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To: The Chair and Members
of the Devon Pension
Board

County Hall
Topsham Road
Exeter
Devon
EX2 4QD

Date: 22 April 2024

Contact: Fred Whitehouse, 01392 381362

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DEVON PENSION BOARD

Tuesday, 30th April, 2024

A meeting of the Devon Pension Board is to be held on the above date at 10.30 am
at Virtual meeting 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 Declarations of Interest

Members of the Committee will declare any interests they may have in any item to be considered at this meeting, prior to any discussion taking place on that item.

The registrable interests of Councillors of Devon County Council, arising from membership of City, Town or Parish Councils and other Local Authorities will automatically be recorded in the minutes.

For details of District and or Town and Parish Twin Hatters – please see here:
[County councillors who are also district, borough, city, parish or town councillors](#)

4 Minutes (Pages 1 - 4)

Minutes of the meeting held on 30 January 2024, attached.

5 Items Requiring Urgent Attention

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

6 Membership

Verbal update on progress on filling the vacancy of the Board.

MATTERS FOR CONSIDERATION OR REVIEW

7 Internal Audit Report 2023/24 (Pages 5 - 14)

Report of the Director of Finance (DF/24/46), attached.

8 Review of Attendance (Pages 15 - 18)

Report of the Director of Finance (DF/24/47), attached.

9 Contribution Monitoring (Pages 19 - 22)

Report of the Director of Finance (DF/23/48), attached.

10 Devon Pension Fund Risk Register (Pages 23 - 50)

Report of the Director of Finance (DF/24/49), attached.

11 Pension Board Annual Report (Pages 51 - 54)

Report of the Director of Finance (DF/24/50), attached.

12 Training Review and 2024/25 Training Plan (Pages 55 - 62)

Report of the Director of Finance (DF/24/51), attached.

13 Pension Board Budget Report (Pages 63 - 66)

Report of the Director of Finance (DF/24/52), attached.

MATTERS FOR INFORMATION

14 Investment and Pension Fund Committee (Pages 67 - 76)

Minutes of Investment & Pension Fund Committee held on 1 March 2024.

15 Peninsula Pensions Administration Update and Performance Statistics (Pages 77 - 84)

Report of the Director of Finance (DF/24/53), attached.

16 Local Government Pension Scheme Update Report (Pages 85 - 88)

Report of the Director of Finance (DF/24/54), attached.

17 Future Work Programme (Pages 89 - 90)

Report of the Director of Finance (DF/24/55), attached.

18 Dates of Future Meetings

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

Monday 15th July 2024 (training session planned for the afternoon)

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

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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

30 January 2024

Present:-

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

Apologies:-

C Hearn

* 137 **Chair's Announcements**

There were no announcements made by the Chair.

* 138 **Minutes**

RESOLVED that the Minutes of the meeting held on 13 October 2023 be signed as a correct record.

* 139 **Items Requiring Urgent Attention**

No item was raised as a matter of urgency.

* 140 **Review of Attendance**

The Board noted the Report of the Director of Finance (DFP/24/07) 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.

Officers commented that one member of the Board had attended a stewardship review training session, and that this would be added to the training log.

* 141 **Devon Pension Fund Risk Register**

The Board considered and noted the Report of the Director of Finance (DF/24/08) on the Pension Fund Risk Register and proposed mitigation actions.

At the meeting, the Board received a presentation from the Devon Audit Partnership on how risk within Devon, including with regard to the Devon Pension Fund, is identified and managed. It covered areas such as how risk is defined and how risk level is set (including examining the likelihood of a risk occurring, and the potential impact of that risk); that, despite mitigation, it

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DEVON PENSION BOARD

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would not be possible to eliminate risk altogether; and key resources on risk such as updates at committee, a live Power BI dashboard, and documentation produced by the Government.

During discussion, a member of the Board suggested that risk related to the Government proposals regarding the amalgamation of Local Government Pension Scheme (LGPS) investment pools should be considered for addition to the risk register.

* **142** **Communications Policy Review**

The Board considered the Report of the Director of Finance (DFP/24/09) on the updated Communications Policy, which was one of four statutory statements which the Fund was required to have in place. The Policy was last updated in November 2019, with a revised policy attached as Appendix 1 to the Report. This iteration of the Policy had undergone mostly cosmetic changes, as outlined in the Report.

* **143** **Contribution and Breaches Monitoring**

The Board noted the Report of the Director of Finance (DFP/23/10) which updated members on the current procedures for the monitoring of timely payment of contributions from employers. Although there were fourteen contributions received late during the quarter, officers advised that this largely constituted of new employers and were all one-off incidents, with no pattern of concern arising.

* **144** **Investment and Pension Fund Committee**

The Board noted the Minutes of the Investment and Pension Fund Committee held on 24 November 2024.

* **145** **Audit Plan 2024/25**

The Board received the Report of the Director of Finance (DFP/24/11) on the proposed Internal Audit Plan for 2024/25, which reflected the Local Authority's statutory duty to arrange proper administration of its financial affairs. The audit service would continue to be delivered by Devon Audit Partnership.

An officer highlighted and corrected an error in the Report, on pages 77 and 78, where two references were made to 2023/24 which should refer to 2024/25.

Members discussed the split of allocation days under the audit plans (35 days allocated for internal audit support for the Pension Fund, and 50 days for Peninsula Pensions) and how this differed to previous years.

* 146 **Peninsula Pensions Administration Update and Performance Statistics**

The Board noted the Report of the Director of Finance (DFP/24/12) which provided an update on the performance against the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013. Appendices 1 to 3 of the Report highlighted key aspects of performance for the attention of the Board. The Report also updated on the McCloud remedy and the review of Peninsula Pensions' Administration Strategy, on which a consultation had ceased at the end of 2023.

Member discussion centred around the mechanisms for admitting employers into the Fund and what knowledge testing was done in advance of their admission into the Fund; and strategies for following up on non-payment from Fund employers.

