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To: The Chair and Members
of the Devon Pension
Board

County Hall
Topsham Road
Exeter
Devon
EX2 4QD

Date: 22 January 2024

Contact: Fred Whitehouse, 01392 381362

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DEVON PENSION BOARD

Tuesday, 30th January, 2024

A meeting of the Devon Pension Board is to be held on the above date at 10.30 am
at Virtual Meeting (Microsoft Teams) to consider the following matters.

Donna Manson
Chief Executive

A G E N D A

PART 1 - OPEN COMMITTEE

1 Chair's Announcements

2 Apologies

3 Minutes (Pages 1 - 6)

Minutes of the meeting held on 13 October 2023, attached.

4 Items Requiring Urgent Attention

Items which in the opinion of the Chairman should be considered at the meeting
as matters of urgency.

MATTERS FOR CONSIDERATION OR REVIEW

5 Review of Attendance (Pages 7 - 10)

Report of the Director of Finance (DFP/24/07), attached.

6 Devon Pension Fund Risk Register (Pages 11 - 46)

Report of the Director of Finance (DF/24/08), attached.

7 Communications Policy Review (Pages 47 - 64)

Report of the Director of Finance (DFP/24/09), attached.

8 Contribution and Breaches Monitoring (Pages 65 - 68)

Report of the Director of Finance (DFP/23/10), attached.

MATTERS FOR INFORMATION

9 Investment and Pension Fund Committee (Pages 69 - 72)

Minutes of Investment & Pension Fund Committee held on 24 November 2024, attached for information.

10 Audit Plan 2024/25 (Pages 73 - 82)

Report of the Director of Finance (DFP/24/11), attached.

11 Peninsula Pensions Administration Update and Performance Statistics (Pages 83 - 92)

Report of the Director of Finance (DFP/24/12), attached.

12 Local Government Pension Scheme (LGPS) Update Report (Pages 93 - 96)

Report of the Director of Finance (DFP/24/13), attached.

13 Future Work Programme (Pages 97 - 98)

Report of the Director of Finance (DFP/24/14), attached.

14 Dates of Future Meetings

The Pension Board will meet at 10.30am on the following dates:

Tuesday 30th January 2024

Monday 29th April 2024

Monday 15th July 2024

Monday 21st October 2024

Wednesday 29th January 2025

Thursday 3rd April 2025

PART II - ITEMS WHICH MAY BE TAKEN IN THE ABSENCE OF PRESS AND PUBLIC ON THE GROUNDS THAT EXEMPT INFORMATION MAY BE DISCLOSED

Members are reminded that Part II Reports contain exempt information and should therefore be treated accordingly. They should not be disclosed or passed on to any other person(s). They need to be disposed of carefully and should be returned to the Democratic Services Officer at the conclusion of the meeting for disposal.

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Anyone wishing to film part or all of the proceedings may do so unless the press and public are excluded for that part of the meeting or there is good reason not to do so, as directed by the Chair. Filming must be done as unobtrusively as possible without additional lighting; focusing only on those actively participating in the meeting and having regard to the wishes of others present who may not wish to be filmed. Anyone wishing to film proceedings is asked to advise the Chair or the Democratic Services Officer in attendance.

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Declarations of Interest for Members of the Council

It is to be noted that Members of the Council must declare any interest they may have in any item to be considered at this meeting, prior to any discussion taking place on that item.

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Induction Loop available



DEVON PENSION BOARD

13 October 2023

Present:-

Councillors S Randall Johnson and C Slade (Chair)
Ian Arrow, A Bowman (Vice-Chair), C Hearn, R Jeanes, P Phillips and D Walshe

Apologies:-

None

125 **Minutes**

RESOLVED that the Minutes of the Meeting held on 6th July 2023 be signed as a correct record.

126 **Items Requiring Urgent Attention**

No item was raised as a matter of urgency.

127 **Review of attendance**

The Board noted the Report of the Director of Finance and Public Value (DF/23/95) on a review of the Board Member attendance at meetings and training events. A log of attendance of both board meetings and training events were attached in Appendix 1 of the Report.

It was highlighted that there had been an online training event Brunel Pension Partnership at the end of September and Board members were asked to confirm attendance.

It was agreed to change the heading on item 11 of the Board's Terms of Reference to Training and Knowledge.

The Report was noted.

* 128 **Contribution and breaches monitoring**

The Board noted the Report of the Director of Finance and Public Value (DF/23/96) regarding the action taken to monitor timely payment of contributions from employers and employer performance for end of year process and future developments.

Agenda Item 3

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DEVON PENSION BOARD

13/10/23

The table on page 15 of the agenda pack showed a summary of the monthly contributions received in Q1 of 2023/24.

A total of 7 contributions were received late during this quarter. Five of these were from admitted bodies in the fund and two were Parish councils. All were one off incidents.

It was highlighted that there would be a new format for this Report for the next meeting.

At the July Pension Board meeting, the board requested that Peninsula Pensions provided further information regarding the timeliness of year end data begin submitted by the scheme employers. The table on page 17 of the agenda pack showed that 67% of fund employers responded by the date requested.

Peninsula Pensions were working on ways to improve the number of employers providing data within our deadlines and officers are currently reviewing the pension administration strategy (PAS). A consultation with employers was currently planned for early November on the revised administration strategy which will be brought to the board in January meeting and for final approval at the Investment and Pension Fund committee in March 2024.

Members were also advised that Peninsula Pensions are also working with Devon Audit Partnership on a tool to provide a Report on key employer performance areas. A draft version of this was presented in the meeting. The first report would be brought to the board in the new financial year after April 2024.

129 Pension Board budget monitoring

The Board noted the Report of the Director of Finance and Public Value (DF/23/97) on the Devon Pension Board Budget Monitoring 2023/24 at month 6. The statement showed various expenditure including training, travel and member expenses and committee support.

*** 130 Devon Pension Fund Risk Register**

The Board considered the Report of the Director of Finance and Public Value (DF/23/98) on the Pension Fund Register and additional actions proposed to mitigate risk.

The Board previously considered the Risk Register at its meeting on 6th July 2023, and comments made at board meetings had been taken on board in updating the register.

The Risk Register was attached at Appendix 1 to the Report. It highlighted the key risks in relation to the Pension Fund, the current processes in place to

mitigate the risk, and the planned improvements in place to provide further assurance. It incorporated the risk register of both the Investments Team and Peninsula Pensions.

The Investment and Pension Fund Committee was the ultimate risk owner for the Pension Fund and last reviewed the Risk Register in September 2023. In addition to the current mitigation in place, further actions are planned to provide a greater level of assurance, and these are detailed together with the planned timescale for the action to take place. The level of risk will be reviewed once these additional actions have been implemented.

There were several amendments made for the Pension Fund which were detailed at 4.1 of the Report. There were now 43 risks recorded in the Risk Register, 23 of which related to Devon Pension Fund management and 20 to Peninsula Pensions. The Report summarised the number of risks assigned to low, medium and high-risk scores, before and after mitigation.

Across Devon Pension Fund management and Peninsula Pensions, action taken to mitigate risks had reduced the number of high risks from 12 to 2. The remaining high risks are in respect of:

- F5- Global Financial Crisis leading to a failure to reduce the deficit.
- F2 -Investment strategy not providing sufficient returns longer term.

Members' questions and discussion points with Officers included:

- A risk had been raised by the auditor in the Report under item 9 Audit and Action logs which didn't seem to be included in the register concerning Brunel Partnership reporting not detailing the start of the fund.
- Including the Government's desire to accelerate the consolidation of pensions assets by March 2025 as an item on the risk register.
- Updating the target dates for the annual benefit statement and the scheme membership data.

The Report was noted.

131 Investment and Pension Fund Committee

The Board noted the Minutes of the Investment and Pension Fund Committee meeting held on 15 September 2023.

132 Audit and action logs

The Board considered the Report of the Director of Finance and Public Value (DF/23/102) on progress made on completing actions arising from internal audits and pension board recommendations.

Agenda Item 3

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DEVON PENSION BOARD

13/10/23

The Actions and Recommendations tracker (Appendix 1) included a list of actions, recommendations and requests raised by the Devon Pension Board. Previously completed actions had been removed.

It was highlighted that outstanding work on the employer performance and the administration strategy would be brought to the January meeting.

There was an update on the Devon Pension Fund Cyber Security audit actions which were 2 high, 3 medium and 2 low. The Cyber Security follow up audit was scheduled for 16 November and an update on this would be provided at the next meeting.

It was noted that there were now final reports for Brunel Performance Management Reporting – 2022/23 and for the Actuarial Valuation 2022-23. There were minor issues around capturing challenge to Brunel by members of the Investment and Pension Fund Committee during pre-meetings, however these were now being minuted. Further delays in legislation regarding the Pensions Regulator has meant the audits have had to be pushed back to 2024-25.

Members' questions and discussion points with Officers included:

- Capturing question and answers raised in the briefing for the Pensions Board and it was agreed this would be good practice.
- Possible future risk of producing a levelling up report for the pension fund.

The Report was noted.

* 133

Peninsula Pensions Administration - Performance Statistics

The Committee noted the Report of the Director of Finance and Public Value (DF/23/99) on Peninsula Pensions' performance and planned review of the Pension Administration Strategy and targets for 2023.

This included the internal target for Peninsula Pensions and expected performance requirements from individual Fund employers. Performance targets were monitored on a monthly basis via a task management system and reporting tool within the pension database.

The Board noted:

- Total performance against the Occupational and Personal Pension Schemes (Disclosure of information) Regulations 2013 for the quarter ending 30 June 2023 was 91% (94% for High Priority procedures).
- As referred to in the performance reports for previous quarters, the lower-than expected performance was in part due to delays in responses to member information requested from employers.

The team had continued to work with employers to implement improvements in this area.

- The team had also continued to concentrate on processing outstanding deferred benefit and amalgamation cases in preparation for the McCloud remedy and future Pension Dashboard, which has impacted performance. Once these cases have been completed, we expect to see an improvement in performance.
- The team received a total of 15 compliments between 1 April 2023 and 30 June 2023.
- Further information about the detailed breakdown of administration performance for the Devon Pension Fund only, longer-term performance of Peninsula Pensions and the amount of work received over a 12-month rolling period compared to the previous year was shown in the appendices to the Report.
- Peninsula Pensions had staff resource allocated to work on the McCloud remedy when required and were in a good position with regards to the data preparation that was essential in advance of the remedy.
- Following a successful recruitment exercise, Peninsula Pensions were now fully resourced with all new recruits in training currently.

Members' questions and discussion points with Officers included:

- Clarification on work remaining status and acknowledgement that some including waiting for responses to action.
- Increase in work activity from last year due to several leavers in that period – some of these could be staff moving into different positions also.
- Update on the Pension dashboard and a meeting had been arranged in January with the software providers to ensure the system is in place to link to the main national dashboard when this was required. There would be procurement exercise for this, but it was likely to be quite expensive to ensure it is secure.
- Data cleansing with employers had been carried out and there was confidence in the quality of the data being held in preparation for McCloud.

* 134 **LGPS Update Report**

The Board noted the Report of the Director of Finance and Public Value (DF/23/100) on developments affecting the LGPS in relation to:

- The proposed consultation on investment within the LGPS
- Government desire to “accelerate the consolidation of pension assets by March 2025”, with proposals to increase transparency, cost savings and the scale of LGPS investment pools.

Agenda Item 3

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DEVON PENSION BOARD

13/10/23

- The consultation response which was discussed at the Investment and Pension Fund committee on 15th September. The final response was submitted at the end of September and can be found attached to the report.
- The Government had responded to the consultation regarding the McCloud regulations and work was progressing on providing guidance to local authorities.

Members' questions and discussion points with Officers included:

- Abolition of the Lifetime Allowance and tax provisions
- Amendments to pension calculations for leavers, those leaving after 1 October should have the correct information, some who have retired prior to 1st October will need the calculations revisited but this is unlikely to affect many people.

135 Future Work Programme

The Board received the Report of the Director of Finance and Public Value (DF/23/101) on the work programme over the next three meetings. It was suggested that the Board should include consideration of the external audit report on its schedule, and this would be included at the appropriate time. The external audit report was agreed to be reviewed at the January meeting.

136 Dates of Future Meetings

Dates had been confirmed as Tuesday 30th January 2024, Monday 29th April 2024, Monday 15th July 2024, Monday 21st October 2024, Wednesday 29th January 2025, and Thursday 3rd April 2025.

NOTES:

1. *Minutes should always be read in association with any Reports for a complete record.*
2. *If the meeting has been webcast, it will be available to view on the [webcasting site](#) for up to 12 months from the date of the meeting*

* **DENOTES DELEGATED MATTER WITH POWER TO ACT**

The Meeting started at 10.32 am and finished at 11.33 am

DF/24/07
Devon Pension Board
30th January 2024

REVIEW OF ATTENDANCE

Report of the Director of Finance and Public Value

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

1) Recommendation

That the Board be asked to:

- (a) Review the attendance and training record of the board.

2) Introduction

- 2.1 The Devon Pension Board's Term of Reference currently states that the board will meet four times a year in addition to training events. Attendance at these meeting and training events is recorded and reported.

3) Attendance log

- 3.1 The Terms of Reference also states that the membership of any member who fails to attend for two consecutive meetings or two consecutive training events shall be reviewed by the Board and shall be terminated in the absence of mitigating factors.
- 3.2 A log showing the attendance of both board meetings and training events is attached in appendix 1 and should be reviewed by the board

4) Conclusion

- 4.1 The Board is asked to review the attendance log in accordance with the Terms of reference.

Agenda Item 5

Angie Sinclair

Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972: List of background papers

Nil

Contact for enquiries:

Name: Charlotte Thompson

Telephone: 01392 381933

Address: Room 180 County Hall

Board Meeting				Training				
					In House event	In House event	Brunel Investor day	In House event
	07/02/2023	18/04/2023	06/07/2023	13/10/2023	03/11/2022	06/07/2023	20/09/2023	03/11/2023
Fund Members								
Bowman	Y	N	Y	Y	Y	Y	N	Y
Arrow	N/A	N/A	Y	Y	N/A	Y	N	Y
Phillips	Y	Y	Y	Y	N	Y	N	Y
Vacant								
Fund Employers								
Slade (DCC)	N	Y	Y	Y	Y	Y	Y	Y
Walshe	Y	Y	Y	Y	Y	Y	Y	Y
Hearn (Tavistock)	Y	Y	Y	Y	Y	Y	Y	Y
Randall Johnson (DCC)	Y	Y	Y	Y	N	Y	Y	Y
Independent member								
Jeanes	Y	Y	Y	Y	Y	Y	Y	Y

DF/24/08
Devon Pension Board
30th January 2024

PENSION FUND RISK REGISTER

Report of the Director of Finance and Public Value

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

1) Recommendation

That the Board be asked to note the Pension Fund Register and the additional actions proposed to mitigate risk.

2) Introduction

- 2.1 Effective risk management is an essential part of any governance framework as it identifies risks and the actions required to mitigate their potential impact. For a pension fund, those risks will come from a range of sources including the funding position, investment performance, membership changes, benefits administration, costs, communications and financial systems. Good information is important to help ensure the complete and effective identification of significant risks and the ability to monitor those risks. The risks that have been identified are incorporated into the Fund's Risk Register.
- 2.2 The Pension Board monitors the Risk Register as part of its scrutiny role in relation to risk and compliance and will raise any specific concerns to the Investment and Pension Fund Committee, as necessary. The Board previously considered the Risk Register at its meeting on 13th October 2023, and comments made at board meetings have been taken on board in updating the register.
- 2.3 The Risk Register is attached at Appendix 1 to this report. It highlights the key risks in relation to the Pension Fund, the current processes in place to mitigate the risk, and the planned improvements in place to provide further assurance. It incorporates the risk register of both the Investments Team and Peninsula Pensions.
- 2.4 The Investment and Pension Fund Committee is the ultimate risk owner for the Pension Fund and last reviewed the Risk Register in September 2023.

Agenda Item 6

3) Assessment of Risk

- 3.1 Risks are assessed in terms of the potential impact of the risk event should it occur, and in terms of the likelihood of it occurring. These are then combined to produce an overall risk score. Each risk is scored assuming no mitigation, and then on the basis of the mitigation in place.
- 3.2 In addition to the current mitigation in place, further actions are planned to provide a greater level of assurance, and these are detailed together with the planned timescale for the action to take place. The level of risk will be reviewed once these additional actions have been implemented. As a result of the incorporation of the risk register into the Authority's risk management system, there is now a more rigorous system in place for regular review of the risks identified, enabling better risk management.
- 3.3 Further risks are likely to arise from future decisions taken by the Investment and Pension Fund Committee, and from changes in legislation and regulations. Where such new risks arise, they will be added to the risk register, assessed, and mitigation actions identified.

4) Revisions to the Risk Register

- 4.1 For the Pension Fund the following amendments have been made
 - F13 (Climate) control updated to completed following the move of all passive equities into the Paris aligned Benchmark fund.
 - I1 and F6 A new mitigating control has been added regarding internal audits due to be undertaken shortly.
 - B3 Brunel Governance. A mitigating control has been updated from amber to green now that the people strategy is in place and posts filled.
 - Risk P5 has been removed following the successful implementation of an internal solution to the employer self service system
- 4.2 There are now 42 risks recorded in the Risk Register, 23 of which relate to Devon Pension Fund management and 19 to Peninsula Pensions. The following table summarises the number of risks assigned to low, medium and high-risk scores, before and after mitigation.

