skills & knowledge are in post. A Technical & Compliance Manager has been appointed to review process and training requirements for the team. A review of the LGPS 2014 reforms will also be required to ensure future compliance.	Martin Summers	Dec-12	1	2	2	Low	26 Nov 2012	→
PEN009	Failure to hold personal data securely	Legal / Statutory	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	David Anthony	Compliance with Wiltshire Council's Data Protection & IT Policies.	2	2	4	Low	It is intended to do a full data protection audit for the Fund. An imaging system will be implemented over the coming months to improve retention of documents.	Martin Downes	Mar-13	2	1	2	Low	26 Nov 2012	→
PEN010	Failure to keep pension records up-to-date and accurate	Knowledge / Data / Info	Poor or non-existent notification to us by employers and members of new starters, changes, leavers, etc	Incorrect records held, leading to incorrect estimates being issues to members and incorrect pensions potentially being paid.	David Anthony	Systems Team set-up and 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.	2	4	8	Medium	Detailed reconciliations are being undertaken between Wiltshire Council payroll and the Fund's data.	Martin Downes		2	1	2	Low	26 Nov 2012	→
PEN011	Lack of expertise of Pension Fund Officers and Service Director, Finance	Professional judgement & activities	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	Bad decisions made may be made in relation to any of the areas on this register, but particularly in relation to investments.	David Anthony	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.	2	2	4	Low	Officers training requirements are identified through appraisals, which includes the Knowledge & Skills Framework. The Pension restructure has now been completed which provides better resources and technical knowledge at the right levels.	David Anthony	Sep-12	2	1	2	Low	26 Nov 2012	↓

Ref.	Risk	Risk Category	Cause	Impact	Risk Owner	Controls in place to manage the risk	Current Risk Rating				Further Actions necessary to manage the risk	Risk Action Owner	Date for completion of action	Target Risk Rating				Date of Review	Direction of Travel
							Impact	Likelihood	x	Level of risk				Impact	Likelihood	x	Level of risk		
PEN012	Over-reliance on key officers	Organisation Management / HR	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 big knowledge gap if less behind.	David Anthony	Key people in the Section are seeking to transfer specialist knowledge to colleagues. 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	2	4	Low	The Pension's Team restructure is now complete.	David Anthony		2	1	2	Low	26 Nov 2012	→
PEN013	Failure to communicate properly with stakeholders	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 and they may misadvise their employees.	David Anthony	The Fund has a dedicated Communications Manager and Employer Relationship Manager 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	3	6	Medium	Now the proposed changes to the LGPS scheme are known updated information can be circulated to employers and members. The Fund has formulated its strategy to inform members of the changes and where possible working with key stakeholders. Employers are also being reminded of their responsibilities for Autoenrolment.	Zoe Stannard & Andy Cunningham	Dec-12	1	1	1	Low	26 Nov 2012	→
PEN014	Failure to provide the service in accordance with sound equality principles	Corporate / Leadership / Organisation (Reputation)	Failure to recognise that different customers have different needs and sensitivities.	Some customers may not be able to access the service properly or may be offended and raise complaints. At worst case, this could result in a court case, etc.	David Anthony	The Fund has done an Equality Risk Assessment and has an Equality Implementation Plan in place	2	1	2	Low	None	David Anthony		2	1	2	Low	26 Nov 2012	→
PEN015	Failure to collect payments from ceasing employers	Finance	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	Failure to collect cessation payments means the cost of funding future liabilities will fall against the Wiltshire Pension Fund	David Anthony	The Pension Fund Committee approved a Cessation Policy in February 2010 to provide an agreed framework for recovery of payments	2	2	4	Low	All new admitted bodies now require a guarantor to join the Fund. Work is on-going with ceased employers without a guarantor to ensure the costs are met.	Andrew Cunningham		2	1	2	Low	26 Nov 2012	→
PEN016	Treasury Management	Finance	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	David Anthony	The Pension Fund approved an updated Treasury Management Strategy in Feb 2012 which follows the same criteria adopted by Wiltshire Council but limits individual investments with a single counterparty to £8m.	3	1	3	Low	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.	Catherine Dix		3	1	3	Low	26 Nov 2012	→

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							Impact	Likelihood	x	Level of risk				Impact	Likelihood	x	Level of risk		
PEN017	Lack of expertise on Pension Fund Committee	Professional judgement & activities	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 Fund's to 'Comply or Explain' within their Annual Report on the skills knowledge of members of the Committee	David Anthony	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. Help can be called on from our consultants and independent advisors too.	2	2	4	Low	The CIPFA Local Government Pension Fund Knowledge & Skills Framework require members of the committee to be regularly assessed to identify knowledge gaps and ensure training is provided to address these. Members have been assessed and a training plan set which is being implemented over the next two years.	David Anthony	Nov-12	2	1	2	Low	26 Nov 2012	→



By virtue of paragraph(s) 1, 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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