* 147 **Local Government Pension Scheme (LGPS) Update Report**

The Board noted the Report of the Director of Finance (DFP/24/13) updating on the latest developments impacting the LGPS.

* 148 **Future Work Programme**

The Board noted the Report of the Director of Finance (DFP/24/14) on the future work programme.

* 149 **Dates of Future Meetings**

The Board noted that future meetings would be held at 10.30am on:

Tuesday 30th January 2024
Monday 29th April 2024
Monday 15th July 2024
Monday 21st October 2024
Wednesday 29th January 2025
Thursday 3rd April 2025

It was suggested that the April 2024 meeting of the Board would need to be rescheduled owing to a Devon County Council Full Council meeting that had been scheduled for the same date and time.

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 11.24 am

DFP/23/46
Devon Pension Board
30th April 2024

ANNUAL INTERNAL AUDIT REPORT 2023/24

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 internal Audit Report for 2023/24

2) Introduction

- 2.1 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.
- 2.2 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) Review of 2023/24

- 3.1 The Head of Devon Audit Partnership is required to provide the Authority with an assurance opinion on the system of internal control of the Fund. This is set out in the Annual Report at Appendix 1.
- 3.2 Overall, and based on work performed during 2023/24, Internal Audit can provide **reasonable assurance** on the adequacy and effectiveness of the Fund's internal control environment. This is based on five assurance based audit reviews undertaken (3 completed and 2 on progress). There have been a further three consultative reviews completed during the year. Further explanation of this is provided in the Annual Report.

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4) Conclusion

4.1 The Board is asked to note the Internal Audit Report for 2023/24.

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

ANNUAL INTERNAL AUDIT REPORT 2023/24

Section 1 - ANNUAL INTERNAL AUDIT REPORT 2023/24

1 INTRODUCTION

- 1.1 The following report sets out the background to the internal audit service provision, reviews work undertaken in 2023/24 and provides an opinion on the overall adequacy and effectiveness of the Authority's internal control environment.
- 1.2 This report will support the organisation in complying with the Accounts and Audit Regulations 2015 which requires all authorities to carry out a review, at least once in a year, of the effectiveness of its system of internal control, and to incorporate the results of that review into their Annual Governance Statement (AGS). The AGS must then be published with the Annual Statement of Accounts.

2 BACKGROUND

2.1 Service Provision

- 2.1.1 The Internal Audit Service for the Devon Pension Fund (the Fund) is delivered by the Devon Audit Partnership (DAP).

2.2 Regulatory Role

- 2.2.1 There are two principal pieces of legislation that impact upon internal audit in local authorities:
- **Section 6 of the Accounts and Audit Regulations (England) Regulations 2015** which states that ".....a relevant body must undertake an adequate and effective internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control" - ".....a larger relevant body must, at least once in each year, conduct a review of the effectiveness of its internal audit"
 - **Section 151 of the Local Government Act 1972**, which requires every local authority to make arrangements for the proper administration of its financial affairs.
- 2.2.2 There are also professional guidelines which govern the scope, standards and conduct of Internal Audit, including the Public Sector Internal Audit Standards (PSIAS).
- 2.2.3 In addition, Internal Audit is governed by policies, procedures, rules, and regulations established by the Authority. These include standing orders, schemes of delegation, financial regulations,

conditions of service, anti-fraud and corruption strategies, fraud prevention procedures and codes of conduct, amongst others.

3 OBJECTIVES AND SCOPE

3.1 This report presents a summary of the audit work undertaken and provides an opinion on the adequacy and effectiveness of the Fund’s internal control environment. The report outlines the level of assurance that we can provide, based on the internal audit work completed during this year.

3.2 The Head of Devon Audit Partnership is required to provide the Authority with an assurance on the system of internal control of the Fund, based on risk-based reviews and sample testing, that there are no major weaknesses in the system of control. In assessing the level of assurance to be given the following have been taken into account:

- all audits undertaken during 2023/24, and prior years
- any significant recommendations not accepted by management and the consequent risks
- internal audit’s performance
- any limitations that may have been placed on the scope of internal audit.

3.3 Definitions of annual assurance opinions are shown in **Appendix B**.

4 INTERNAL AUDIT COVERAGE 2023/24

4.1 Financial management arrangements within the Authority are well established and staff have many years of experience giving them a good understanding and knowledge of the financial controls and requirements of regulations and policies.

4.2 Our work in 2023/24 has included completion of five risk based assurance audits for Devon Pension Fund and Peninsula Pensions, with two audits where the review has commenced in 2023/24 and are in progress. The individual assurance opinions issued in respect of our assignment work and, where applicable, the status of the audits is set out in the following table.

Key – DPF = Devon Pension Fund PP = Peninsula Pensions

Areas Covered		Stage	DPF or PP	Level of Assurance
1	Immediate Payments	Final	PP	Reasonable Assurance
2	Inflation Risk	Final	DPF	Substantial Assurance
3	McCloud	Ongoing	PP	n/a
4	Good Governance Review	Final	DPF	Reasonable Assurance



5	Cyber Security Follow-Up	Ongoing	PP/DPF	n/a
6	Succession Planning	Final	DPF	n/a - consultative
7	Future Finance Project (FINEST replacement)	Ongoing	PP/DPF	n/a - consultative
8	Employer Interface Data Quality / Employer Performance Reports	Ongoing and throughout 24/25	PP	n/a - consultative

- 4.3 Our reviews this year and in prior years provide sufficient evidence that overall, the Devon Pension Fund and Peninsula Pensions have suitable governance arrangements in place to mitigate exposure to identified risks. Good working practices are in place to meet statutory requirements. The Investment and Pension Fund Committee are kept well informed, concerning the Fund's value and the allocation of assets, and are updated regarding the LGPS Governance scheme.
- 4.4 We identified some areas where controls could be strengthened. Actions were agreed with management. Executive summaries from our work are shown in Appendix A.
- 4.5 We note that Devon Pension Fund management take regular reports to the Devon Pension Board with an Audit Action Log created to track progress and completion of audit actions including a log of actions requested by the Board.
- 4.6 Devon Audit Partnership also maintain records of progress against agreed actions.
- 4.7 Definitions of assignment assurance opinions are shown in Appendix B.