Risk Category	Number of Inherent Risks Identified	Number of Risks following mitigating action
Devon Pension Fund		
High	9	2
Medium	11	7
Low	3	14

Peninsula Pensions		
High	3	0
Medium	8	4
Low	8	15

4.5 Across Devon Pension Fund management and Peninsula Pensions, action taken to mitigate risks has reduced the number of high risks from 12 to 2. The remaining high risks are in respect of:

- F5- Global Financial Crisis leading to a failure to reduce the deficit.
- F2 -Investment strategy not providing sufficient returns longer term.

5) Conclusion

5.1 The Board are asked to note the Pension Fund Risk Register, and the additional actions proposed to mitigate risk.

Angie Sinclair

Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972: List of background papers

Nil

Contact for enquiries:

Name: Charlotte Thompson

Telephone: 01392 381933

Address: Room 180 County Hall

Devon Pension Fund Risk Register

Risk Management - is a modern management discipline and is about getting the right balance between innovation and change on the one hand, and the avoidance of shocks and crises on the other.

Page 14


1. Identify your risks	2. Assess your risks	3. Respond to risks	4. Monitor and Review																																
<p>Risk: an event or action that will have affect our ability to achieve our objectives</p> <p>Opportunities and Threats</p> <p>Event leads to Impact</p> <p>Identify in groups - by those responsible for delivery of the objectives</p> <p>When:</p> <ul style="list-style-type: none"> Setting strategic aims Setting business objectives Early stages of project planning & key stages Entering partnerships <p>Categories can help:</p> <ul style="list-style-type: none"> Political, Economic/Financial, Social, Technological, Legislative/Legal, Environmental, Community, Professional/Managerial, Physical, Partnership/Contractual. 	<p>Combination of the probability of an event and its consequences; Impact x Likelihood:</p> <table border="1" data-bbox="633 635 1104 938"> <tr> <td rowspan="5" style="writing-mode: vertical-rl; transform: rotate(180deg);">LIKELIHOOD</td> <td>6</td> <td>12</td> <td>18</td> <td>24</td> <td>30</td> </tr> <tr> <td>5</td> <td>10</td> <td>15</td> <td>20</td> <td>25</td> </tr> <tr> <td>4</td> <td>8</td> <td>12</td> <td>16</td> <td>20</td> </tr> <tr> <td>3</td> <td>6</td> <td>9</td> <td>12</td> <td>15</td> </tr> <tr> <td>2</td> <td>4</td> <td>6</td> <td>8</td> <td>10</td> </tr> <tr> <td></td> <td colspan="5" style="text-align: center;">IMPACT</td> </tr> </table> <p>24 - 30 VERY HIGH (VIOLET)</p> <ul style="list-style-type: none"> Immediate action <p>15 - 20 HIGH (RED)</p> <ul style="list-style-type: none"> Regular review to seek better control <p>10 - 12 MEDIUM (AMBER)</p> <ul style="list-style-type: none"> Review current controls / incorporate into action plan <p>1 - 9 LOW (YELLOW)</p> <ul style="list-style-type: none"> Limited action - long term plans 	LIKELIHOOD	6	12	18	24	30	5	10	15	20	25	4	8	12	16	20	3	6	9	12	15	2	4	6	8	10		IMPACT					<p>Concentrate on Top Risks:</p> <ul style="list-style-type: none"> Set risk appetite Proportionate and cost-effective response <p>Can we reduce likelihood?</p> <p>Can we reduce impact?</p> <p>Can we change the consequences?</p> <p>Treat</p> <p>Transfer</p> <p>Tolerate</p> <p>Terminate</p> <p>Devise Contingencies</p> <p>Business Continuity Planning</p>	<p>Risk Registers:</p> <p>Baseline data to be prepared and monitored regularly; these should clearly indicate impacts, responses and contingencies as well as the risk owner.</p> <p>Use early warning indicators.</p> <p>Review Top Risks regularly as agenda item.</p> <p>Report progress to senior management.</p> <div data-bbox="1612 1029 2049 1324"> <pre> graph TD Objectives[Objectives] --> Identify[Identify] Identify --> Assess[Assess] Assess --> Respond[Respond] Respond --> Monitor[Monitor & Review] Monitor --> Identify Identify --- TopRisks[Top Risks] Assess --- TopRisks Respond --- TopRisks </pre> </div>
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	4		8	12	16	20																													
	3		6	9	12	15																													
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	IMPACT																																		


Risks: Devon Pension Fund


Risk status (score)	Overdue (0 - 0)	Low (1 - 9)	Medium (10 - 14)	High (15 - 23)	Very high (24 - 30)
Mitigating controls	Not started	Green	Amber	Red	Completed

Risk details	Status and Risk owner	Mitigating controls
<p>A1: Accounting</p> <p>Cause: Lack of training/awareness around pension fund accounting regulations.</p> <p>Event: Non compliance with accounting regulations and fin regs.</p> <p>Impact: Reputational damage. Qualified accounts.</p> <p>Notes 13/08/2019 - Risk wording updated and category added. 29/08/2019 - Risk wording updated</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 9 Low (<input type="checkbox"/> Unchanged)</p> <p>Risk owner: Mark Gayler</p> <p>Accountable officer: Philip Edwards</p> <p>Category: Compliance</p> <p>Last review: 15th January 2024</p> <p>Latest review details Controls reviewed and confirmed.</p>	<p>Green Staff are kept up to date with changes to legislative requirements via network meetings, professional press, training and internal communication procedures.</p> <p>Green Pension Fund financial management and administration processes are maintained in accordance with the CIPFA Code of Practice, International Financial Reporting Standards (IFRS), and the DCC Financial Regulations.</p> <p>Green Regular reconciliations are carried out between in-house records and those maintained by the custodian and investment managers.</p> <p>Green Internal Audits are carried out on an annual basis.</p> <p>Green External Audit review the Pension Fund's accounts annually.</p>

Risk details	Status and Risk owner	Mitigating controls
<p>B3: Brunel Pension Partnership</p> <p>Cause: Ineffective governance of Brunel or departure of key people from Brunel</p> <p>Event: Ineffective management of the Fund's investments or at the extreme breakup of the partnership.</p> <p>Impact: Significant costs to the Fund and financial loss. Reputational damage.</p>	<p>Inherent status : 16 High</p> <p>Current status : 12 Medium (Unchanged)</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Operational</p> <p>Last review: 15 January 2024</p> <p>Latest review details</p> <p>Review of mitigating actions and updated</p>	<p>Green Shareholder agreement in place sets out governance framework and is regularly reviewed</p> <p>Green Strong team now in place at Brunel, so not dependent on one or two key individuals.</p> <p>Green Brunel have their own risk register which is regularly monitored both by the Brunel Board and the Oversight Board and Client Group.</p> <p>Green Brunel have put in place a revised People Strategy to support recruitment and retention of key staff though some key posts are still to be filled</p>
<p>Cm1: Communication</p> <p>Cause: Inadequate communications plan and/or insufficient resource to action.</p> <p>Event: Insufficient communication and engagement with pension fund stakeholders.</p> <p>Impact: Damage to reputation. Uniformed policy decisions. Non compliance with legislation/best practice.</p> <p>Notes 13/08/2019 - Risk wording updated and category added.</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 9 Low (Unchanged)</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Operational</p> <p>Last review: 15th January 2024</p> <p>Latest review details</p> <p>Controls reviewed and updated. Risk score reviewed</p>	<p>Amber A communications strategy is in place and is currently being reviewed. Due March 2024.</p> <p>Green The Devon Investment Services and Peninsula Pensions websites are kept up to date.</p> <p>Green Fund Performance is reported to the Investment & Pension Fund Committee on a regular basis.</p> <p>Green Meetings are held regularly with the Fund's Employing Authorities.</p> <p>Green Benefit illustrations are sent annually to contributing and deferred Fund members.</p> <p>Green The contact list for employers is updated regularly.</p> <p>Green Annual forums are held for employers and scheme members.</p>


Risk details	Status and Risk owner	Mitigating controls
		<p>Green The annual report and accounts are published on the Devon Pension Fund website.</p> <p>Green Quarterly investment update is published on the Fund's website</p>
<p>Cu1: Custody</p> <p>Cause: Changing economic climate, fraud or changing financial position of the Custodian.</p> <p>Event: Failure of Pensions custodian.</p> <p>Impact: Financial loss. Failure to decrease deficit. Adverse media interest/damage to reputation.</p>	<p>Inherent status : 9 Low</p> <p>Current status : 6 Low</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Operational</p> <p>Last review: 15th January 2024</p> <p>Latest review details</p> <p>Controls reviewed and confirmed.</p>	<p>Green The custodian contract is subject to regular review and periodic re-tendering by the Brunel Pension Partnership.</p> <p>Green The custodian must adhere to FCA and PRA financial regulations.</p> <p>Green Fund assets are protected in the event of insolvency of the custodian</p>
<p>Notes</p> <p>13/08/2019 - Risk wording updated and category added.</p> <p>29/08/2019 - Risk wording updated.</p>		
<p>D1: Data Protection</p> <p>Cause: Failure to secure and maintain pension fund systems.</p> <p>Event: Loss of sensitive data.</p> <p>Impact:</p>	<p>Inherent status : 9 Low</p> <p>Current status : 6 Low ( Unchanged)</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Operational</p> <p>Last review: 15th January 2024</p> <p>Latest review details</p> <p>Review of controls and risk score</p>	<p>Green It is a mandatory requirement for all DCC employees to undertake Data Protection training and to adhere to DCC's data protection policy.</p>

Risk details	Status and Risk owner	Mitigating controls
<p>Reputation risk. Financial loss arising from legal action.</p> <hr/> <p>Notes 13/08/2019 - Risk wording updated and category added. 29/08/2019 - Risk wording updated. 17/09/2021 - Devon Audit Partnership risk management team note Gov.UK press release 28.06.21 which may be of relevance https://www.gov.uk/government/news/eu-adopts-adequacy-decisions-allowing-data-to-continue-flowing-freely-to-the-uk</p>		
<p>F 1: Funding and Investments</p> <p>Cause: The committee Members and Investment Officers have insufficient knowledge of financial markets and inadequate investment and actuarial advice received. Event: The committee Members and Investment officers make inappropriate decisions. Impact: Poor fund performance/financial loss. Increased employer contribution costs.</p> <hr/> <p>Notes 13/08/2019 - Wording of risk updated and category added. 25/02/2020 - Wording of mitigation</p>	<p>Inherent status : 16 High Current status : 12 Medium ( Unchanged)</p> <p>Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Financial Last review: 26 September Latest review details Review of controls</p>	<p>Green The Investment Strategy is set in accordance with LGPS investment regulations and takes into account the Fund's Liabilities Green The Investment Strategy is reviewed, approved and documented by the Investment and Pension Fund Committee. Green DCC employ an external investment advisor who provides specialist guidance to the Investment and Pension Fund Committee regarding the investment strategy. Green Annual Training Plan for 2023/24 has been approved by committee. Training programmes are available for Committee Members and Investment Staff. This can be delivered virtually where required</p>

Risk details	Status and Risk owner	Mitigating controls
<p>updated to reflect delay in producing handbook due to delay in new website</p>		<p>Green Members and Officers are encouraged to challenge advice and guidance received when necessary.</p> <p>Green Sharepoint site dedicated to training and knowledge in development is in place</p> <p>Green An induction session and pack will be provided for new members of the Committee and Board.</p>
<p>F 2: Funding and Investments</p> <p>Cause: The Pension Fund's investment strategy / strategic asset allocation fails to produce the required returns.</p> <p>Event: Volatility in the global and/or UK economy due to e.g. geo-political instability, changes to interest rates, Brexit, etc.</p> <p>Impact: Financial loss. Insufficient funds available to meet future obligations.</p> <p>Notes 13/08/2019 - Wording of risk updated and category added.</p>	<p>Inherent status : 20 High</p> <p>Current status : 15 High ( Unchanged)</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Financial</p> <p>Last review: 15th January 2024</p> <p>Latest review details</p> <p>Mitigations remain in place</p>	<p>Green Triennial actuarial valuations provide periodic indications of the growth in assets against liabilities. Employer contribution rates are set in response to this. The 2022 actuarial valuation includes provision for the fund to achieve full funding over 15 years.</p> <p>Green The funding level is updated on a quarterly basis, based on roll forward of the Triennial valuation data and subsequent investment returns, pension and salary increases and reported to the Committee.</p> <p>Green The investment strategy is reviewed annually by the Pension Fund Committee with advice from the External Investment Advisor to determine whether any action needs to be taken to amend the fund's asset allocation strategy.</p> <p>Green The Fund's investments are diversified across a range of different types of assets and globally to minimise the impact of losses in individual markets.</p> <p>Green Fund-specific benchmarks and targets are set. Assets are under regular review as</p>

Risk details	Status and Risk owner	Mitigating controls
		<p>part of the fund's performance management framework</p> <p>Green Long term nature of the Fund provides some mitigation as the volatility caused by issues such as Brexit will reduce over time.</p> <p>Green External review of the Fund's investment strategy is commissioned at minimum every three years. The last review was undertaken by Mercers who presented their review to the Investment and Pension Fund committee in February 2022.</p> <p>Green Investment and Pension Fund Committee review and monitor the performance of Brunel and the underlying fund managers quarterly</p>
<p>F 3: Funding and Investments</p> <p>Cause: Collapse of Fund manager, investment arrangements are structured poorly, fraud.</p> <p>Event: The fund is exposed to unnecessary risks and avoidable costs.</p> <p>Impact: Financial loss.</p> <p>Notes 13/08/2019 - Risk wording updated and category added.</p>	<p>Inherent status : 10 Medium</p> <p>Current status : 8 Low (Unchanged)</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Operational</p> <p>Last review: 15th January 2024</p> <p>Latest review details</p> <p>Controls reviewed and confirmed</p>	<p>Green The Fund's investments are diversified across a range of different types of assets to minimise the impact of losses in individual markets.</p> <p>Green The new cost transparency initiative should ensure full transparency of costs</p> <p>Green Specialist services (e.g. transitions, currency transfers) are considered where appropriate in order to reduce costs.</p> <p>Green The Investment and Pension Fund Committee will monitor investment arrangements under Brunel to ensure they provide for effective risk management and risk adjusted returns across the portfolios.</p>

Risk details	Status and Risk owner	Mitigating controls
		<p>Green Fund managers are required to be fully compliant with FCA, PRA and other regulatory requirements.</p> <p>Green The risk that a fund manager cannot provide a service during windup is mitigated by the availability of transition management arrangements put in place by the Brunel Pension Partnership.</p>
<p>F 4: Funding and Investments</p> <p>Cause: Inadequate risk management policies on Environmental, Social and Governance Issues. Lack of awareness/training. Event: The fund fails to manage environmental, social and governance risks. Impact: Financial loss. Damage to reputation.</p> <p>Notes 13/08/2019 - Risk wording updated and category added. 29/08/2019 - Risk wording updated</p>	<p>Inherent status : 15 High</p> <p>Current status : 8 Low (Unchanged)</p> <p>Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Operational Last review: 15th January 2024 Latest review details Controls reviewed and confirmed</p>	<p>Green The Fund requires the Brunel Pension Partnership, and its other fund managers, to monitor and manage the risks associated with ESG issues, and will review with managers on a regular basis how they are managing those risks. Brunel has a leading reputation for responsible investment.</p> <p>Green The Fund will engage (through Brunel, its asset managers, the Local Authority Pension Fund Forum or other resources) with investee companies to ensure they can deliver sustainable financial returns over the long term.</p> <p>Green The Fund holds annual meetings for both employers and scheme members to provide the opportunity for discussion of investment strategy and consideration of non-financial factors.</p> <p>Green The Fund is accredited by the FRC as a signatory to the UK Stewardship Code</p>
<p>F 5: Funding and Investments</p> <p>Cause:</p>	<p>Inherent status : 20 High</p> <p>Current status : 16 High (Unchanged)</p>	<p>Green The fund is well diversified and consists of a wide range of asset classes which aims to mitigate the impact of poor</p>