5 INTERNAL AUDIT OPINION

- 5.1 In carrying out systems and other reviews, Internal Audit assesses whether key, and other, controls are operating satisfactorily within the area under review, and an opinion on the adequacy of controls is provided to management as part of the audit report.
- 5.2 Our final audit reports include an action plan which identifies responsible officers, and target dates, to address control issues identified during a review. Implementation of action plans are reviewed during subsequent audits or as part of a specific follow-up process.
- 5.3 Management are provided with details of Internal Audit's opinion on each audit review carried out in 2023/24 to assist them with compilation of their individual annual governance assurance statements. No significant weaknesses were identified in these reviews.
- 5.4 Overall, and based on work performed during 2022/23, Internal Audit can provide '**Reasonable Assurance**' on the adequacy and effectiveness of the Fund's internal control framework.

Wider Assurance Received

- 5.5 The Devon Audit Partnership 2022/23 Internal Audit Report to Devon County Council, provided an overall assurance opinion of **'Reasonable Assurance'** on the adequacy and effectiveness of the Authority's internal control framework based on work performed during 2021/22 at that time and audit experience from previous years. This included review of corporate key financial systems and controls, including areas of Finance, HR, Digital Transformation and Business Support. The Devon Audit Partnership 2023/24 Internal Audit Report to Devon County Council will be presented to Audit Committee on 26th June 2024.
- 5.6 External Audit (Grant Thornton UK LLP) annual audit letter to Devon County Council for the year ending 31 March 2023, stated that Grant Thornton gave an unqualified opinion on the pension fund accounts of Devon Pension Fund on 24 November 2023. Grant Thornton reported the key issues from audit of the Pension Fund accounts to the Audit Committee in November 2023.
- 5.7 Brunel Pension Partnership Limited (BPP), Annual Report and Financial Statements for the year ended 30 September 2023, includes the independent Auditor's (Grant Thornton UK LLP) report to member of the BPP, for which no areas of concern were identified.

Executive Summaries for audits undertaken in 2023/24

PP - Immediate Payments (Reasonable Assurance)

The audit review has confirmed that immediate payments process for both Devon Pension Fund and Somerset Pension Fund are suitably controlled, and the risk of error or fraudulent payments being made are considered to be low. The level of assurance given was reasonable, rather than substantial due mainly to the inconsistent and / or incomplete audit trail for some Somerset Pension Fund immediate payments, which, whilst the process being followed was the same for both Devon and Somerset Pension Funds, the information for Somerset wasn't being consistently stored in the corresponding "P" folders on the network.

DPF: Inflation Risk (Substantial Assurance)

Management of inflation risk was found to be effective, with Devon Pension Fund (DPF) having a number of mitigating controls to minimise the risk of adverse impact on the rate of investment return on the pension fund due to high inflation. These are identified in the related risk in their risk register https://risks.devon.gov.uk/post_type/funding-and-investments-7/, as follows:

- The triennial actuarial valuation review focuses on the real returns on assets, net price and pay increases.
- 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.
- The Fund is increasing its target allocation to investments in infrastructure funds with inflation linked returns, to act as a hedge against inflation increases.
- Inflation risk was addressed in the strategic reviewed undertaken by Mercer which was presented to the Investment and Pension Fund Committee in February 2022.

The latest triennial valuation of 2022 recognised and adjusted for the higher inflation in its longer-term valuation assumptions and employer contribution rates, and the DPF latest funding strategy has been updated in line with this.

DPF's Investment Strategy has been updated to reflect the recommendations made following the strategic review carried out by Mercer LLC, and review of the quarterly investment performance reports does show that the recommended changes in asset class percentage holdings that have the biggest inflationary impact, these are being implemented over time.

Risk identification and management / mitigation thereof was evident throughout the respective strategies, policies, external reviews and investment performance monitoring and that risk management is clearly embedded, enabling substantial assurance to be given.

DPF: Good Governance (Reasonable Assurance)

Agenda Item 7



The existing governance framework in place for Devon Pension Fund is considered sound and is well placed to implement any new governance arrangements or changes in requirements that are introduced following the enactment of the outcomes of the good governance review carried out by Hymans Robertson. The audit review has confirmed that of the six areas of "good governance", DPF is deemed to be fully prepared and would already meet the new arrangements on three areas, that of General, Conflicts of Interest and Representation. In relation to the other three areas, there have been a few observations made and management actions suggested for implementation, that may be required in order to ensure that DPF can fully meet the new governance arrangements once regulated.

Of the 16 recommendations made in the good governance review report, suggested management actions have been offered in relation to nine of them, ranging from introduction of an Annual Governance and Compliance Statement into the annual accounts, to making potential changes to future training plans to accommodate the new proposed training requirements for the S151 Officer and committee members, appointment of a statutory "LGPS senior officer" and implementation of a business planning process.

The auditor has produced a GAP analysis, which is appended to this report (see Appendix D), which identifies the areas where there may be management action needed in order to fully meet the new governance arrangements once regulated. This compliments the management actions included in this report.

DPF: Succession Planning (n/a - Consultative)

DPF / PP: Future Finance Project (FINEST replacement) (n/a – consultative)

PP – Employer Interface Data Quality (Ongoing)

Audit Scope

Devon Audit Partnership have been commissioned to continue to support Peninsula Pensions with:

1. providing assurance on the accuracy of the monthly care pay information submitted through the interfaces by the scheme employers, to ensure it looks reasonable, tracking of trends, and comparing FTE data provided against set parameters.
2. Production of Performance Management Information for both Devon and Somerset Pension Boards relating to the performance of employers, through the creation of a dashboard viewable at both Fund and Employer level from which Fund / Employer report card summary sheets can be produced as PDFs.

Progress as at March 2024

This work is ongoing. An employer performance dashboard has been produced, using Power BI, and will be used to monitor quality and timeliness of pension data being provided by employers in line with the requirements of the Admin Strategy. The employer performance reports produced also addresses the wider issue of sharing performance data for management, Devon Pension Board and the Investments and Pension Fund Committee.

This assignment commenced in March 2023, continued throughout 2023/24, and will roll into 2024/25 when this will be rolled out for all employers across both the Devon and Somerset Pension Funds.

Organisation Assurance Opinion definitions :

Opinion	Definitions
Substantial Assurance	A sound system of governance, risk management and control exist across the organisation, with internal controls operating effectively and being consistently applied to support the achievement of strategic and operational objectives.
Reasonable Assurance	There are generally sound systems of governance, risk management and control in place across the organisation. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of some of the strategic and operational objectives.
Limited Assurance	Significant gaps, weaknesses or non-compliance were identified across the organisation. Improvement is required to the system of governance, risk management and control to effectively manage risks and ensure that strategic and operational objectives can be achieved.
No Assurance	Immediate action is required to address fundamental control gaps, weaknesses or issues of non-compliance identified across the organisation. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of strategic and operational objectives.

Individual Assignment Assurance Opinions definitions

Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

DFP/24/47
Devon Pension Board
30th April 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 8

Angie Sinclair

Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972: List of background papers

Nil

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Board Meeting				Training			
				In House event	In House event	Brunel Investor day	In House event
18/04/2023	06/07/2023	13/10/2023	30/01/2024	03/11/2022	06/07/2023	20/09/2023	03/11/2023
Fund Members							
Bowman	N	Y	Y	Y	Y	N	Y
Arrow	N/A	Y	Y	Y	N/A	N	Y
Phillips	Y	Y	Y	Y	N	N	Y
Vacant							
Fund Employers							
Slade (DCC)	Y	Y	Y	Y	Y	Y	Y
Walshe	Y	Y	Y	Y	Y	Y	Y
Hearn (Tavistock)	Y	Y	Y	N	Y	Y	Y
Randall Johnson (DCC)	Y	Y	Y	Y	N	Y	Y
Independent member							
Jeanes	Y	Y	Y	Y	Y	Y	Y

DFP/24/48
Devon Pension Board
30th April 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 payment of contributions.

2) Introduction

- 2.1 This report is to update the Pension Board on the current procedures for the 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 the 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 check 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 the quarter to 31 December 2023. 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 8 contributions were received late during this quarter. The majority of these related to admitted bodies in the fund and one parish council. All were one-off incidents.
- 3.5 Officers have however contacted one multi academy trust regarding outstanding contributions data which has delayed the allocation of receipts within the pension fund.
- 3.6 Officers have been working on streamlining the contribution process for multi academy trusts. In some circumstances it is possible to combine all contributions under one employer code in the fund rather than splitting the payment across all the schools in that trust which saves time for both the employer and fund officers. The overall number of contributions monitored in the table below have therefore reduced.

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)	120	22	0	0
£1001 - £10k (144)	359	63	8	0
£10k - £50k (72)	181	13	0	0
£50k+ (23)	65	12	0	0
<u>TOTAL</u>	<u>725</u>	<u>110</u>	<u>8</u>	<u>0</u>

4) Breaches

- 4.1 No other breaches occurred during the quarter to 31 December 2023.
- 4.2 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

5.1 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

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DFP/24/49
Devon Pension Board
30th April 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 30th January 2024, 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 10

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
 - I1 and F6 – The mitigating controls have been updated following the completion of internal audit work in these areas.
 - CM1 – Updated Communication Strategy has now been approved by the Investment and Pension Fund committee.
 - Peninsula Pensions risks PP1, PP4, PP6, PP7, PP11, PP12, PP13, PP14 and PP16 have had the mitigating actions updated to reflect work in progress in each of the areas involved.
- 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

Risk Category	Number of Inherent Risks Identified	Number of Risks following mitigating action
Peninsula Pensions		
High	3	0
Medium	8	3
Low	8	16

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:

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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.

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 <u>and</u> Threats</p> <p>Event leads to Impact</p> <p>Identify in groups - by those responsible for delivery of the objectives</p> <p>When:</p> <p>Setting strategic aims</p> <p>Setting business objectives</p> <p>Early stages of project planning & key stages</p> <p>Entering partnerships</p> <p>Categories can help:</p> <p>Political, Economic/Financial, Social, Technological, Legislative/Legal, Environmental, Community, Professional/Managerial, Physical, Partnership/Contractual.</p>	<p>Combination of the probability of an event and its consequences; Impact x Likelihood:</p> <table border="1" data-bbox="651 639 1120 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="1630 1034 2063 1321" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <pre> graph TD Objectives[Objectives] --> Identify[Identify] Identify --> Assess[Assess] Assess --> Respond[Respond] Respond --> Monitor[Monitor & Review] Monitor --> Identify TopRisks[Top Risks] style TopRisks fill:#fff,stroke:#000 </pre> </div>
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																																		

Risks: Pensions

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>Inherent status : 12 Medium</p> <p>Current status : 9 Low (↔ Unchanged)</p> <p>Risk owner: Mark Gayler</p> <p>Accountable officer: Philip Edwards</p> <p>Category: Compliance</p> <p>Last review: 15 Jan 2024</p> <p>Latest review details</p> <p>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>
<p>B3: Brunel Pension Partnership</p> <p>Cause: Ineffective governance of Brunel or departure of key people from Brunel</p> <p>Event:</p>	<p>Inherent status : 16 High</p> <p>Current status : 12 Medium (↔ Unchanged)</p> <p>Risk owner: Charlotte Thompson</p> <p>Accountable officer: Mark</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>