Risk details	Status and Risk owner	Mitigating controls
<p>Global financial crisis. Substantial political changes. Event: The market crashes, reducing the value of investments. Impact: The deficit increases, or there is a failure to reduce the deficit. Financial loss. Increased employer contribution costs.</p> <p>Notes 13/08/2019 - Risk wording updated and category added.</p>	<p>Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Financial Last review: 15th January 2024 Latest review details (F6) Controls reviewed and confirmed</p>	<p>performance from an individual market segment. Green Investment performance reporting and monitoring arrangements exist which provide the committee and investment officers with the flexibility to rebalance the portfolio in a timely manner. Green The long term nature of the liabilities provides some mitigation, in that markets tend to bounce back after crashes, such that the impact is significantly reduced.</p>
<p>F 6: Funding and Investments</p> <p>Cause: Substantial changes to UK or global economies. Event: Pay and price inflation are higher than anticipated. Impact: There is an increase in liabilities which exceeds the previous valuation estimate.</p> <p>Notes 13/08/2019 - Risk wording updated and category added.</p>	<p>Inherent status : 16 High Current status : 12 Medium (Unchanged)  Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Strategic Last review: 15th January 2024 Latest review details (F7) Controls reviewed and updated</p>	<p>Green The triennial actuarial valuation review focuses on the real returns on assets, net price and pay increases. Green Employers pay for their own salary awards and are reminded of the geared effect on pension liabilities of any bias in pensionable pay rises towards longer serving employees. Green The Fund is increasing its target allocation to investments in infrastructure funds with inflation linked returns, to act as a hedge against inflation increases. Green Inflation risk was addressed in the strategic reviewed undertaken by Mercer which was presented to the Investment and Pension Fund committee in February 2022. Amber Audit on inflation risk due Q1 2024</p>

Risk details	Status and Risk owner	Mitigating controls
<p>F 7: Funding and Investments</p> <p>Cause: Public services are cut and ill health increases.</p> <p>Event: There is an increase in the number of early retirements.</p> <p>Impact: There is an increase in liabilities which exceeds the previous valuation estimate.</p> <p>Notes 13/08/2019 - Risk wording changed and category added.</p>	<p>Inherent status : 9 Low</p> <p>Current status : 6 Low</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Strategic</p> <p>Last review: 15th January 2024</p> <p>Latest review details (F8) Controls reviewed and confirmed.</p>	<p>Green Employers are charged the extra capital cost of non ill health retirements following each individual decision.</p> <p>Green Employer ill health retirement experience is monitored.</p>
<p>F 8: Funding and Investments</p> <p>Cause: The average life expectancy of pensioners is greater than assumed.</p> <p>Event: The actuarial assumptions are incorrect.</p> <p>Impact: There is an increase in liabilities which exceeds the previous valuation estimate.</p> <p>Notes 13/08/2019 - Risk wording updated and category added.</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 9 Low (Unchanged)</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Strategic</p> <p>Last review: 15th January 2024</p> <p>Latest review details (F9) Controls reviewed and confirmed.</p>	<p>Green Life expectancy assumptions are reviewed at each triennial valuation. For the 2022 Valuation this included a review of the impact of COVID19 on mortality.</p> <p>Green Mortality assumptions include an allowance for future increases in life expectancy.</p> <p>Green Data used for the 2022 valuation suggest that life expectancy improvements are slowing down</p>
<p>F9: Funding and Investments</p> <p>Cause: Inadequate training.</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 9 Low (Unchanged)</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p>	<p>Green The team has procedures in place to monitor the receipt of contributions to the fund.</p>

Risk details	Status and Risk owner	Mitigating controls
<p>Availability of staff. Cashflow issues for employers Event: Scheme employers' contributions to the Fund are not received, processed and recorded completely and accurately. Impact: There are increased costs across all remaining scheme employers.</p> <hr/> <p>Notes 13/08/2019 - Risk wording updated and category added.</p>	<p>Category: Operational Last review: 15th January 2024 Latest review details (F10) Review of controls</p>	<p>Green The team communicates regularly with scheme employers to ensure that contributions are made in a timely manner and are recorded accurately.</p> <p>Green Details of any outstanding and overdue contributions are recorded and appropriate action is taken in order to recover payments.</p> <p>Green Contribution monitoring report is presented to the Pensions Board at each meeting for review</p>
<p>F10: Funding and Investments</p> <p>Cause: An employer ceases to exist with insufficient funding available to settle any outstanding debts, or refuses to pay the cessation value. Event: Departing employer does not fully meet their liabilities. Impact: Increased costs across the remaining scheme employers.</p> <hr/> <p>Notes 13/08/2019 - Risk wording updated and category added.</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 6 Low (Unchanged)</p> <p>Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Financial Last review: 15th January 2024 Latest review details (F11) Controls reviewed</p>	<p>Green Vetting prospective employers before admission and ensuring that they fully understand their obligations. Applications for admission to the Fund are considered carefully and a bond or guarantee is put into place if required.</p> <p>Green The Actuary has an objective of keeping contributions as stable as possible whilst ensuring the long term solvency of the Fund.</p> <p>Green Outstanding liabilities will be assessed and recovered from any successor bodies or spread amongst remaining employers.</p> <p>Green The actuarial valuation attempts to balance recovery period with risk of withdrawal.</p> <p>Green If necessary, appropriate legal action will be taken.</p>

Risk details	Status and Risk owner	Mitigating controls
		<p>Green Bond levels for each relevant employer and Employer covenant risks are re-assessed following each triennial actuarial valuation.</p> <p>Green Following changes to regulations, new policies have been put into place with regard to Deferred Debt and Debt Spreading Agreements. These will assist in managing exiting employer deficits.</p>
<p>F11: Funding and Investments</p> <p>Cause: Failure to meet regulatory requirements</p> <p>Event: Updated Legislative and regulatory requirements.</p> <p>Impact: Additional work to ensure compliance. Fines for noncompliance. Damage to reputation. Loss of members.</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 8 Low (Unchanged)</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Compliance</p> <p>Last review: 15th January 2024</p> <p>Latest review details (F14) Controls reviewed</p>	<p>Amber Currently much of the EU regulation has been retained in UK law following Brexit although this could change</p> <p>Green Officers receive regular briefing material on regulatory changes and attend training seminars and conferences, in order to ensure that any regulatory changes are implemented in the management of the Fund.</p> <p>Green All the Fund's current fund managers and financial counterparties have accepted Devon's application for elective professional client status</p>
<p>Notes</p> <p>13/08/2019 - Risk wording updated and category added.</p>		<p>Green Robust training plan to ensure committee and officers have required knowledge and experience to meet the qualitative criteria to opt up.</p>
<p>F12: Funding and Investments</p> <p>Cause: Remedies resulting from McCloud and Sargeant legal cases.</p> <p>Event: Significant additional pension liabilities for</p>	<p>Inherent status : 10 Medium</p> <p>Current status : 10 Medium</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Strategic</p> <p>Last review: 15th January 2024</p>	<p>Green Employer costs from the 2022 valuation has included estimated impact of McCloud</p> <p>Green CPI revaluation on CARE benefits currently high which will result in the McCloud guarantee applying to less members</p>

Risk details	Status and Risk owner	Mitigating controls
<p>the Fund. Impact: Increased employer contribution costs.</p> <hr/> <p>Notes 13/08/2019 - Risk wording updated and category added. 29/08/2019 - Risk wording updated.</p>	<p>Latest review details (F16) Controls reviewed</p>	<p>though actual impact unknown until the member leaves</p>
<p>F13: Funding and Investments</p> <p>Cause: Climate Change Event: Impact on investee companies of the consequences of climate change and the transition to a low carbon economy Impact: Financial loss and/or failure to meet return expectations Increases employer contribution costs</p>	<p>Inherent status : 16 High Current status : 12 Medium (Unchanged)</p> <p>Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Last review: 15th January 2024 (F17) updated control following completion of the move of all passive equities to the PAB fund</p>	<p>Green 100% of Brunel’s portfolios, across all asset classes, are carbon and climate aware. Consideration of climate change impacts is fully embedded into their manager selection process</p> <p>Green Brunel integrates climate change into their risk management process, using carbon footprinting, assessing fossil fuel exposure and challenging managers on physical risks, and seek to reduce unrewarded climate and carbon risk.</p> <p>Green The Devon Fund requires its non-Brunel investment managers (Infrastructure and Private Debt) to take climate change risks into account and report back regularly.</p> <p>Green The Devon Fund will undertake an annual assessment of the carbon footprint of its investments. The assessment as at 31 December 2022 showed a 45% reduction in the Weighted Average Carbon Intensity of the Fund’s equity investments compared with 31 March 2019</p> <p>Green The Investment Strategy Statement contains the Fund’s approach to Climate</p>

Risk details	Status and Risk owner	Mitigating controls
		<p>change and adopts the Brunel Climate change policy</p> <p>Completed The Fund has moved its UK and Smart Beta passive allocations to new UK Climate Transition and Global Paris Aligned funds to significantly reduce exposure to fossil fuel reserves.</p> <p>Completed – Investment Committee agreed to move the UK and World developed passive allocations to the Global Paris Aligned Benchmark fund</p>
<p>F14: Cyber Security Cause: Cyber Attack Event: Loss of access to key systems Impact: The fund cannot continue to operate and deliver its propriety services following a disaster, IT incident or data loss scenario</p>	<p>Inherent status : 20 High Current status : 12 Medium Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Last review: 23 August 2023</p>	<p>Green - Logotech system is a hosted system which is backed up daily. System can be accessed via non DCC computers in the event of a disaster recovery situation.</p> <p>Green – Supplier Contract management - Business Continuity Plan in place as well as incident response plans, penetration testing which are all tested annually.</p> <p>Green – Brunel’s cyber security arrangements have been audited by Deloitte which came back positive. Annual assurance framework in place with Brunel</p> <p>Green - All staff have completed mandatory cyber security training</p> <p>Green - All pensions and investment committee members and pension board members have received cyber security training</p>

Risk details	Status and Risk owner	Mitigating controls
		<p>Not Started - Business Continuity Plans include supplier contact details and plan to be tested every 12 months. The plan is reviewed by the Pensions Board.</p>
<p>G1: Governance Arrangements</p> <p>Cause: The Administering Authority fails to have appropriate governance arrangements, including the requirement for a Pension Board.</p> <p>Event: The administering authority is non compliant with legislation and/or best practice.</p> <p>Impact: There is an inability to determine policy. There is an inability to make effective decisions. There is an inability to deliver service. Negative impact on reputation.</p> <hr/> <p>Notes 13/08/2019 - Wording of risk updated.</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 8 Low (Unchanged)</p> <p>Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Strategic Last review: 15th January 2024 Latest review details Controls and risk score reviewed</p>	<p>Green DCC has produced a Governance Policy and Compliance Statement, as required by regulation 31 of the LGPS Regulations 2008.</p> <p>Green The Governance Policy and Compliance Statement is reviewed and updated regularly and scheme employers are consulted to ensure that the policy remains appropriate.</p> <p>Green The Statement is published on the Devon Pensions website: https://www.devonpensionfund.org.uk/fund-policies/important-documents/</p> <p>Green Pension fund stakeholders are made aware of the Statement.</p> <p>Green DCC has appointed an Investment and Pension Fund Committee to discharge the duties of the Council as Administering Authority of the Pension Fund.</p> <p>Green The Committee review and approve the annual statement of accounts of the Devon Pension Fund, consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from any audit that need to be brought to the attention of the Council.</p>

Risk details	Status and Risk owner	Mitigating controls
		<p>Green A Pension Board has been established as required by the Public Service Pension Act 2013.</p> <p>Green Support and training are being provided to ensure that the Board is equipped to undertake its role.</p>
<p>G2: Governance Arrangements</p> <p>Cause: Poor governance arrangements.</p> <p>Event: The Investment and Pension Fund Committee and Pension Board are unable to fulfil their responsibilities effectively.</p> <p>Impact: Non-compliance with legislation and/or best practice. There is an inability to determine policy, make effective decisions and/or deliver service. There is a risk to reputation. Possibility of fines/sanctions.</p> <hr/> <p>Notes 13/08/2019 - Wording of risk updated and category added.</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 9 Low (Unchanged)</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Operational</p> <p>Last review: 5th April 2023</p> <p>Latest review details Controls and risk score reviewed</p>	<p>Green The Committee has adopted the CIPFA Code of Practice on Knowledge and Skills, and regular training is provided to ensure that members have the level of understanding required.</p> <p>Green An Annual Training Plan is agreed by the Committee and Pension Board on an annual basis. The plan has been adapted to ensure provision of on-line sessions given the Coronavirus pandemic</p> <p>Green A training and induction programme is available for new Committee and Pension Board Members.</p> <p>Amber Some Committee members have yet to complete the Pension Regulator Public Sector Pensions Toolkit</p> <p>Green The Fund subscribes to relevant bodies (e.g. CIPFA, LAPFF, PLSA) and sends representatives to major conferences.</p> <p>Green DCC organises at least two training days per year for Investment and Pension Fund Committee and Pension Board members, with an additional engagement day</p>

Risk details	Status and Risk owner	Mitigating controls
		<p>being held with the Brunel Pension Partnership.</p> <p>Green Committee and Pension Board members are made aware of and adhere to the Governance Compliance Statement, and are encouraged to identify training requirements.</p> <p>Green Following a request by the Pension Board, officers have produced a web based handbook to act as a knowledge hub</p>
<p>I1: Internal</p> <p>Cause: Concentration of knowledge in a small number of staff.</p> <p>Event: Loss of staff leading to a breakdown in internal processes and service delivery.</p> <p>Impact: Financial loss and potential risk to reputation.</p> <p>Notes 13/08/2019 - Risk wording updated and category added. 29/08/2019 - Risk wording updated.</p>	<p>Inherent status : 16 High</p> <p>Current status : 12 Medium (Unchanged)</p> <p>Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Strategic Last review: 15th January 2024 Latest review details Controls and risk score reviewed</p>	<p>Green The Investment Manager is able to cover in the absence of the Head of Investments</p> <p>Green Knowledge of all tasks shared by at least two team members and can in addition be covered by senior staff.</p> <p>Green Training requirements are set out in job descriptions and reviewed annually with team members through the appraisal process.</p> <p>Green A formal training record for officers is maintained centrally.</p> <p>Green A procedure manual is in place which sets out work instructions for the majority of crucial tasks undertaken.</p> <p>Green The Devon Investment Services procedure manual will continue to be refined and updated on an ongoing basis.</p>