Risk details	Status and Risk owner	Mitigating controls
<p>Ineffective management of the Fund’s investments or at the extreme breakup of the partnership. Impact: Significant costs to the Fund and financial loss. Reputational damage.</p>	<p>Gayler Category: Operational Last review: 15 Jan 2024 Latest review details Review and update of mitigating actions</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. Green Brunel have put in place a revised People Strategy to support recruitment and retention of key staff</p>
<p>Cm1: Communication Cause: Inadequate communications plan and/or insufficient resource to action. Event: Insufficient communication and engagement with pension fund stakeholders. Impact: Damage to reputation. Uniformed policy decisions. Non compliance with legislation/best practice.</p>	<p>Inherent status : 12 Medium Current status : 9 Low (↔ Unchanged) Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Operational Last review: 02 Apr 2024 Latest review details Controls reviewed and updated</p>	<p>Green A communications strategy is in place and approved by the Investment Committee March 2024 Green The Devon Investment Services and Peninsula Pensions websites are kept up to date. Green Fund Performance is reported to the Investment & Pension Fund Committee on a regular basis. Green Meetings are held regularly with the Fund’s Employing Authorities. Green Benefit illustrations are sent annually to contributing and deferred Fund members. Green The contact list for employers is updated regularly. Green Annual forums are held for employers and scheme members. Green The annual report and accounts are published on the Devon Pension Fund website. Green Quarterly investment update is now published on the fund’s website</p>
<p>Cu1: Custody Cause: Changing economic climate, fraud or changing financial position of the Custodian. Event: Failure of Pensions custodian. Impact: Financial loss.</p>	<p>Inherent status : 9 Low Current status : 6 Low (↔ Unchanged) Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Operational Last review: 15 Jan 2024</p>	<p>Green The custodian contract is subject to regular review and periodic re-tendering by the Brunel Pension Partnership. Green The custodian must adhere to FCA and PRA financial regulations. Green Fund assets are protected in the event of insolvency of the custodian</p>

Risk details	Status and Risk owner	Mitigating controls
Failure to decrease deficit. Adverse media interest/damage to reputation.	Latest review details Controls reviewed and confirmed	
D1: Data Protection Cause: Failure to secure and maintain pension fund systems. Event: Loss of sensitive data. Impact: Reputation risk. Financial loss arising from legal action.	Inherent status : 9 Low Current status : 6 Low (↔ Unchanged) Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Operational Last review: 15 Jan 2024 Latest review details Review of controls	Green It is a mandatory requirement for all DCC employees to undertake Data Protection training and to adhere to DCC's data protection policy.
F 1: Funding and Investments 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.	Inherent status : 16 High Current status : 12 Medium (↔ Unchanged) Risk owner: Charlotte. Thompson Accountable officer: Mark Gayler Category: Financial Last review: 02 Apr 2024 Latest review details Review of controls	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 An Annual Training Plan for 2023/24 has been approved by the committee. Training programmes are available for Committee Members and Investment Staff. This can be delivered virtually where required Green Members and Officers are encouraged to challenge advice and guidance received when necessary. Green Sharepoint site dedicated to training and knowledge in development is in place

Risk details	Status and Risk owner	Mitigating controls
		<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>Inherent status : 20 High 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: 02 Apr 2024</p> <p>Latest review details 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 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>

Risk details	Status and Risk owner	Mitigating controls
		<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>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: 15 Jan 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> <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.</p> <p>Event: The fund fails to manage environmental, social and governance risks.</p> <p>Impact: Financial loss. Damage to reputation.</p>	<p>Inherent status : 15 High</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: 15 Jan 2024</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>

Risk details	Status and Risk owner	Mitigating controls
	Latest review details Controls reviewed and confirmed.	<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: Global financial crisis. Substantial political changes.</p> <p>Event: The market crashes, reducing the value of investments.</p> <p>Impact: The deficit increases, or there is a failure to reduce the deficit. Financial loss. Increased employer contribution costs.</p>	<p>Inherent status : 20 High Current status : 16 High (↔ Unchanged)</p> <p>Risk owner: Charlotte Thompson Accountable officer: Mark Gayler Category: Financial Last review: 02 Apr 2024 Latest review details (F6) Controls reviewed and confirmed.</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 performance from an individual market segment.</p> <p>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.</p> <p>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.</p> <p>Event: Pay and price inflation are higher than anticipated.</p> <p>Impact: There is an increase in liabilities which exceeds the previous valuation estimate.</p>	<p>Inherent status : 16 High Current status : 12 Medium (↔ Unchanged)</p> <p>Risk owner: Charlotte Thompson Accountable officer: Mark Gayler Category: Strategic Last review: 02 Apr 2024 Latest review details (F7) controls reviewed and updated to reflect completion of internal audit</p>	<p>Green The triennial actuarial valuation review focuses on the real returns on assets, net price and pay increases.</p> <p>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.</p> <p>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.</p> <p>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.</p>

Risk details	Status and Risk owner	Mitigating controls
		Green Internal Audit on inflation risk completed Q4 2023/24 with substantial assurance
<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>Inherent status : 9 Low Current status : 6 Low ( Unchanged)</p> <p>Risk owner: Charlotte Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Strategic Last review: 15 Jan 2024 Latest review details 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>Inherent status : 12 Medium Current status : 9 Low ( Unchanged)</p> <p>Risk owner: Charlotte Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Strategic Last review: 15 Jan 2024 Latest review details 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 suggests life expectancy improvements are slowing down</p>
<p>F 9: Funding and Investments</p> <p>Cause: Inadequate training. Availability of staff. Cashflow issues for employers</p> <p>Event:</p>	<p>Inherent status : 12 Medium Current status : 9 Low ( Unchanged)</p> <p>Risk owner: Charlotte Thompson</p>	<p>Green The team has procedures in place to monitor the receipt of contributions to the fund.</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>