Risk details	Status and Risk owner	Mitigating controls
		<p>Green The review of CIPFA’s knowledge and skills framework relating to officers should result in key outcomes being delivered.</p> <p>Not Started – Internal audit on succession planning due Q1 2024</p>
<p>I2: Internal</p> <p>Cause: Inadequate treasury management practices.</p> <p>Event: Fraud, corruption or error.</p> <p>Impact: Risk of financial loss. Damage to reputation.</p> <hr/> <p>Notes 13/08/2019 - Risk wording updated and category added.</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 9 Low (Unchanged)</p> <p>Risk owner: Charlotte. Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Operational</p> <p>Last review: 23 August 2023</p> <p>Latest review details</p> <p>Controls reviewed and remain appropriate</p>	<p>Green Counterparty transactions are authorised by senior staff outside of the investment team.</p> <p>Green All staff are covered by fidelity insurance up to £15 million</p> <p>Green Sufficient members in the team to cover absence and leave</p> <p>Green Appropriate separation of duties exists.</p> <p>Green Treasury Management Practices are reviewed and updated regularly.</p> <p>Green Up to date financial regulations and practices.</p> <p>Green Processes in place ensure that all elements of the daily treasury management activity can be carried out remotely away from the office.</p> <p>Completed Annual internal audit undertaken which achieved substantial assurance level</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP – Readiness for connection to Pensions dashboards</p> <p>Cause(s)- Lack of resource/capacity to fully implement the required changes in a timely way; Delays in receiving national guidance.</p> <p>Event Peninsula Pensions is not fully prepared for connection to Pensions dashboards</p> <p>Impact(s) – Scheme members experience delays in connections to dashboards In the absence of connection to dashboards Members planning for retirement could experience delays in identifying their pensions/understanding the value of their pensions</p> <p>Reputational impact to Peninsula Pensions</p> <p>Possible legal implications (fines/penalties) for Peninsula Pensions</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 9 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb</p> <p>Accountable officer: Daniel Harris</p> <p>Category: Compliance</p> <p>Last review: 1 Dec 2023</p> <p>Latest review details</p> <p>Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 13/10/23</p>	<p>Green</p> <p>Internal project team in place</p> <p>Green</p> <p>Communications to employers and members</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP – Readiness for implementation of changes relating to the McCloud judgment</p> <p>Cause(s) – Lack of resource/capacity to fully implement the required changes in a timely way; Delays in receiving national guidance. Event – Peninsula Pensions is not fully prepared for implementation of the legislative changes (remedy) following the McCloud judgement. Impact(s) – Scheme members experience delays in the ‘remedy’ being applied Financial impact to scheme members Reputational impact to Peninsula Pensions Possible legal implication (fines/penalties) for Peninsula Pensions</p>	<p>Inherent status : 12 Medium Current status : 9 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Daniel Harris Category: Compliance Last review: 1 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 13/10/23</p>	<p>Green</p> <p>Internal project team in place</p> <p>Green</p> <p>Data cleansing activity underway including with employers</p> <p>Green</p> <p>Communications to employers and members</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP 1 - Annual Benefit Statements</p> <p>Cause/s Staffing Absences ICT Failures Poor data quality Event Annual Benefit statements are not sent to active and deferred members by 31st August. Impact Fines from the regulator Damage to reputation Increased complaints from Members Increased demand on resources to rectify the situation Creation of a backlog of other tasks due to diverted resource.</p>	<p>Inherent status : 8 Low Current status : 6 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Daniel Harris Category: Operational Last review: 1 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 13/10/23</p>	<p>Green • Project management approach • Regular contact with employers to obtain data. • Monthly interfacing to reduce workload at year end • Statements to employers for 31/07 to allow time for distribution to staff prior to 31/08</p> <p>Amber Following the completion of the historic data sign off exercise, employers will move to monthly interfacing which will reduce the number of queries at year-end. Target date for completion is 31st March 2023.</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP 2 - Failure to provide basic information about the LGPS</p> <p>Cause/s Inability to access basic LGPS information via the website due to IT issues or non publication. Starter Packs not being sent and/or received by members. General scheme literature not being made available to members. LGPS Administration team not informed of new members.</p> <p>Event Failure to make available provide Basic information about the LGPS including: how benefits are worked out; how member and employer contributions are calculated.</p> <p>Impact Negative reporting by or fines from the Pension's regulator. Damage to reputation.</p>	<p>Inherent status : 10 Medium Current status : 8 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Daniel Harris Category: Operational Last review: 1 Dec 2023 Latest review details Risks and mitigating controls remain appropriate Risk reviewed by the Pension Board on 13th Oct 2023</p>	<p>Green Reviews of documentation/letters Green Website regularly updated Completed Links to Pension Funds investment information and LGPS included on website Completed A revised New Starter pack has been designed and is now provided to members Completed Our methods and content of communication will be reviewed to ensure that members and employers are provided with accurate and relevant information.</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP 3 - Non-compliance with legislation and failure to correctly implement new legislation and regulations</p> <p>Cause Lack of structure/process to identify new legislation as it is released.</p> <p>Event Non-compliance with legislation/regulations.</p> <p>Impact Incorrect benefit payments. Damage to reputation. Fines from Regulators.</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 6 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb</p> <p>Accountable officer: Daniel Harris</p> <p>Category: Operational</p> <p>Last review: 1 Dec 2023</p> <p>Latest review details</p> <p>Risks and mitigating controls remain appropriate. Risk reviewed by the Pension Board on 13th Oct 2023</p>	<p>Green LGA/External training</p> <p>Green Project work approach to implementation of legislative changes.</p> <p>Green In house training for all staff. • Use of Perspective and Bulletins</p> <p>Completed A Training and Technical team is now in place, following the Pension Review. The team has commenced delivering training across the teams.</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP 4 - Failure of employing authority to provide timely and accurate member data</p> <p>Cause Employing authorities not fulfilling their responsibilities.</p> <p>Event Delays in the provision of pensions member data. Inaccuracies in the pension member data.</p> <p>Impact Incorrect benefit calculations. Financial Loss due to compensation to members. Incorrect benefit payments Delays to payments Additional work to request and correct information</p>	<p>Inherent status : 12 Medium Current status : 9 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Daniel Harris Category: Operational Last review: 1 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Pension Board on 13th Oct 2023</p>	<p>Green Pension Administration Strategy in place since April 2015 and was revised in 2020. Employer duties are clearly identified in the PAS. Ability to fine employers is provided for in PAS and LGPS regulations.</p> <p>Green Employing authorities are contacted for outstanding information when it is identified that information is missing or contains errors.</p> <p>Green Outstanding data queries are passed to Employer and Communications Team to monitor</p> <p>Completed Guidance available on website</p> <p>Green Individual employer meetings include review of employer performance</p> <p>Completed An Employer and Communications team is now in place. The team will consider employer performance and take action to address any issues, as required.</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP 6 - Communication of Entitlements</p> <p>Cause Insufficient communication and engagement with LGPS scheme members/employers.</p> <p>Event Employers and or Members are not made aware of their entitlements within LGPS resulting in Non-compliance with legislation and/or best practice.</p> <p>Impact Inability to determine policy Employees not joining the scheme. Inability to make effective decisions and/or deliver service</p>	<p>Inherent status : 12 Medium Current status : 9 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Daniel Harris Category: Operational Last review: 1 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Pension Board on 13th Oct 2023</p>	<p>Green The Peninsula Pensions website is kept up to date</p> <p>Green Meetings between PP managers and Communications team on a regular basis, with a communications plan and strategy for the year ahead</p> <p>Green Meetings are held with the Funds Employing Authorities and on request for training</p> <p>Green Benefit illustrations are sent annually to contributing and deferred Fund members</p> <p>Green The contact list for employers is updated regularly.</p> <p>Green Annual forums are held for employers and Trade Unions</p> <p>Green The annual report and accounts are published on the Peninsula Pensions website</p> <p>Amber A Communication Policy exists for the Devon Pension Fund, which includes Peninsula Pensions. The Peninsula Pensions Senior Management team are considering creating a separate communication policy for Peninsula Pensions which will be brought to the Board for consideration during 2023</p>

Risk details	Status and Risk owner	Mitigating controls
<p data-bbox="190 172 772 204">PP 7 - Non Payment of Pension Benefits</p> <p data-bbox="190 247 891 582">Cause Systems Failures Lack of information from employers Poor internal processes Event Pension benefits are not paid. Impact Damage to Reputation. Financial loss arising from compensation claims.</p>	<p data-bbox="898 172 1400 207">Inherent status : 12 Medium</p> <p data-bbox="898 212 1400 247">Current status : 8 Low (Unchanged)</p> <p data-bbox="898 252 1400 582">Risk owner: Rachel Lamb Accountable officer: Daniel Harris Category: Operational Last review: 1 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Pension Board on 13th Oct 2023</p>	<p data-bbox="1406 172 2022 247">Green The payroll system is set up to pay pensioners monthly.</p> <p data-bbox="1406 252 2022 367">Green Disaster recovery plan in place with Heywoods which will restore data within 7 days in the event of system failure</p> <p data-bbox="1406 371 2022 526">Green The payroll manual has been revised and updated following the introduction of RTI (Real Time Information) and new administration systems.</p> <p data-bbox="1406 531 2022 686">Amber Fully updated Pensioner Payroll Manual is now in place. An online training resource is being developed and will be completed during 2022.</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP 8 - Payment to deceased pensioners</p> <p>Cause LGPS Information is not updated as circumstances change. Poor internal processes.</p> <p>Event Pension benefits continue to be paid to deceased pensioners.</p> <p>Impact Damage to Reputation. Financial loss arising from overpayments. Additional resource to recover funds</p>	<p>Inherent status : 8 Low Current status : 6 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Daniel Harris Category: Operational Last review: 1 Dec 2023 Latest review details</p> <p>Risks and mitigating controls remain appropriate. Risk reviewed by the Pension Board on 13th Oct 2023</p>	<p>Green All pensioners are contacted annually.</p> <p>Green Pension suspended if post is returned</p> <p>Green Pensioners are incorporated into National Fraud Initiative</p> <p>Green Further targeted checks are conducted with credit reference agencies as appropriate</p> <p>Green Monthly mortality screening is undertaken and any positive matches are ceased immediately</p> <p>Green Western Union overseas existence service undertaken bi annually</p> <p>Green Tell us once service has been rolled out to LGPS. All relevant staff now have access and we are using fully utilising the service.</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP10 - Data and System Security</p> <p>Cause Insecure pensions and administration data.</p> <p>Event Loss/disclosure of Sensitive Data/Information.</p> <p>Impact Financial costs from legal action. Fines from ICO.</p>	<p>Inherent status : 9 Low Current status : 6 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Dan Harris</p> <p>Category: Operational Last review: 1 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 13/10/23</p>	<p>Green Access and security controls exist and the system is tested regularly by Heywoods and PP. Responsible Officer: Systems Development Officer</p> <p>Green System controls in place including systems access controls, approval/workflow controls and audit trail. The system is subject to regular checks by internal audit.</p> <p>Green In-house GDPR training is delivered to all new and existing team members on an annual basis to ensure that staff are fully aware of requirements under the data protection legislation. In addition to this, all staff are required to complete DCC's GDPR and DCC's mandatory Cyber Security e-learning assessment annually.</p>
<p>PP11 - Personal Member Data</p> <p>Cause Error when printing/sorting/compiling data. Poor internal processes.</p> <p>Event Information issued to the wrong person/organisation.</p> <p>Impact Financial Costs from legal action. Fines from ICO.</p>	<p>Inherent status : 9 Low Current status : 6 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Daniel Harris</p> <p>Category: Operational Last review: 1 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 13/10/23</p>	<p>Green It is a mandatory requirement for all DCC employees to undertake Data Protection training and to adhere to DCC's data protection policy.</p> <p>Green In-house GDPR training is delivered to all new and existing team members on an annual basis to ensure that staff are fully aware of requirements under the data protection legislation. In addition to this, all staff are required to complete DCC's GDPR e-learning assessment annually.</p> <p>Completed Internal e-Learning training 'Sharing personal data' was also undertaken by whole office during March 2018. All staff are required to complete DCC's e-learning assessment annually.</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP12 - Knowledge Management</p> <p>Cause Departure or non-availability of staff who hold key knowledge.</p> <p>Event Breakdown in internal processes and service delivery.</p> <p>Impact Financial Loss due to costs of obtaining resource, or delays/inefficiencies in existing processes. Reputation Damage.</p>	<p>Inherent status : 16 High Current status : 12 Medium (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Dan Harris Category: Strategic Last review: 6th July 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by Devon Pension Board on 06/07/23</p>	<p>Green Knowledge of all tasks are shared by at least two team members and can in addition be covered by senior staff</p> <p>Green Training requirements are set out in job descriptions.</p> <p>Amber The Training and Technical team have created training and procedure notes for the team covering all major processes. These will help to ensure consistency across the teams and will assist with the training of new recruits. Training notes are kept under review and updated as and when regulations come into effect.</p>

Risk details	Status and Risk owner	Mitigating controls
<p data-bbox="192 172 680 210">PP13 - Scheme Membership Data</p> <p data-bbox="192 248 725 619">Cause Incorrect information from employers. Fraudulent provision of data. System errors Poor internal processes. Event Unauthorised or invalid payments. Impact Financial loss Reputational Damage</p>	<p data-bbox="904 172 1397 210">Inherent status : 9 Low</p> <p data-bbox="904 210 1397 248">Current status : 6 Low (Unchanged)</p> <p data-bbox="904 248 1352 287">Risk owner: Rachel Lamb</p> <p data-bbox="904 287 1352 325">Accountable officer: Dan Harris</p> <p data-bbox="904 325 1218 363">Category: Operational</p> <p data-bbox="904 363 1240 402">Last review: 1 Dec 2023</p> <p data-bbox="904 402 1196 440">Latest review details</p> <p data-bbox="904 440 1397 580">Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 13/10/23</p>	<p data-bbox="1420 172 2036 248">Green Information and instructions are only accepted from authorised sources.</p> <p data-bbox="1420 248 2045 370">Green Employers and scheme members are required to review and confirm membership records annually</p> <p data-bbox="1420 370 2036 491">Green Benefit calculations are checked by senior colleagues and are subject to independent authorisation</p> <p data-bbox="1420 491 1980 612">Green All transactions comply with DCC financial regulations and are subject to independent authorisation</p> <p data-bbox="1420 612 1935 689">Green All staff are covered by fidelity insurance up to £15 million</p> <p data-bbox="1420 689 1935 778">Green Members approaching 75 are separately identified monthly</p> <p data-bbox="1420 778 2045 900">Green Data accuracy checks undertaken by the systems team including address / NINO checks</p> <p data-bbox="1420 900 1890 976">Completed Employer Self Service introduced.</p> <p data-bbox="1420 976 2036 1220">Amber Employers are currently in the process of undertaking a historic data sign off exercise. Once an employer has been signed off, they will move to monthly data submissions. Target date for completion is 31st March 2023.</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP14 - Compliance with Disclosure Regulations</p> <p>Cause Requirement to issue information within a certain timescale after a request/event.</p> <p>Event Failure to comply with disclosure regulations and to process accurate pension benefit payments in a timely manner.</p> <p>Impact Complaints which take up time to resolve. Additional Time spent chasing data Regulator Fines Compensation costs for members</p>	<p>Inherent status : 9 Low Current status : 6 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Dan Harris Category: Operational Last review: 1 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 13/10/23</p>	<p>Green Robust workflow management system in place.</p> <p>Green Payroll deadline procedures in place</p> <p>Green Item in Business Continuity/Disaster Recovery Plan</p> <p>Green Participate in National Fraud Initiative (NFI)</p> <p>Green Life Certificates exercise carried out /mortality checks</p> <p>Amber Full review of performance within PP being conducted to incorporate Employer performance and Admin strategies. Target date for completion 31/12/22 (with ongoing reviews and development after this date).</p>
<p>PP15 - Fraud, Corruption and Error</p> <p>Cause Poorly designed or implemented management practices/processes. Staff deliberately updating or providing fraudulent data.</p> <p>Event Fraud, corruption or error.</p> <p>Impact Financial Loss Reputational Damage</p>	<p>Inherent status : 12 Medium Current status : 9 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Dan Harris Category: Operational Last review: 1 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 13/10/23</p>	<p>Green Transactions are authorised by senior staff</p> <p>Green All staff are covered by fidelity insurance up to £15 million</p> <p>Green Sufficient members in the team to cover absence and leave</p> <p>Green Heywoods Audit trace report</p> <p>Green Appropriate separation of duties exists</p> <p>Green Up to date regulations and practices</p> <p>Green Internal and external audit checks performed to ensure that appropriate and effective controls are in place</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP16 - Loss of Shared Service Partner</p> <p>Cause Shared service partner choosing to use a different pensions administrator.</p> <p>Event Peninsula pensions no longer operates on the same scale.</p> <p>Impact Reputational Damage. Loss of staff / redundancies.</p>	<p>Inherent status : 9 Low Current status : 9 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Dan Harris Category: Strategic Last review: 1 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 13/10/23</p>	<p>Green Constant assessment of Performance</p> <p>Green Quarterly Shared Service meetings with key Fund colleagues</p> <p>Green Regular meetings between Peninsula Pensions and Employers</p> <p>Green Employer Newsletters</p> <p>Amber Full review of performance within PP being conducted to incorporate Employer performance and Admin strategies. Target date for completion 31/12/22 (with ongoing reviews and development after this date).</p>
<p>PP17 - Pensions System Failure</p> <p>Cause Connection issues. Supplier fault Cyber Attack.</p> <p>Event The hosted Altair pensions system fails.</p> <p>Impact <ul style="list-style-type: none"> • Loss of sensitive data. • Reputation risk. • Financial loss arising from legal action </p>	<p>Inherent status : 15 High Current status : 10 Medium (-5)</p> <p>Risk owner: Rachel Lamb Accountable officer: Dan Harris Category: Operational Last review: 18 May 2023 Latest review details Review by Rachel Lamb and enhancements made to the risk mitigating controls and new control added.</p>	<p>Green The system is backed-up daily. System is hosted by Heywoods</p> <p>Green A full disaster recovery plan and Business Continuity Plan is in place and tested/updated annually.</p> <p>Green Supplier management – Business Continuity Plan in place, along with incidence response plans, penetration testing and an annual disaster recovery test. In addition other documentation is provided with assurances of most recent UKAS certified body ISO (currently 27001) / cyber essentials / SOC2 compliance</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP18 - Cyber Attack</p> <p>Cause Cyber-attack on the Pensions ICT systems and or host systems.</p> <p>Event Loss of system access. Theft of confidential/personal data.</p> <p>Impact Inability to make payments to members. Fines from the ICO. Financial loss. Loss of membership data. Disclosure of sensitive data.</p>	<p>Inherent status : 15 High Current status : 10 Medium (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Dan Harris Category: Operational Last review: 18 May 2023 Latest review details Risks score and controls reviewed by Rachel Lamb</p>	<p>Green Ensure that the relevant people are suitably vetted and trained, that administrators and service providers have measures in place to avoid security breaches</p> <p>Green A full disaster recovery plan and Business Continuity Plan is in place and tested/updated annually</p> <p>Green Information from The Pensions Regulator: You can assess how secure your scheme is and find out more about protecting yourself on the government's Cyber Essentials website. And for more information about protecting against cyber threats, visit the National Cyber Security Centre's website.</p>
<p>PP19 - Member Self Service</p> <p>Cause Member Self Service access is compromised due to insecurity or lack of maintenance.</p> <p>Event Data is accessed and or obtained inappropriately.</p> <p>Impact Damage to reputation Loss of data Fines from ICO.</p>	<p>Inherent status : 9 Low Current status : 6 Low (Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Dan Harris Category: Operational Last review: 1 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 13/10/23</p>	<p>Green Information and Instructions are only accepted from authorised sources</p> <p>Green It is a mandatory requirement for all DCC employees to undertake Data Protection training and to adhere to DCC's Data Protection Policy</p> <p>Green Regular penetration testing</p> <p>Green Secure website (annual license renewal)</p>

DF/24/09
Devon Pension Board
30th January 2024

Communication Policy review

Report of the Director of Finance and Public Value

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

1) Recommendation

That the Board be asked to:

- (a) Provide comments on the draft Communications Policy.

2) Introduction

- 2.1 The Communications Policy is one of the four statutory statements that the Fund is required to have in place. It sets out the Fund's policies on the provision of information and publicity about the Scheme to members, representatives of members and employing authorities. It sets out the format, frequency and method of distributing such information or publicity, other key organisations that we communicate with, our values in relation to communications and the professional expertise available to the Fund.
- 2.2 It is good practice to review and update the policy on a regular basis. The Communications Policy was last update in November 2019. The Policy has therefore been reviewed and a revised policy is attached as Appendix 1 to this report.