Risk details	Status and Risk owner	Mitigating controls
<p>Scheme employers' contributions to the Fund are not received, processed and recorded completely and accurately.</p> <p>Impact: There are increased costs across all remaining scheme employers.</p>	<p>Accountable officer: Mark Gayler</p> <p>Category: Operational</p> <p>Last review: 15 Jan 2024</p> <p>Latest review details (F10) Review of controls</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.</p> <p>Event: Departing employer does not fully meet their liabilities.</p> <p>Impact: Increased costs across the remaining scheme employers.</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 6 Low (↔ Unchanged)</p> <p>Risk owner: Charlotte Thompson</p> <p>Accountable officer: Mark Gayler</p> <p>Category: Financial</p> <p>Last review: 15 Jan 2024</p> <p>Latest review details (F11) Controls reviewed and updated</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> <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:</p>	<p>Inherent status : 12 Medium</p> <p>Current status : 8 Low (↔ Unchanged)</p>	<p>Amber Currently much of the EU regulation has been retained in UK law following Brexit although this could change</p>

Risk details	Status and Risk owner	Mitigating controls
<p>Updated Legislative and regulatory requirements. Impact: Additional work to ensure compliance. Fines for noncompliance. Damage to reputation. Loss of members.</p>	<p>Risk owner: Charlotte Thompson Accountable officer: Mark Gayler Category: Compliance Last review: 15 Jan 2024 Latest review details (F14) Controls reviewed and confirmed</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. Green All the Fund's current fund managers and financial counterparties have accepted Devon's application for elective professional client status 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 Cause: Remedies resulting from McCloud and Sargeant legal cases. Event: Significant additional pension liabilities for the Fund. Impact: Increased employer contribution costs.</p>	<p>Inherent status : 10 Medium Current status : 10 Medium (↔ Unchanged) Risk owner: Charlotte Thompson Accountable officer: Mark Gayler Category: Strategic Last review: 15 Jan 2024 Latest review details Controls reviewed</p>	<p>Green Employer costs from the 2022 valuation has included estimated impact of McCloud Green CPI revaluation on CARE benefits currently high which will result in the McCloud guarantee applying to less members though actual impact unknown until the member leaves</p>
<p>F13: Funding and Investments 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</p>	<p>Inherent status : 16 High Current status : 12 Medium (↔ Unchanged) Risk owner: Charlotte Thompson Accountable officer: Mark Gayler Category: Last review: 15 Jan 2024 Latest review details (F17) updated control</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 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. Green The Devon Fund requires its non-Brunel investment managers (Infrastructure and Private Debt) to</p>

Risk details	Status and Risk owner	Mitigating controls
<p>expectations Increases employer contribution costs</p>	<p>following completion of the move of all passive equities to the PAB fund</p>	<p>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>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>Green The Investment Strategy Statement contains the Fund's approach to Climate change and adopts the Brunel Climate change policy</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</p> <p>Cause: Cyber Attack Event Loss of access to key systems Impact: The Fund cannot continue to operate and deliver its priority services following a disaster, IT incident or data loss scenario</p>	<p>Inherent status : 20 High Current status : 12 Medium (↔ Unchanged)</p> <p>Risk owner: Charlotte Thompson Accountable officer: Mark Gayler Category: Financial Last review: 02 Apr 2024 Latest review details Controls reviewed and remain in place</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 All staff have completed mandatory cyber security training</p> <p>Green All pensions and investment committee members and pension board members have recieved cyber security training</p> <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>

Risk details	Status and Risk owner	Mitigating controls
		<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>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>	<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: Strategic</p> <p>Last review: 15 Jan 2024</p> <p>Latest review details</p> <p>Controls reviewed and confirmed.</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> <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>Inherent status : 12 Medium</p> <p>Current status : 9 Low (← Unchanged)</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>

Risk details	Status and Risk owner	Mitigating controls
<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>	<p>Risk owner: Charlotte Thompson Accountable officer: Mark Gayler Category: Operational Last review: 15 Jan 2024 Latest review details Controls reviewed</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 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>Inherent status : 16 High Current status : 12 Medium (↔ Unchanged)</p> <p>Risk owner: Charlotte Thompson Accountable officer: Mark Gayler Category: Strategic Last review: 02 Apr 2024</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>

Risk details	Status and Risk owner	Mitigating controls
	Latest review details Controls reviewed and updated following internal audit review	<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> <p>Green The review of CIPFA's knowledge and skills framework relating to officers should result in key outcomes being delivered.</p> <p>Amber Internal audit review of succession planning undertaken Q1 2024. Some management recommendations to consider moving forward</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>	<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 Aug 2023</p> <p>Latest review details Control added of annual internal audit rating</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>
<p>PP 1 - Annual Benefit Statements</p> <p>Cause/s Staffing Absences</p>	<p>Inherent status : 8 Low</p> <p>Current status : 6 Low (↔ Unchanged)</p>	<p>Green • Project management approach • Regular contact with employers to obtain data. • Monthly interfacing to reduce workload at year end • Statements to employers</p>

Risk details	Status and Risk owner	Mitigating controls
<p>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>Risk owner: Rachel Lamb Accountable officer: Mark Gayler Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23</p>	<p>for 31/07 to allow time for distribution to staff prior to 31/08 Amber Employers have undertaken a historic data sign off exercise. Once an employer has been signed off, they move to monthly data submissions. Target date for completion is 31st March 2025 (majority of employers are providing monthly submissions, but those that are not will be targeted as part of the revised Pension Admin Strategy and fined where failure to engage)..</p>
<p>PP 2 - Failure to provide basic information about the LGPS 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. Event Failure to make available provide Basic information about the LGPS including: how benefits are worked out; how member and employer contributions are calculated. 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) Risk owner: Rachel Lamb Accountable officer: Mark Gayler Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23.</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 Accountable officer: Mark Gayler</p> <p>Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23</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>
<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</p> <p>Current status : 9 Low (↔ Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Mark Gayler</p> <p>Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23.</p>	<p>Green Pension Administration Strategy in place since April 2015. Revised 2020 and March 2024 to include schedule of fees relating to employer underperformance. 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</p>