3) Communications Policy

- 3.1 The Communications Policy has undergone mainly cosmetic changes as follows:
 - The format of the report has been amended to make conversion to a web page easier.
 - Job Titles and partner organisation names have been updated as required.
 - Paragraphs have been rearranged to improve layout and flow of the document.
 - Page numbers have been added and artwork removed.

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4) Conclusion

- 4.1 The revised Communications Policy will be presented to the Investment and Pension Fund Committee for approval at its meeting on 1st March 2024. The Board is asked to consider the draft policy and whether it wishes to make any comment to the Investment and Pension Fund Committee.

Angie Sinclair

Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972: List of background papers

Nil

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Devon Pension Fund Communications Policy

Draft version presented to the Devon Pension Board on 30 January 2024

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Devon Pension Fund

Communications Policy

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Background

The Devon Pension Fund is a subsidiary fund of the Local Government Pension Scheme (the LGPS). Established as a national pension scheme in 1922 and is one of the oldest public sector retirement schemes. Approximately one million employees contribute to the LGPS in England and Wales - roughly 75% of the local government workforce. The LGPS has 89 independent subsidiary localised funds governed by specific legislation that defines participation, governance, operational standards, investment and actuarial practices, administrative requirements and how retirement benefits are provided and paid.

The Devon Pension Fund is managed and operated by Devon County Council (DCC) who was appointed by statute as the Administering Authority of the Devon Pension Fund Local Government Pension Scheme. The assets of the Devon Pension Fund are not owned by DCC and are a separate legal and financial entity from DCC.

Devon County Council is the largest employer participating in the Devon Pension Fund. Many other employers participate in the Fund; County Councils, Town and Parish Councils, colleges, universities, Multi Academy Trusts (who manage schools or academies) and many employers, large and small.

The Devon Pension Fund employs specialised professionals to manage many of the practices and processes required to operate the Fund. A list of these service providers, their contact details and a brief explanation of their roles is provided.

The administration of members pension benefits is undertaken for the Devon Pension Fund by Peninsula Pensions, a shared pensions administration service - between Devon and Somerset.

Purpose of this document

The Devon Pension Fund encourages engagement between members and employers and its officers and representatives. The sharing of information amongst all stakeholders promotes good fund governance and fund management as well as developing a greater understanding of the complexities of planning for retirement.

This Communication Strategy Statement describes the intentions, processes and practices that facilitate good communication between all parties related to or engaged with the Fund and summarises the methods of connecting the stakeholders with information about personal benefits and the operation of the Devon Pension Fund.

Occasionally different methods of communication will be deployed as circumstances require. This Communication Strategy Statement does not limit the methods that may be used by the Fund to produce effective communication with stakeholders.

The Communications Strategy Statement is reviewed annually to accommodate changes to technology, legislation, actuarial requirements, or the practices of the LGPS and the Devon Pension Fund. The next formal review is scheduled for 1 July 2025.

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How the Fund connects with stakeholders

The Fund uses a range of communication channels and when deciding which to use consideration is given to the message, it's customers, and the cost to the Fund. Each time, the aim is to use the most appropriate and efficient means for connecting with stakeholders, whilst delivering concise, clear and accurate information.

To contain administration costs and embrace the use of technology, the fund aims to communicate as much as possible via electronically. This helps to ensure that the Fund maintains contact with members and removes the need for member tracing services. However, members are given the option to elect to receive any communication via other means.

Here are some of the common communication channels provided:

Online information sources

The Devon Pension Fund has made information available electronically for access by members and employers. The most efficient source of information are the two main Devon Pension Fund webpages.

- a) The Devon Pension Fund: - [Home - Devon Pension Fund](#)

This website provides useful and concise information about the Fund, including the:

- Annual Report and Accounts – including the annual financial statements
- Investment Strategy Statement
- Funding Strategy Statement
- Administration Strategy Statement
- Actuarial Valuation Report
- Fund Risk Register
- Fund Statistics
- Administering Authority Discretions Statement Information about the Responsible Investment objectives of the Fund

- b) Peninsula Pensions: - <https://www.peninsulapensions.org.uk>

The Peninsula Pensions website provides administrative information and guidance to employers as well as anyone who may be thinking of joining, is already a member, or may be a previous member or a pensioner member.

Member benefit information

After registration on the Member Self Service Portal members may:

- view their current benefit information

- model their own projected benefit calculations
- update personal details
- add or update Expression of Wish information
- view pay slips, P60s and annual benefits statements
- view newsletters
- print nomination and other forms for completion
- Interact with the administrator and raise questions or to upload or send documentation
- find out about methods of increasing future retirement benefits through options like Additional Voluntary Contributions and Additional Pension Contributions

For general queries members should complete the contact form on: [Contact Peninsula Pensions - get in touch for help and advice](https://www.peninsulapensions.org.uk/)<https://www.peninsulapensions.org.uk/>

Employer information and administration guidance:

There is also a section for employers: Peninsula Pensions ([Local Government Pension Scheme for employers - a guide \(peninsulapensions.org.uk\)](https://www.peninsulapensions.org.uk/))

Employers can obtain guidance and information on how to interact with the administrator to pay contributions, process member information (have benefits paid and access to forms and documents) and the practicalities of Outsourcing Services.

c) The Local Government Pension Scheme website

The LGPS web pages: <https://www.lgpsmember.org/> contain information about many aspects of the overarching LGPS arrangements useful to members and employers.

Annual Benefit Statements, Pensioner Pay Advice and P60

Active contributory members and deferred members have online access to their annual benefit statement showing current and prospective values of member's benefits

Pensioners receive pay advices in April and May each year. These show the effect of the annual pension increase and will include a P60 tax document summarising pay and the tax deducted from it for the previous year.

A pay slip is also issued to pensioners if there has been a change of more than £1 to their net monthly income.

Newsletters

The Fund provides regular electronic newsletters:

a) Employer Newsletters

Employers receive quarterly electronic newsletters containing news and developments of a strategic and nature affecting the employer and the Fund. Employers are encouraged to

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share the newsletter within their organisation. Special bulletins are published when necessary.

b) Pensions Line Newsletter

Peninsula Pensions distributes monthly Pensions Line Newsletters which is the main method of informing employers of regulatory updates as well as their responsibilities and processes to be followed to assist the smooth administration of the Fund. These are found at: [Pensions Line Newsletters - Peninsula Pensions](#)

c) Member Newsletters

The Fund regularly publishes member and pensioner newsletters and the Pensions Post sent directly to members. These inform about investment performance, investment and ESG strategy, member related events, changes to pensions legislation or improvements to the methods of obtaining their personal retirement benefit information. Recent back copies of these are available on the Fund web page: [Fund Policies - Devon Pension Fund](#)

Employer Liaison

Employer Communication Officers support employers in:

- Administrative and actuarial funding queries and liaison with other parties to provide information and advice to employers.
- Training and advice which are provided to Fund employers about administrative activities and tasks, tailored to the specific needs of any employer as well as actuarial and funding information.

The Fund also holds an annual Pension Liaison Officer Group meeting for all employers, set at a technical level, providing opportunity for the exchange views and news and addressing technical benefit issues, as well as changes to the Fund Administration Strategy.

Annual Employers Meeting

Employer organisations can meet senior Investment and Pension Fund managers at the Annual Employers Meeting. Pitched at the employer decision makers, these meetings provide formal and informal opportunities to exchange information and ask questions about fund performance, actuarial issues, changes to workplace pension's law, and developments in the reform of public pensions and LGPS specifically.

Annual Fund Member Consultative Meeting

Early in the calendar year an Annual Consultative Meeting with Fund members is held. The Chair of the Investment and Pension Fund Committee, senior Fund officers and management of Peninsula Pensions make presentations and answer questions.

Annual Fund Report

The Devon Pension Fund's Annual Report and Accounts is available at:

[Fund Policies - Devon Pension Fund](#)

Archived annual reports and accounts can also be accessed via this website, as can a range of Fund publications, including the Investment Strategy Statement, Funding Strategy Statement, and the most recent Actuarial Valuation Report.

Communications with key governance partners

Pensions governance is all about monitoring pension schemes to make sure they are run in their members' interests. Managers of the Devon County Council Investment and Peninsula Pensions teams work closely with the Investment & Pension Fund Committee and the Devon Pension Board to ensure that representatives are fully informed about Pension Fund matters and that they are fully supported in fulfilling their duties and responsibilities and able to make critical decisions.

The Governance Policy and Compliance Statement: [Important documents - Devon Pension Fund](#) outlines the arrangements for the Devon Pension Fund as maintained by Devon County Council in accordance with Regulation 55 of the Local Government Pension Scheme Regulations 2013. Under this provision all LGPS Funds in England and Wales are required to produce a Governance Compliance Statement, revise it following any material change in their delegation arrangements and publish it.

The Investment and Pension Fund Committee

The Investment and Pension Fund Committee fulfils the duties of Devon County Council as the Administering Authority of the Pension Fund.

The committee is made up of representatives from Devon County Council, Unitary and District Councils, other non-council employers, Trade Union and retired Members.

Investment and Pension Fund Committee Meetings are held at least quarterly and are open to the public as observers, other than where information is exempt from public disclosure under the Local Government Act 1972. Committee agendas, reports and minutes are made available at: [Investment and Pension Fund Committee - Devon Pension Fund](#)

The Devon Pension Board

The Board meets four times a year, with meetings falling in between the meetings of the Investment and Pension Fund Committee.

More information on the Pension Board along with terms of reference and meeting minutes can be found on the at: [Committee details - Devon Pension Board - Democracy in Devon](#)

Actuarial services

The Fund Actuary performs a three-yearly Actuarial Valuation of the Devon Pension Fund as required by LGPS Regulations. Assets and liabilities are measured and valued, and employer contribution rates are calculated that will achieve the long-term Fund Strategy.

The Fund maintains communications with the Actuary and Employers throughout this exercise. All employers get the opportunity to meet the Actuary when preliminary results are known.

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The Actuary also provides us with information and advice on a range of issues affecting the Fund, especially when an employer organisation is seeking to join or, more rarely, exit the Fund.

Actuarial Services to the Fund are provided by Barnett Waddingham: [Barnett Waddingham \(barnett-waddingham.co.uk\)](http://barnett-waddingham.co.uk)

The Brunel Pension Partnership Ltd.

Devon County Council is a shareholder of the Brunel Pension Partnership Ltd. (Brunel) which is one of eight national Local Government Pensions Scheme LGPS Pools. Brunel was established to manage investments for the pension funds of Avon, Buckinghamshire, Cornwall, Devon, Dorset, Environment Agency, Gloucestershire, Oxfordshire, Somerset, and Wiltshire in response to the Government's investment pooling initiative, with the aim of bringing together over £30 billion of investments from the 10 likeminded funds. 95% of the Devon Fund's investments are now managed by Brunel.

The Devon Fund continues to be responsible for its own investment strategy, and for deciding the strategic asset allocation between different asset classes to meet local investment objectives. Brunel provides a range of funds for their clients to invest in and are responsible for selection and monitoring of the external investment managers who manage those funds.

The Brunel Oversight Board, comprising the Chair of the Devon Pension Fund and the chairs of the nine other Brunel clients, meets on a quarterly basis to review the performance of Brunel and discuss other policy areas in relation to the operation of Brunel. This is a crucial body to ensure effective scrutiny of the operation of Brunel, and to act as a conduit of information between Brunel and the pension committees of the ten participating LGPS funds. Two Fund Member representatives, who have been selected from across the ten Brunel funds, also attend this board as observers.

The Client Group, comprising the investment managers of the ten LGPS funds that participate in the Brunel pool, meets with Brunel on a monthly basis. The channel of communication between Brunel and the Client Group is vital to the effective management of the relationship between Brunel and the client funds and the effective management of the pooled investments. Communication within the Brunel Client Group is also crucial to the sharing of best practice and seeking further opportunities for collaboration to reduce costs and improve performance

Further news and information can be found at: [Home - Brunel Pension Partnership](#)

Other investment managers and advisors

Investment performance is consistently monitored and evaluated against portfolio objectives and benchmarks. This is undertaken by the Director of Finance and Public Value's Investment Team which has regular performance review meetings with Brunel.

Around 5% of the Fund's investments are managed outside of the Brunel investment pooling arrangements, either in illiquid investments initiated prior to the inception of Brunel or in investments in a local impact portfolio. These funds are managed by professional external

fund managers. The Investment Team will meet regularly with these external fund managers to ensure they are meeting the Fund's investment objectives.

The Director of Finance and Public Value reports to the Investment and Pension Fund Committee on investment performance, covering strategy and the performance of Brunel and the other investment managers. Brunel will attend a briefing meeting with the Committee on a quarterly basis. The Committee has an experienced independent investment adviser, who will provide expertise and guidance on the Fund's investment strategy and the performance of Brunel and other managers. Regular communication between the Investment Team and the Independent Investment Advisor is essential to this relationship.

Every three years, the Fund will commission an external review of its investment strategy from a firm of investment consultants with LGPS expertise. Effective communication between the Investments Team, the Independent Advisor and the firm of consultants will ensure that the review is effective in making sure the investment strategy is fit for purpose.

Wider audiences

There are other groups and associations the Devon Pension Fund engages with in delivering a professional and competent service for its members. Each has its own needs in terms of message and media which the Fund will deploy to make sure that the meaning and significance is delivered strongly and securely. Here are some of them:

Press and Media

The Devon Pension Fund will actively engage with the press and other media organisations to ensure clarity of fact and fair representation. Enquiries from these bodies are handled by Devon County Council's Press and PR Office.

The Department for Levelling Up, Housing and Communities

The Department for Levelling Up, Housing and Communities is responsible for government policy on some public sector pensions including the LGPS. The Devon Pension Fund responds to consultation proposals for scheme changes.

LGPS Scheme Advisory Board

The Local Government Pension Scheme Advisory Board (<http://www.lgpsboard.org/>) is a body set up under Section 7 of the Public Service Pensions Act 2013. The purpose of the Board is to encourage best practice, increase transparency and coordinate technical and standards issues, and provide recommendations to the Secretary of State.

It will consider items passed to it from the Department for Levelling Up, Housing and Communities, the Board's sub-committees and other stakeholders as well as items formulated within the Board. Recommendations may be passed to the MHCLG or other bodies. It is also likely that it will have a liaison role with the Pensions Regulator. Guidance and standards may be formulated for local scheme managers and pension boards.

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The Devon Pension Fund will need to respond to initiatives undertaken by the Scheme Advisory Board, providing information where required, and feeding into the Board's working groups.

Local Government Association (LGA)

The LGA (<http://www.local.gov.uk/workforce>) represents the interests of 375 local authorities in England and Wales to central government and other bodies; specifically in this instance with regard to local government pensions' policy. The Workforce Team provide technical advice, a suite of guides, booklets and publications and a full programme of pensions training. The Fund obtains clarification and advice from LGA specialists from time to time.

The Pensions Regulator

The Public Service Pensions Act 2013 gave additional responsibility to the Pensions Regulator (<http://www.thepensionsregulator.gov.uk/>) to oversee the LGPS. The Regulator has issued a code of practice for LGPS funds to follow. The Devon Fund is required to report any significant breaches of the code of practice or regulatory requirements to the Pensions Regulator.

The Pension and Lifetime Savings Association (PLSA)

PLSA (<http://www.plsa.co.uk/>) speaks collectively for workplace pension schemes with the aim of influencing the direction of retirement provision. It has deep working relationships in Westminster and Whitehall. The Devon Pension Fund is a member of this organisations, and this helps us to be part of the national pension debate.

The Local Authority Pension Fund Forum (LAPFF)

LAPFF (<http://www.lapfforum.org/>) seeks to optimise the influence of local authority pension funds as shareholders to advance high standards of Corporate Governance and Corporate Social Responsibility. The Forum has a number of business meetings and an annual conference or AGM each year which is usually attended by the Assistant County Treasurer – Investments and Treasury Management.

The Society of County Treasurers (SCT)

This is a forum of all Shire and Unitary Council Treasurers meeting regularly for the sharing of information and best practice on all financial matters including pension fund management (<http://www.sctnet.org.uk/>).

Peninsula Pensions Communication documentation

This document does not attempt to address or include all the Devon Pension Fund administrative communications matters. Information relating to these topics are available on the Peninsula Pensions Website: <https://www.peninsulapensions.org.uk> .

Summaries of methods of sharing Fund information

Below are summaries of the prominent methods used by the Devon Pension Fund to share information. All reporting required by the Fund is in line with statutory timescales, specifically: The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 (legislation.gov.uk)

Complaint handling

The Fund makes every effort to get things right so that members do not have any complaints. However, should you have a grievance please contact us to resolve issues as quickly as possible.

Members who are not satisfied with any decision made should contact Peninsula Pensions in the first instance either by phone, letter or using the contact us page on the Peninsula Pensions website. The Fund will always aim to resolve issues informally though there is a formal complaint process known as the Internal Dispute Resolution Procedure. This process has two stages though most complaints are resolved at the first stage. Any complaint made will be treated seriously and considered thoroughly and fairly.

More information can be found on the Peninsula Pensions webpage: - [An employee's guide to the Internal Dispute Resolution Procedure - Peninsula Pensions](#)

Data protection

The Devon Pension Fund Administering Authority is a Data Controller under the General Data Protection Regulations. This means the Fund stores, holds and manages member personal data in line with statutory requirements to enable us to provide pension administration services.

To enable the Fund to carry out its statutory duty, it is required to share member information with certain bodies, but only do so in limited circumstances.

For more information about how the Fund holds member data, where this is shared and what rights members have, please see the privacy notice: [Privacy and data protection - Peninsula Pensions](#)

Rights to information

This document outlines the Fund's strategy for communications with members, participating employer organisations and the wider LGPS world. It sets out our methods and principles for managing interaction and includes a summary of the key strands of communications.

The Fund predominantly uses electronic forms of communication in the interests of economy, efficiency and environmental issues. Members have the opportunity to receive paper copies by post. Face-to-face and telephone communications will continue to be important channels for members to interact with the Fund and vice-versa.

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Print and electronic communications are designed with consideration for those with additional needs and large print, audio or Braille versions of all printed literature can be provided. Please contact Peninsula Pensions with regards to any documentation.

There is nothing in this Strategy Statement that affects rights to access or receive information under the Freedom of Information Act or the Disclosure requirements of the Local Government Pension Scheme (LGPS) available at

[Accessing your personal information - how to make a subject access request - Freedom of information \(devon.gov.uk\)](#)

Summary of methods of sharing Fund information with members

Expectation	Product	Source	Frequency	Updated
Knowledge of benefits Fund information and news Fund contact details	Information	Devon Pension Fund and Peninsula Pensions websites Peninsula Pensions member self-service portal	Available online	Within one month of significant changes
Personal benefits and information Fund and transfer credit information for prospective and new members	Welcome letter at entry Member self-service portal Annual member benefit statement Annual pensioner statement, P60	Peninsula Pensions Peninsula Pensions website	New members: on entry Active members: annual via email of web link Pensioners: annual pension pay slips by post	As soon as practical after event
Information about Fund finances, triennial actuarial valuation, investment performance, and general investment principles	Fund Annual Report Fund annual financial accounts Annual Member Consultative Meetings	Devon Pension Fund website DCC Investments Team	Annual - for financial information	When audit, statutory and actuarial work completed
Ways to improve personal pension benefits	Information about Additional Voluntary Contributions and Additional Pension Contributions	Peninsula Pensions website	Available online	Within one month of significant changes

Expectation	Product	Source	Frequency	Updated
Information about pension matters	Pensioner Newsletter	Email and post and websites	As required	As required
Information about pension benefits in payment – after retirement	Pensioners pay advice		Annual or within one month of any notable change April & May annually, including P60 for previous year	Within one month of significant changes
Representation on the Investment & Pension Fund Committee	N/A	Member and employer newsletters	As vacancies occur, nominations for positions are advertised	As required
Investment & Pension Fund Committee meeting papers and minutes	DCC Archive	DCC archive: https://www.devon.gov.uk/democracy/	Available online	As required
Representation on the Pension Board	N/A	Member and employer newsletters	As vacancies occur, nominations for positions are advertised	As required

Summary of methods of sharing Fund information with employers

Expectation	Source	Frequency
Fund literature, guides, forms; policies and reports	Peninsula Pensions website	Updated as required
Information about changes in legislation and revisions to fund requirements. Latest news and investment performance updates.	Pensions Line newsletters Quarterly and special bulletins Fund website	Updated as required
Information about fund finances	Fund annual report & financial accounts	Annual and archived reports via the und website
Information about the Fund's progress, the pension landscape, developments, news, and information exchange.	Employers Meeting / Forum	Annual and unique events according to need
Information about actuarial matters including funding levels and employer contribution rates.	Annual Employers Meeting Devon County Council officers	As required
Technical information about administrative activities and tasks	Specialist Training Pension Liaison Officer Group	On demand Annual and as need arises
Enrolment of employees	Information, template letters, forms, and flowcharts Project guidance	Online Dedicated specialist support

Expectation	Source	Frequency
Representation on the Investment & Pension Fund Committee	Fund website	As vacancies occur
Access to Investment & Pension Fund Committee papers and minutes	DCC archive - https://www.devon.gov.uk/democracy/	Available online
Representation on the Pension Board	Fund website	As vacancies occur

DF/24/10
Devon Pension Board
30th January 2024

MONITORING OF CONTRIBUTIONS AND BREACHES

Report of the Director of Finance and Public Value

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

1) Recommendation

That the Board be asked to:

- (a) Note the actions taken to monitor the contributions

2) Introduction

- 2.1 This report is to update the Pension Board on the current procedures for monitoring of timely payment of contributions from employers.
- 2.2 Employers are required to make their contributions to the fund by the 7th of the month in accordance with the Administering Authority discretions. The legal deadline is however later than this on the 19th of the month where payment is made by cheque or 21st of the month where payment is made electronically.
- 2.3 Where contributions are received after the legal deadline and the Authority considers that late payment is of material significance, we have the duty to notify the Pensions Regulator of the employer's failure to meet the legal deadline.

3) Monitoring process

- 3.1 Employers are required to submit a remittance advice with their contributions. The Finance team within Peninsula Pensions record the payments received onto the Fund's finance system. Staff in the investment team update a database which records the contributions and also checks that they are in line with the rate certified by the actuary.
- 3.2 The date that the contribution was received is also recorded in order to monitor compliance with the legal requirements.

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3.3 The table below shows a summary of the monthly contributions received in Q2 2023/24. For each scheme employer, 3 contributions would be recorded and included in the table below except for those employers who joined or left during the period.

3.4 A total of 14 contributions were received late during this quarter. Majority of these related to admitted bodies in the fund and one multi academy. All were one off incidents.

Employer by monthly contribution size	Paid on or before 7th of the month	Paid after 7th but on or before 21st	Paid after 21st	Not paid
£1 - £1000 (61)	130	22	5	0
£1001 - £10k (144)	402	26	7	0
£10k - £50k (72)	176	21	2	0
£50k+ (23)	73	6	0	0
<u>TOTAL</u>	<u>781</u>	<u>75</u>	<u>14</u>	<u>0</u>

4) Breaches

No other breaches occurred during Q4 of 2022/23.

Peninsula Pensions are still working with Devon Audit Partnership on a tool to provide a report on key employer performance areas with the aim to further enhance this report in the future.

5) Conclusion

6.1 The Board is asked to review and note the contribution monitoring record.

Angie Sinclair

Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972: List of background papers

Nil

Contact for enquiries:

Name: Charlotte Thompson

Telephone: 01392 381933

Address: Room 180 County Hall

INVESTMENT AND PENSION FUND COMMITTEE

24 November 2023

Present:-

Devon County Council

Councillors J Morrish (Chair), Y Atkinson, H Gent and G Gribble (remote)

Unitary Councils

Councillor M Lowry (remote)

Union and Retired Members

R Franceschini and M Daniell (remote)

Other Employers

Councillor R Bloxham

Apologies:-

L Parker-Delaz-Ajete and councillors P Bullivant (Vice Chair) and M Brook

* 142 **Announcements**

There was no announcement made by the Chair.

* 143 **Minutes**

RESOLVED that the minutes of the meeting held on 15 September 2023 be signed as a correct record, subject to the amendment of Minute *133 to rectify a spelling error in R Franceschini's name.

* 144 **Items Requiring Urgent Attention**

There was no item raised as a matter of urgency.

* 145 **Devon Pension Board**

The Committee noted the minutes of the Devon Pension Board meeting held on 13 October 2023. Minute *134 was commented on, which regarded a Government consultation on the future of the Local Government Pension Scheme investment pools and was discussed at the last meeting of this

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INVESTMENT AND PENSION FUND COMMITTEE

24/11/23

Committee. The Government had now issued a response to the consultation. Officers would update further at the next meeting.

* **146** **Brunel Oversight Board**

The Committee noted the minutes of the Brunel Oversight Board meeting held on 7 September 2023.

* **147** **Audit Report on the Pension Fund Statement of Accounts 2022/23**

The Committee considered the Report of the Director of Finance and Public Value (DF/23/107) on the Audit Report of the Pension Fund's Statement of Accounts for 2022/23. At the last meeting of the Committee, the external audit of the Fund had not been completed. It had now been, subject to a small number of remaining items, with a draft Audit Findings Report attached at Appendix 1 to the report. Members were also updated on the progress of the audit of the accounts for 2020/21 and 2021/22, which had been completed and 'consistency' audit opinions issued.

The Committee heard from a representative of Grant Thornton, the external auditor, who outlined the remaining areas required for the audit of the 2022/23 accounts, in particular some further work on IT controls. It was stated that the external auditors hoped to issue a finalised audit opinion on the 2022/23 accounts in January 2024; and that the work that had already been completed on the audit of the 2022/23 accounts demonstrated that the Fund had effective arrangements in place to produce complete, accurate and timely accounts.

Members noted the report.

* **148** **Investment Management Report**

The Committee considered the Report of the Director of Finance and Public Value (DF/23/108). The Report outlined the Fund value and asset allocation, Fund performance, funding level, 2023/24 budget forecast, cash management and voting and engagement activity.

Member attention was drawn to the addition of £50 million to the Sterling Corporate Bonds portfolio as agreed by the Committee at its last meeting.

As at 30 September 2023, the Fund value stood at £5,363.4 million which represented an increase of around £50 million over the financial year to date, albeit with little increase since the end of June. For the financial year to date up to 30 September 2023, the Fund's return was +1.3% compared to the strategic benchmark of +2.7%, namely an underperformance. It was explained that the Sustainable Equities and Infrastructure portfolios had struggled in the quarter as banks and oil companies had led the market, with Infrastructure impacted by rising interest rates and gilt yields.

Members discussion points included the diversification of the Fund; and employee contribution bands into the Fund, namely that these are set nationally and out of direct control of the Fund.

Members noted the report.

* **149** **Future Cashflow Forecast**

The Committee considered the Report of the Director of Finance and Public Value (DF/23/109) which outlined three scenarios of future cashflows into the Fund, based on a model provided by the Fund Actuary, to project across a 25-year period. The three scenarios reflected different degrees of deterioration of the Fund's cashflow position. It was explained to members that there were other scenarios, but that in the case of, for instance, increased fund membership, then these other (positive) scenarios would not detriment the Fund's cashflow and were therefore not of concern.

Members heard, based on current projections of the Fund's cashflow, that in the most severe of the scenarios outlined, the Fund would still be able to meet its obligations to pay pensions for the next six or seven years without needing to sell Fund assets, and that there was therefore no immediate call to refocus the current investment strategy to generate additional income. The next external review of the Fund's investment strategy was planned for late 2024 or early 2025, which was explained to be a suitable time to factor in future cashflow forecasts into any recommended changes to the strategy.

Members noted the report.

* **150** **Employer Changes**

The Committee noted:

(a) New admitted bodies –The following application for admitted body status had been approved since the last meeting of the Committee:

- 1 June 2023 - Plymouth City Council tuped staff to PEC Management Services Ltd which they had previously seconded to them.
- 1 July 2023 - Delt Shared Services won the contract to provide IT, Finance, HR and Estates management including catering, cleaning, maintenance etc for Mount Tamar School, an academy within the Transforming Futures Trust.

(b) Employer Cessations - None

(c) New academy conversions and changes.

- 1 June 2023 - Avanti Hall part of Reach South changed to Thomas Hall.
- 1 July 2023 - Honiton Community College joined Ted Wragg Trust.
- 1 August 2023 - Honiton MAT moved to Learning Academies Trust

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INVESTMENT AND PENSION FUND COMMITTEE

24/11/23

- 1 August 2023 - Sparkwell All Saints Primary School moved to Link Academy Trust

* 151 Dates of Future Meetings

Members noted the dates of future meetings of the Committee as:

1 March 2024 10.30am
1 March 2024 2.15pm - Staff/Retiree Consultation
14 June 2024 10.30am
13 September 2024 10.30am
29 November 2024 10.30am

* 152 Exclusion of the Press and Public

RESOLVED that the press and public be excluded from the meeting for the following item of business under Section 100(A)(4) of the Local Government Act 1972 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Schedule 12A of the Act, information relating to the financial or business affairs of an individual (including the authority holding that information).

* 153 Local Impact Investment

(An item taken under Section 100A (4) of the Local Government Act 1972 during which the press and public were excluded).

Members considered the Report of the Director of Finance and Public Value (DF/23/110) on progress made committing the approved 3% allocation to local impact investments, which was agreed previously by this Committee in June 2023; and provided an update on the due diligence done in relation to three proposed investments, with final decisions delegated to officers, also as agreed at the June meeting (Minute *126 refers).

Members noted the report.

NOTES:

1. *Minutes should always be read in association with any Reports for a complete record.*
2. *If the meeting has been webcast, it will be available to view on the [webcasting site](#) for up to 12 months from the date of the meeting*

* **DENOTES DELEGATED MATTER WITH POWER TO ACT**

The Meeting started at 10.31 am and finished at 11.30 am

DF/24/11
Devon Pension Board
30th January 2024

Proposed Internal Audit Plan for 2024/25

Report of the Director of Finance and Public Value

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

1) Recommendation

That the Board be asked to:

- (a) consider the proposed Internal Audit plan for 2024/25
- (b) consider whether it wishes to make any comments to the Investment and Pension Fund Committee.

2) Introduction

- 2.1 Under the Local Government Act 1972 the Authority, and specifically the Chief Financial Officer (the Director of Finance and Public Value), has a statutory duty to “make arrangements for the proper administration of their financial affairs”. Assurance that this is the case is given through the reporting of Internal Audit. The audits are carried out in accordance with the Accounts and Audit Regulations 2015 and in accordance with the Public Sector Internal Audit Standards (PSIAS).
- 2.2 Public Sector Internal Audit Standards (PSIAS) require the purpose, authority, and responsibility of Internal Audit activity to be formally defined in an Internal Audit Charter, consistent with the Definition of Internal Auditing, the Code of Ethics and the Standards.
- 2.3 The latest Internal Audit Charter and Strategy 2021/22 for Devon County Council was approved at the 25th February 2021 Audit Committee meeting. The document can be viewed at [Democracy Devon Audit Committee](#).
- 2.4 The Internal Audit Charter and Strategy is applied in relation to Devon Pension Fund and Peninsula Pensions Internal Audit activity, with associated reporting provided to the Devon Pension Board and Investment & Pension Fund Committee.

3) Internal Audit Plan 2024/25 and the Service Level Agreement

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- 3.1 The Internal Auditors for the Pension Fund are responsible for providing assurance that financial and other systems are operating effectively and in line with legislation and the Authority's financial regulations. This is achieved through two audit plans: one for the Devon Pension Fund and one for Peninsula Pensions
- 3.2 The Internal Audit Service for the Pension Fund is delivered by the Devon Audit Partnership. This is a shared service arrangement between Devon, Plymouth, Torbay, Mid Devon, North Devon, South Hams and West Devon and Torridge councils constituted under section 20 of the Local Government Act 2000.
- 3.3 The audit plans for the financial year 2024/25 allow for up to 35 days of internal audit support for the Pension Fund and 50 days of internal audit support for Peninsula Pensions, providing 85 days of internal audit provision overall. Further detail is set out in Appendix 1.

4) Conclusion

- 4.1 The Board is asked to consider the proposed Internal Audit Plan for 2024/25 and consider whether it wishes to make any comments to the Investment and Pension Fund Committee.

Angie Sinclair

Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972: List of background papers

Nil

Contact for enquiries:

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Address: Dart Suite, Larkbeare House

Internal Audit

Internal Audit Plan 2024/25

Devon Pension Funds
Audit Committee

January 2024

Not Protectively Marked

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Devon Audit Partnership	Confidentiality and Disclosure Clause
<p>The Devon Audit Partnership has been formed under a joint committee arrangement comprising of Plymouth, Torbay, Devon, Mid Devon and Torridge councils. We aim to be recognised as a high-quality internal audit service in the public sector. We work with our partners by providing a professional internal audit service that will assist them in meeting their challenges, managing their risks and achieving their goals. In carrying out our work we are required to comply with the Public Sector Internal Audit Standards along with other best practice and professional standards. The Partnership is committed to providing high quality, professional customer services to all; if you have any comments or suggestions on our service, processes or standards, the Head of Partnership would be pleased to receive them at tony.d.rose@devonaudit.gov.uk .</p>	<p>This report is protectively marked in accordance with the government security classifications. It is accepted that issues raised may well need to be discussed with other officers within the Council, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies.</p> <p>This report is prepared for the organisation's use. We can take no responsibility to any third party for any reliance they might place upon it.</p>

Introduction

Internal auditing is defined by the Public Sector Internal Audit Standards (PSIAS) which set out the requirements of a 'Board' and of 'senior management'. For the purposes of the internal audit activity within the Council the role of the Board within the Standards is taken by the Council's Audit Committee and senior management is the Council's Leadership Group. The Audit Committee, under its Terms of Reference contained in the Council's Constitution, is required to consider the Internal Audit Plan to provide assurance to support the governance framework (see Appendix 2).