Risk details	Status and Risk owner	Mitigating controls
<p>PP 5 - 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 implications (fines/penalties) for Peninsula Pensions</p>	<p>Inherent status : 12 Medium Current status : 9 Low (↔ Unchanged) Risk owner: Rachel Lamb Accountable officer: Mark Gayler Category: Compliance Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23</p>	<p>performance and take action to address any issues, as required.</p> <p>Green Internal project team in place Green Data cleansing activity underway including with employers Green Communications to employers and members</p>
<p>PP 6 - Communication of Entitlements</p> <p>Cause Insufficient communication and engagement with LGPS scheme members/employers. Event Employers and or Members are not made aware of their entitlements within LGPS resulting in Non-compliance with legislation and/or best practice. 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) Risk owner: Rachel Lamb Accountable officer: Mark Gayler Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23.</p>	<p>Green The Peninsula Pensions website is kept up to date Green Meetings between PP managers and Communications team on a regular basis, with a communications plan and strategy for the year ahead Green Meetings are held with the Funds Employing Authorities and on request for training Green Benefit illustrations are sent annually to contributing and deferred Fund members Green The contact list for employers is updated regularly. Green Annual forums are held for employers and Trade Unions Green The annual report and accounts are published on the Peninsula Pensions website</p>

Risk details	Status and Risk owner	Mitigating controls
		<p>Completed A Communication Policy exists for the Devon Pension Fund, which includes Peninsula Pensions. The Peninsula Pensions Senior Management team have included a supplementary Communication paper within the revised Pension Admin Strategy (March 2024) for Peninsula Pensions, which works alongside the Fund Communication Policy.</p>
<p>PP 7 - Non Payment of Pension Benefits</p> <p>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>Inherent status : 12 Medium Current status : 8 Low (↔ Unchanged) Risk owner: Rachel Lamb Accountable officer: Mark Gayler Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23.</p>	<p>Green The payroll system is set up to pay pensioners monthly. Green Disaster recovery plan in place with Heywoods which will restore data within 7 days in the event of system failure Green The payroll manual has been revised and updated following the introduction of RTI (Real Time Information) and new administration systems. Amber Fully updated Pensioner Payroll Manual is now in place. An online training resource is being developed and will be completed during 2024. This is constantly updated to take account of new software/legislative changes.</p>
<p>PP 8 - Payment to deceased pensioners</p> <p>Cause LGPS Information is not updated as circumstances change. Poor internal processes. Event Pension benefits continue to be paid to deceased pensioners. Impact Damage to Reputation.</p>	<p>Inherent status : 8 Low Current status : 6 Low (↔ Unchanged) Risk owner: Rachel Lamb Accountable officer: Mark Gayler Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed</p>	<p>Green All pensioners are contacted annually. Green Pension suspended if post is returned Green Pensioners are incorporated into National Fraud Initiative Green Further targeted checks are conducted with credit reference agencies as appropriate Green Monthly mortality screening is undertaken and any positive matches are ceased immediately Green Western Union overseas existence service undertaken bi annually</p>

Risk details	Status and Risk owner	Mitigating controls
<p>Financial loss arising from overpayments. Additional resource to recover funds</p>	<p>by the Devon Pension Board 1/12/23</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>
<p>PP 9 - 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. Event Peninsula Pensions is not fully prepared for connection to Pensions dashboards 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 Reputational impact to Peninsula Pensions Possible legal implications (fines/penalties) for Peninsula Pensions</p>	<p>Inherent status : 12 Medium Current status : 9 Low (↔ Unchanged) Risk owner: Rachel Lamb Accountable officer: Mark Gayler Category: Compliance Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23</p>	<p>Green Internal project team in place Green Communications to employers and members</p>
<p>PP10 - Data and System Security</p> <p>Cause Insecure pensions and administration data. Event Loss/disclosure of Sensitive Data/Information. Impact Financial costs from legal action. Fines from ICO.</p>	<p>Inherent status : 9 Low Current status : 6 Low (↔ Unchanged) Risk owner: Rachel Lamb Accountable officer: Mark Gayler Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23</p>	<p>Green Access and security controls exist and the system is tested regularly by Heywoods and PP. Responsible Officer: Systems Development Officer. Green System controls in place including system access controls, approval /workflow controls and audit trail. The system is subject to regular checks by internal audit. 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>

Risk details	Status and Risk owner	Mitigating controls
<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: Mark Gayler</p> <p>Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23</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 All staff are required to complete DCC's e-learning assessment annually.</p>
<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: Mark Gayler</p> <p>Category: Strategic Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23.</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>Green 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 new regulations come into effect.</p>
<p>PP13 - Scheme Membership Data</p> <p>Cause Incorrect information from employers. Fraudulent provision of data. System errors</p>	<p>Inherent status : 9 Low Current status : 6 Low (↔ Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Mark Gayler</p>	<p>Green Information and instructions are only accepted from authorised sources.</p> <p>Green Employers and scheme members are required to review and confirm membership records annually</p>

Risk details	Status and Risk owner	Mitigating controls
<p>Poor internal processes. Event Unauthorised or invalid payments. Impact Financial loss Reputational Damage</p>	<p>Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23</p>	<p>Green Benefit calculations are checked by senior colleagues and are subject to independent authorisation Green All transactions comply with DCC financial regulations and are subject to independent authorisation Green All staff are covered by fidelity insurance up to £15 million Green Members approaching 75 are separately identified monthly Green Data accuracy checks undertaken by the systems team including address / NINO checks Completed Employer Self Service introduced. Amber Employers have undertaken a historic data sign off exercise. Once an employer has been signed off, they move to monthly data submissions. Target date for completion is 31st March 2025 (majority of employers are providing monthly submissions, but those that are not will be targeted as part of the revised Pension Admin Strategy 2024 and fined where failure to engage).</p>
<p>PP14 - Compliance with Disclosure Regulations Cause Requirement to issue information within a certain timescale after a request/event. Event Failure to comply with disclosure regulations and to process accurate pension benefit payments in a timely manner. 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) Risk owner: Rachel Lamb Accountable officer: Mark Gayler Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23.</p>	<p>Green Robust workflow management system in place. Green Payroll deadline procedures in place Green Item in Business Continuity/Disaster Recovery Plan Green Participate in National Fraud Initiative (NFI) Green Life Certificates exercise carried out /mortality checks Amber Full review of performance within PP being conducted to incorporate Employer performance and Admin strategies. Target date for completion of all areas - 31/12/2024 (with ongoing reviews and development after this date).</p>