This Council's Internal Audit Charter formally describes the purpose, authority, and principal responsibilities of the Council's Internal Audit Service, which is provided by the Devon Audit Partnership (DAP) as represented in the audit framework at Appendix 1, and the scope of Internal Audit work. The PSIAS refer to the role of 'Chief Audit Executive'. For the Council this role is fulfilled by the Head of Devon Audit Partnership.

The Chief Audit Executive is responsible for developing a risk-based plan which considers the organisation's risk management framework, including using risk appetite levels set by management for the different activities or parts of the organisation as represented in Appendix 3.

The need for robust and effective controls to ensure that resources are used to the best effect and deliver the authority's objectives has never been greater. Internal audit helps provide independent assurance that risks are known, understood and addressed, and that systems and procedures are sound, effective and free (as far as can be) from waste, error or fraud. Preparing a plan that addresses the emerging risks and developing areas for the council, whilst still covering the material and cross cutting systems is essential and ensures that internal audit resources are directed in the most appropriate way.

The audit plan represents the proposed internal audit activity for the year and an outline scope of coverage. At the start of each audit the scope will be discussed and agreed with management with the view to providing management, the Director of Finance (Section 151) and members with assurance on the control framework to manage the risks identified. The plan will remain flexible and any changes will be agreed formally with management on a regular basis and reported to Audit Committee.

Expectations of the Audit Committee for this annual plan

Audit Committee members are requested to consider: -

- the annual governance framework requirements;
- the basis of assessment of the audit work in the proposed plan;
- proposed areas of internal audit coverage in 2023/24.

In review of the above the Audit Committee are required to consider the proposed audit plan.

Tony Rose - Head of Devon Audit Partnership

Annual Flexible Audit Plan

There has been a growing trend in the sector towards more flexible audit plans to enable internal audit to be more responsive to changing risks, in turn maximising resource focus to clients needs as and when needed – *Agile Auditing*. Circumstances with the pandemic have highlighted the needs and benefits of this, where significant in year changes have been made to the 2021/22 audit plan, following which there has been further request to change them again – *they need to be more fluid*. This principle looks set to continue and has several benefits with ever changing priority and related risks. This continued into 2022/23 and will be a constant feature going forward. Key benefits provide for:

- reduction in non-productive resource planning - current pandemic circumstances require significant plan changes.
- improved opportunity to keep plan aligned to current risks within Service Areas and as a whole for the Authority.
- more effective and timely pre-audit engagement with Service Leads.
- greater and more regular discussion with client leads – supporting current risk and work priorities.
- the current trend for more flexible audit plans – agile auditing.
- experience that plans change regularly.
- changes in external risk drivers are more easily picked up in audit assurance needs.

Our audit plans are always built around the risks identified through risk management, audit needs and perceptions of current issues and in discussion with client management. The audit resource delivery envelope has been extended this year to provide opportunity for greater depth of coverage and further extension of counter fraud work.

The indicative allocation resource over the service areas to meet this summary plan is set out in the pie chart here. This shows a good spread of coverage across service areas which we feel will provide good opportunity to provide assurance on the wider control framework from which to build our annual assurance opinion.

Since 2021/22 the approach was changed to scope, schedule and resource plans throughout the year with Service Leads in an agile way incorporating risk changes as necessary. This was effective and this approach will continue in 2023/24.

THE AIM OF THE PLANS

The audit plans are agreed on an annual basis, incorporating the key risks identified through the Fund's risk register and areas identified by Internal Audit in consultation with management. However, recent good practice also recognises that it is advisable for plans to remain flexible, to enable them to be amended according to prevailing risks and changes to the control environment in the organisation, so whilst the annual plan should be approved at an appropriate level, it should also be capable of being flexed as necessary. The plan will also be regularly reviewed alongside the service to provide any updates or noteworthy items.

Our plan will be shared with external audit colleagues to prevent duplication of work, and to minimise audit coverage across systems, including financial systems.

The main objectives of the plan are to provide assurance to the Chief Financial Officer and the external auditors that key systems are: -

- Secure
- Effective
- Efficient
- Accurate
- Complete
- Compliant

In order to confirm this risk-based reviews; system reviews and compliance testing are completed at the Fund's administrative office, Peninsula Pensions offices or remotely.

THE PLANS

The audit plans for the financial year 2024/25 allows for up to 35 days of internal audit support for the Pension Fund and 50 days of internal audit support for Peninsula Pensions, providing 85 days internal audit provision overall.

We have worked with senior management to determine the key risks to the Fund and from this have developed a plan for the coming year. The plan considers both financial and non-finance-based systems, and our work will provide assurance to Senior Leaders and Members on the effectiveness of arrangements. Our working papers are available to external audit colleagues for their consideration in planning their work.

Any significant findings from the previous year's audit work will be reviewed to ensure that agreed recommendations have been implemented and are effective.

As part of the audit plan we will also provide assistance and advice and be a central contact point for senior management.

TIMETABLE

- The audits will be completed at specified times of the year through consultation and prior agreement with senior management.
- All findings will be reviewed with senior management at the end of each audit programme and prior to the issue of any draft reports.
- A copy of all final reports will be made available to the External Auditor for their information.

2024/25 PLANS

The following table sets out the planned internal audit work for 2024/25. Other issues and systems are sometimes identified during the course of the audits and, if found, will be discussed with senior management. These issues may be incorporated into future audit plans dependent upon priority and risk assessment.

The plans for both the Devon Pension Fund and Peninsula Pensions include following up of recommendations made previously at the next audit of that function or as part of other audits where there are links between functions / recommendations. This activity is shown within 'Audit Planning, Advice and Reporting' in the audit plan tables below, and briefly described at 4.6 in Section 1 of this report.

As detailed at 4.5 in Section 1 of this report, management track progress and completion of audit actions and report to the Devon Pension Board.

Devon Pension Fund Audit Plan 2024/25

Audit risk areas	Days
1. Private Market Accounts Reconciliation	10
2. Communications Policy and Compliance	8
3. Responsible Investment	8
4. Good Governance Review	7
5. Audit Planning, Advice and Reporting	2
Total days	35

Peninsula Pensions Plan 2024/25

Audit risk areas	Days
1. Employer Performance Reports (support with Power BI)	3
2. Employer Data Quality Review	8
3. Pension Admin Strategy Compliance	10
4. Quality Control and Assurance	8
5. McCloud	8
6. HMRC Reports	10
7. Audit Planning, Advice and Reporting	3
Total days	50

Our standard daily rate for this work will be £338, although specialist support may be at a different rate.

Tony Rose
Head of Devon Audit Partnership
January 2024

DF/24/12
Devon Pension Board
30 January 2024

PENINSULA PENSIONS PERFORMANCE REPORT

Report of the Director of Finance and Public Value

Please note that the following recommendations are subject to consideration and determination by the Board before taking effect.

Recommendation: The Board notes the report.

1) INTRODUCTION

- 1.1 Peninsula Pensions monitors performance against the [Occupational and Personal Pension Schemes \(Disclosure of Information\) Regulations 2013](#), which set out the statutory requirements regarding the disclosure of pension information.

Peninsula Pensions' has reviewed the [Pension Administration Strategy](#) (consultation period end date 31st December 2023), and targets included within it in the 2023 year, which includes the internal target for Peninsula Pensions and expected performance requirements from individual Fund employers. The information provided within this report is based around the statutory targets only, as outlined above.

- 1.2 Performance targets are monitored on a monthly basis via a task management system and reporting tool within the pension database.

2) TEAM PERFORMANCE

- 2.1 Total performance against the Occupational and Personal Pension Schemes (Disclosure of information) Regulations 2013 for the quarter ending 30 September 2023 was 92% (94% for High Priority procedures).
- 2.2 As referred to in the performance reports for previous quarters, the lower-than-expected performance is in part due to delays in responses to member information requested from employers. The team has continued to work with employers to implement improvements in this area.
- 2.3 The team have also continued to concentrate on processing outstanding deferred benefit and amalgamation cases in preparation for the McCloud remedy and future Pension Dashboard, which has impacted performance. Once these cases have been completed, we expect to see a further improvement in performance.
- 2.4 The team received a total of 20 compliments between 1 July 2023 and 30 September 2023.

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- 2.5 Appendix 1 of the report provides a detailed breakdown of administration performance relating to the Devon Pension Fund only, for the quarter ending 30 September 2023 against the statutory Disclosure Regulations. It also includes a graph which shows the monthly trend analysis on the percentage of high, medium, and low priority cases completed within timescales since April 2022.

In addition, a further chart, as requested by the Board, has been included to highlight the variants in performance when compared with the previous quarter.

- 2.6 Appendix 2 of the report highlights the longer-term performance of Peninsula Pensions (Devon Pension Fund only) for this financial year from 1st October 2022 to 30 September 2023. The bottom chart shows how many of the 'remaining' tasks outstanding to be actioned are awaiting information from another third party (member/employer) and therefore are on 'reply due'.
- 2.7 Appendix 3 of the report highlights the amount of work received over the last 12 month rolling period, compared to the same period in the previous year. The chart currently is showing an increase in demand. The last chart breaks down the work into the different work types showing where there has been an increase or decrease over the two periods.
- 2.8 Other updates

McCloud:

[The McCloud Remedy :: LGPS \(lgpsmember.org\)](https://www.lgpsmember.org)

Peninsula Pensions have staff resource allocated to work on the McCloud remedy when required and are in a good position with regards to the data preparation that was essential in advance of the remedy. One of the Technical & Training Officers on the team is leading the project and is working with DLUHC as part of the 'Statutory Guidance working group', which will support the drafting of the new guidance for administrators. We are therefore confident that we will be able to have input and interpret the legislation as intended/accordingly.

Review of Pension Administration Strategy:

Consultation period end date: 31st December 2023 – please see link for draft document consulted on:

Corporate websites - Draft Pension Administration Strategy April 2024 - Devon.pdf - All Documents (sharepoint.com) [Corporate websites - Draft Pension Administration Strategy April 2024 - Somerset .pdf - All Documents \(sharepoint.com\)](#)

Key additions/changes:

- Introduction of Employer fees for underperformance/lack of engagement.
- Peninsula Pensions Communication Policy Paper- referred to within strategy and provided in appendix A.
- Introduction of Audits on individual employers and their responsibilities

Annual Benefit Statements:

The annual benefit statement deadline of 31st August 2023 was achieved in advance for both active and deferred members as below:

Active Members: 38164 issued (of which 1624 had paper copies) – a further 97 were issued later (pending Admission Agreement finalisation)

Deferred Members: 45572 issued (of which 4137 had paper copies)

3. CONCLUSION

3.1 The Board is asked to note the report.

Angie Sinclair

Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972: List of background papers

Nil

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Agenda Item 11

Appendix 1

Administration Performance – 01/07/2023 to 30/09/2023 (Devon Pension Fund)

	Total Cases	Success Rate
HIGH PRIORITY PROCEDURES	3557	94%
MEDIUM PRIORITY PROCEDURES	6576	91%
LOW PRIORITY PROCEDURES	1768	90%
	11901	92%

High Priority

	Total Cases	Success Rate
CHANGES	339	100%
COMPLAINTS (First instance)*	31	100%
COMPLAINTS (Stage 1 IDR)*	4	50%
COMPLAINTS (Stage 2 IDR)*	4	75%
DEATH	392	75%
DEFERRED OVER 55	447	96%
PAYROLL	910	97%
REFUND	86	95%
RETRACT	434	93%
RETPB	910	95%
TOTAL	3557	94%

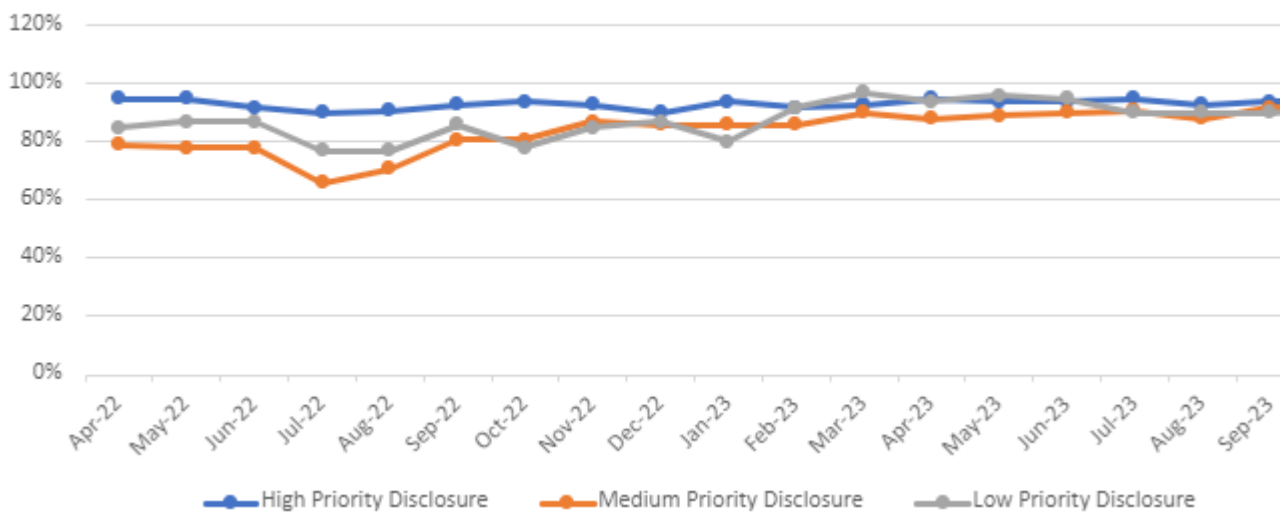
Medium Priority

	Total Cases	Success Rate
AMALGAMATIONS	1121	83%
DEFERRED	2238	84%
DIVORCE	114	85%
EMPLOYER QUERIES	242	86%
ESTBULK	0	-
ESTEMP	69	100%
ESTMEMB	63	90%
GEN	1334	99%
HMRC	51	98%
MSS	1344	100%
TOTAL	6576	91%

Low Priority

ESTOTHER	69	80%
GMP ACTIVE/DEFERRED	11	100%
INTERFUND IN	109	86%
INTERFUND OUT	119	82%
PENSION TOP UP	133	97%
REFUNDSFROZ	992	90%
STARTERS	0	-
TVIN	215	93%
TVOUT	120	92%
TOTAL	1768	90%

Devon Fund Disclosure



* **Complaints:** These are broken down into 3 categories:

First instance complaints – these are ‘informal’ member complaints with the aim of resolving prior to Internal Dispute Resolution Procedure (IDRP) – these are mainly generated by members via the online portal.

IDRP stage 1 (administrative or individual employer decisions)

IDRP Stage 2 Panel where member unhappy with Stage 1 determination

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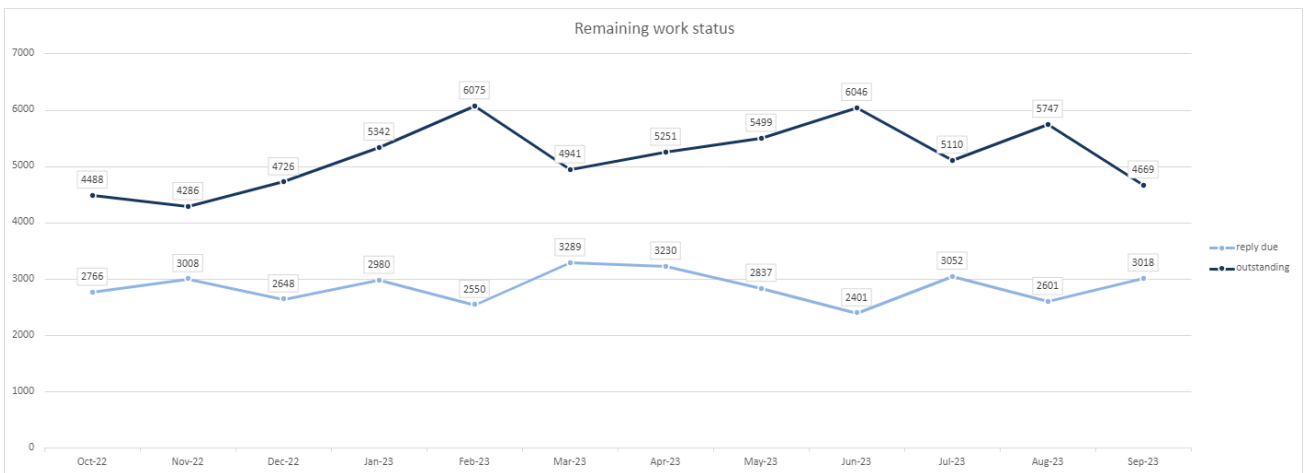
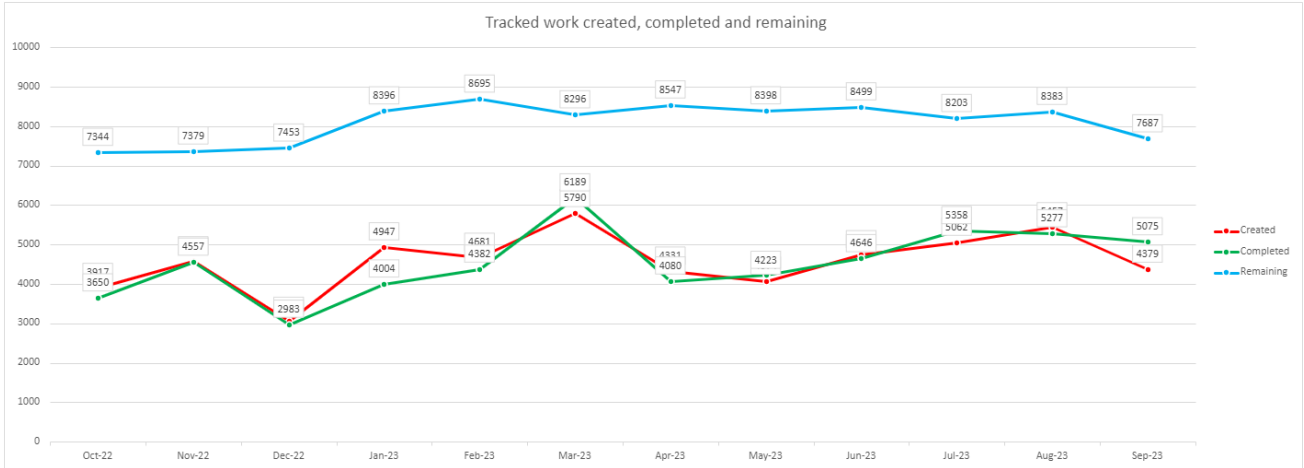
Variance in performance when compared to previous quarter:

Performance report						
Case breakdown		Period 1		Period 2		
PRIORITY case		in target	%	in target	%	DIFFERENCE
high	CHANGES	324	97.3%	338	99.7%	2.4%
high	COMPLAINT/IDRPMEM	22	100.0%	35	97.1%	-3.0%
high	COMPLAINT/IDRPEMP	1	100.0%	4	50.0%	-50.0%
high	DEATH	308	79.0%	293	74.7%	-4.2%
high	DEFERRED OVER 55	335	96.3%	431	96.4%	0.2%
high	PAYROLL	769	98.2%	884	97.1%	-1.1%
high	REFUND	236	100.0%	82	95.3%	-4.7%
high	RETRACT	372	95.4%	405	93.3%	-2.1%
high	RETPB	767	93.3%	867	95.3%	2.0%
med	AMALGAMATIONS	949	82.0%	936	83.5%	1.5%
med	DEFERRED	1016	72.1%	1880	84.0%	11.9%
med	DIVORCE	24	82.8%	97	85.1%	2.3%
med	EMPLOYER QUERIES	200	77.8%	208	86.0%	8.1%
med	ESTBULK	0		0		0.0%
med	ESTEMP	120	100.0%	69	100.0%	0.0%
med	ESTMEMB	61	100.0%	57	90.5%	-9.5%
med	GEN	1423	99.6%	1322	99.1%	-0.5%
med	HMRC	19	90.5%	50	98.0%	7.6%
med	MSS	1507	99.9%	1343	99.9%	0.0%
med	PFINJURY	0		0		0.0%
low	ESTOTHER	51	100.0%	55	79.7%	-20.3%
low	GMP ACTIVE/DEFERRE	14	100.0%	11	100.0%	0.0%
low	INTERFUND IN	93	94.9%	94	86.2%	-8.7%
low	INTERFUND OUT	49	76.6%	98	82.4%	5.8%
low	PENSION TOP UP	120	96.8%	129	97.0%	0.2%
low	REFUNDSFROZ	673	95.2%	897	90.4%	-4.8%
low	STARTERS	0		0		0.0%
low	TVIN	93	95.9%	199	92.6%	-3.3%
low	TVOUT	64	100.0%	110	91.7%	-8.3%
	Total	9610	91.2%	10894	91.5%	0.3%

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Appendix 2

Month	Created	Completed	completion rate	Remaining	reply due	outstanding
Sep-23	4379	5075	115.89%	7687	3018	4669

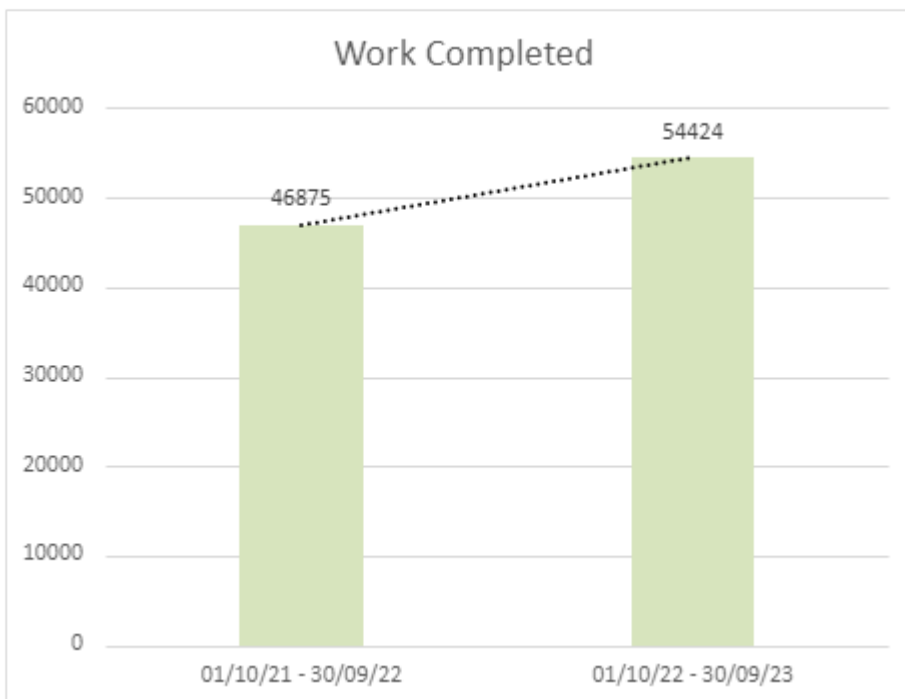
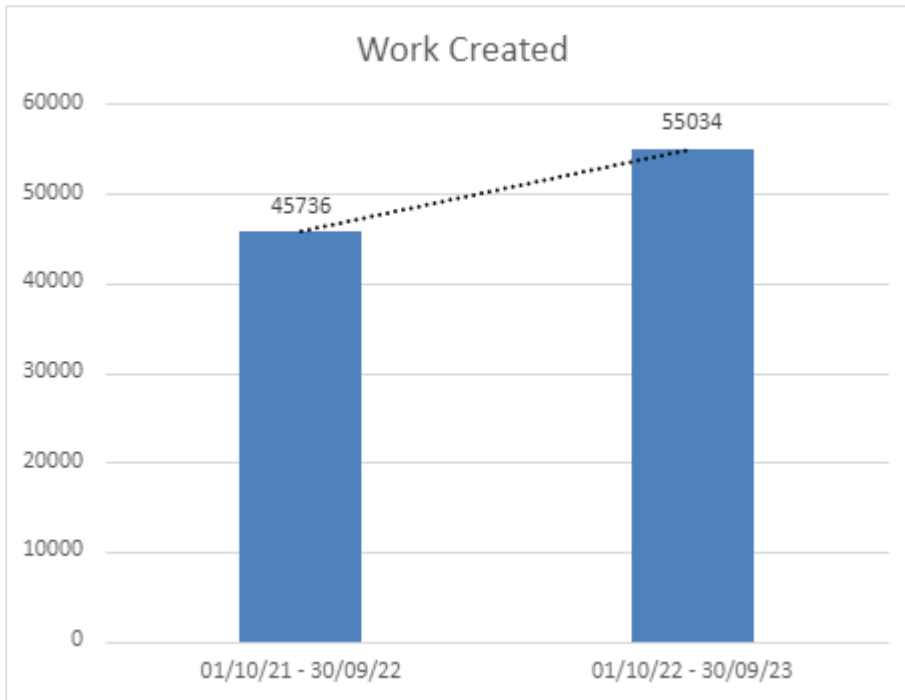


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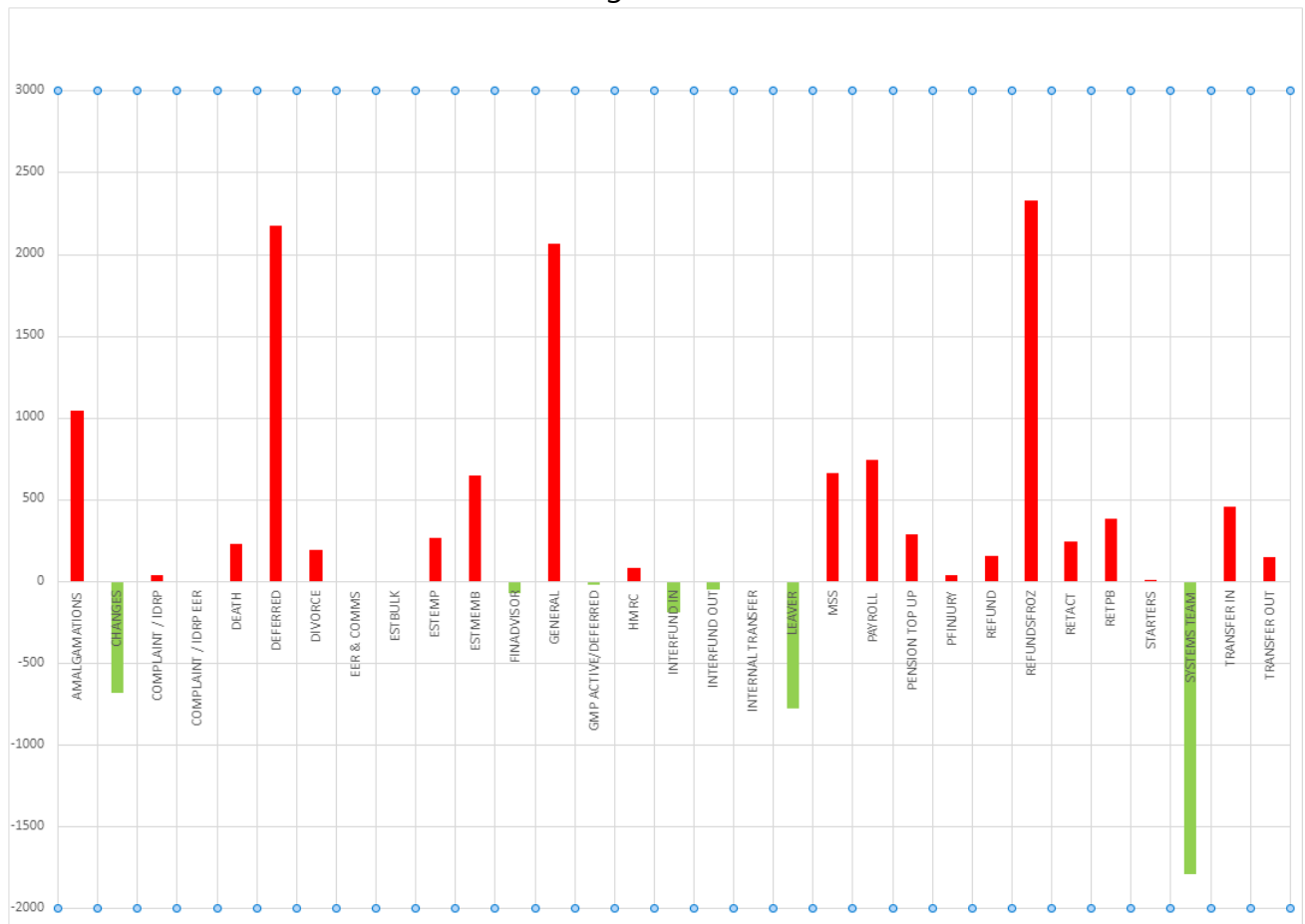
Appendix 3

**Work received 12 month rolling period 1 October 2022 to 30 September 2023
(against same period for previous financial year)**

from	to	Work Created	Work Completed	Average Monthly Work Remaining
01/10/2021	30/09/2022	45736	46875	7837
01/10/2022	30/09/2023	55034	54424	8107



Increase or decrease of type of work created within period 1st October 2022 to 30 September 2023 against same period for previous financial year.
 (Increase shown in red, decrease shown in green)



DF/24/13
Devon Pension Board
30th January 2024

LGPS Update

Report of the Director of Finance and Public Value

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

1) Recommendation

That the Board be asked to:

- (a) Note the developments affecting the LGPS

2) Introduction

- 2.1 This report is brought to the Pension Board to provide an update on the latest developments affecting the LGPS.

3) The Pensions Regulator (TPR) code of Practice

- 3.1 The long awaited TPR's new general code has finally been laid in Parliament on 10th January and brings together and updates 10 existing codes of practice into one set of clear, consistent expectations on scheme governance and administration. The code is expected to come into force on 27th March.
- 3.2 The new general code sets out in detail what TPR expects of a scheme that is required to maintain an effective system of governance. This brings together many key aspects of running a scheme, not least in terms of risk management. The detail of what constitutes an effective system of governance will be dependent on the size and complexity of the scheme.
- 3.3 The TPR will expect schemes to be able to demonstrate that they have appropriate procedures and policies in place. Officers will review the new code, identify any actions points and will provide a report to the Pension Board in due course.

4) LGPS- Next Steps on investments consultation

- 4.1 The Government has now responded to the consultation held last summer (reported to the board in October 2023) that contained a number of proposals concerning the future of pooling and the investing in assets to support levelling up in the UK.

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- 4.2 After having considered the responses, the government has indicated that it intends to implement the proposals that were set out in the consultation to accelerate and expand pooling, and increase investment in levelling up and in private equity as follows:
- set out in revised investment strategy statement guidance that funds should transfer all assets to their pool by 31 March 2025, and set out in their ISS assets which are pooled, under pool management and not pooled and the rationale, value for money and date for review if not pooled.
 - revise pooling guidance to set out a preferred model of pooling including delegation of manager selection and strategy implementation.
 - implement a requirement in guidance for administering authorities to set a training policy for pensions committee members and to report against the policy.
 - revise guidance on annual reports to include a standard asset allocation, proportion of assets pooled, a comparison between actual and strategic asset allocation, net savings from pooling and net returns for each asset class against their chosen benchmark.
 - make changes to LGPS official statistics to include a standard asset allocation and the proportion of assets pooled and the net savings of pooling.
 - amend regulations to require funds to set a plan to invest up to 5% of assets in levelling up the UK, and to report annually on progress against the plan.
 - revise ISS guidance to require funds to consider investments to meet the government's ambition of a 10% allocation to private equity.
- 4.3 The Government has set out that their immediate priority is for existing assets to be pooled, whilst the aim of consolidating into fewer larger pools is a longer term ambition. The Devon Fund has already pooled 95% of its assets with Brunel, including all listed assets.
- 4.4 When the formal regulatory guidance is issued in relation to the ambition for a 10% allocation to private equity, we would still need to be happy that that meets our fiduciary duty to manage the Fund to achieve the required investment return at the appropriate level of risk. It is suggested that this should be considered as part of the next external review of the Fund's investment strategy, which is due in the run-up to the 2025 Triennial Valuation.

5) Conclusion

- 5.1 The Pension Board is asked to note the issues and developments of the LGPS outlined in the report.

Angie Sinclair
Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972: List of background papers

Nil

Contact for enquiries:

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DF/24/14
Devon Pension Board
30th January 2024

FUTURE WORK PROGRAMME

Report of the Director of Finance and Public Value

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

1) Recommendation

That the Board be asked to:

- (a) review the work programme and provide any suggestions for future work items.

2) Introduction

- 2.1 The Devon Pension Board will meet four times per year to review and discuss issues concerning the Devon Pension Fund. In order to ensure that appropriate areas are covered going forwards it was agreed at the first meeting of the Board to implement a Future Work Programme.

3) Future Work Programme

- 3.1 A proposal for the Future Work Programme of the Pension Board is set out below:

Standing items

- Minutes of the Investment and Pension Fund Committee
- Devon Pension Fund Risk Register
- Peninsula Pensions Administration Performance
- Attendance register
- Actions and recommendations Tracker
- Future work programme
- Breaches log
- Contribution monitoring
- LGPS update

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April 2024

- Budget monitoring
- Annual Pension Board Report
- Internal Audit report for 2023/24
- 2023/24 Training Review and 2024/25 Training plan

July 2024

- Scheme Advisory Board Governance review
- Scheme Advisory Board Knowledge and skills framework

October 2024

- TPR new Code of Practice
- Budget monitoring
- Terms of Reference review

4) Conclusion

- 4.1 The Future Work Programme aims to set out a clear agenda for future areas of review and discussion for the Pension Board. This will help to provide assurance that the Devon Pension Fund is managed and administered affectively and efficiently, ensuring that it complies with the code of practice on the governance and administration of public service pension schemes issued by the Pensions Regulator.
- 4.2 The Board is asked to review and approve the future work programme and make suggestions for other areas of consideration going forward.

Angie Sinclair

Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972: List of background papers

Nil

Contact for enquiries:

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