Risk details	Status and Risk owner	Mitigating controls
<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</p> <p>Current status : 9 Low (↔ Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Mark Gayler</p> <p>Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23.</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>
<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: Mark Gayler</p> <p>Category: Strategic Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23.</p>	<p>Green Constant assessment of Performance</p> <p>Green Quarterly Shared Service review 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 - 31/12/2024 (with ongoing reviews and development after this date).</p>
<p>PP17 - Pensions System Failure</p> <p>Cause Connection issues. Supplier fault</p>	<p>Inherent status : 15 High Current status : 10 Medium (↔ Unchanged)</p> <p>Risk owner: Rachel Lamb Accountable officer: Mark</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>

Risk details	Status and Risk owner	Mitigating controls
<p>Cyber Attack. Event The hosted Altair pensions system fails. Impact</p> <ul style="list-style-type: none"> • Loss of sensitive data. • Reputation risk. • Financial loss arising from legal action 	<p>Gayler Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23.</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>
<p>PP18 - Cyber Attack</p> <p>Cause Cyber-attack on the Pensions ICT systems and or host systems. Event Loss of system access. Theft of confidential/personal data. 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: Mark Gayler Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23.</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. Event Data is accessed and or obtained inappropriately. 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: Mark Gayler Category: Operational Last review: 01 Dec 2023 Latest review details Risks and mitigating</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>

Risk details	Status and Risk owner	Mitigating controls
	controls remain appropriate. Risk reviewed by the Devon Pension Board 1/12/23.	

16 Apr 2024



DFP/24/50
Devon Pension Board
30th April 2024

DEVON PENSION BOARD ANNUAL REPORT 2022/23

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 and consider the Devon Pension Board Annual Report

2) Introduction

- 2.1 The Devon Pension Fund Annual Report 2023/24 will be considered for approval by the Investment and Pension Fund Committee later this year. The report will contain the statement of accounts together with other information about the Fund's performance during the year, including the Devon Pension Board Annual Report.

3) Devon Pension Board Annual Report 2023/24

- 3.1 The Devon Pension Board Annual Report details the work undertaken by the Board during 2023/24. The report highlights the areas reviewed by the Board, and the key recommendations that have been reported to and acted upon by the Investment and Pension Fund Committee.
- 3.2 Officers have constructed an initial draft of the report for consideration and review by the Board, which is attached at Appendix 1.

4) Conclusion

- 4.1 The Board is asked to consider the Devon Pension Board Annual Report 2023/24.

Agenda Item 11

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 BOARD ANNUAL REPORT 2023/24

The Devon Pension Board was established in 2015, following the introduction of new governance arrangements by the Public Sector Pensions Act 2013. This act sets out the requirements for the establishment of a local pensions board with the responsibility for assisting the LGPS local scheme managers (Devon County Council) in relation to the following:

- compliance with LGPS regulations and any other relevant legislation;
- compliance with requirements imposed by the Pensions Regulator in relation to the LGPS;
- the effective and efficient governance and administration of the LGPS.

The Board makes recommendations to the County Council principally through its Investment and Pension Fund Committee and to Officers to improve governance standards. The Board may also, in exceptional circumstances and where relevant, also refer matters to the Scheme Advisory Board.

The Board is composed of four representatives of scheme members, four representatives of scheme employers and one non-voting independent member and meets four times a year.

Devon Pension Board as at 31 March 2024

Role	Member	Date of Appointment	Date left	Number of meetings attended (max 4)
Employer Representatives	Colin Slade	September 2018		4
	Dom Walshe	May 2022		4
	Carl Hearn	May 2021		3
	Sara Randall Johnson	May 2016		4
Scheme Member representatives	Andy Bowman	May 2021		3
	Ian Arrow	May 2022		3 (of 3)
	Paul Phillips	August 2017		4
	vacancy			
Independent	Rob Jeanes	August 2021		4

Some of the key areas of work undertaken by the Board during 2023/24 are detailed below:

- **Review of the internal audit reports for 2022/23 and the Internal Audit Plan.** As requested by the Board previously, the board was provided with an audit action log at each meeting to enable the board to monitor the progress of recommendations arising from internal audits. The Board work with officers on the planned audit programme and consider if any amendments mid year are required to accommodate government/regulator delays or unexpected events.

Agenda Item 11

- **Devon Pension Fund Risk Register.** During 2023/24, the Pension Board have reviewed the Risk Register at every board meeting and made a number of suggestions which were adopted by the Investment and Pension Fund Committee. These included issues surrounding the Government proposal to expand the pooling agenda and the risk on the fund's investments and returns. The risk register was subsequently updated to include the board's recommendations.
- **Pension fund governance.** The Board considered reports covering contribution monitoring that is undertaken by officers throughout the year. The board also received reports from Peninsula Pensions on the work in progress on monitoring and reporting employer performance.
- **Statutory Statements.** The Board conducted a review of the fund's Statutory Statements and made suggestions for improvements where necessary. The Communication Strategy and the Administration Strategy were both reviewed during the year.
- **Minutes from Investment & Pension Fund Committee meetings.** The Board reviewed each set of minutes from the Investment & Pension Fund Committee meetings held during 2022/23 to ensure that decisions have been made in accordance with the terms of reference.
- **Administration Performance.** The Board regularly review the performance statistics of Peninsula Pensions against local performance and the Disclosure Regulations.
- **Training and Attendance.** The Board gave consideration to the Annual Training Plan and conducted a review of the attendance of Board members at meetings and training events. At the board's request, the attendance log is now included as a standard agenda item at all board meetings.

It is a legislative requirement that Pension Board members have the capacity to take on the role, and it is expected that members should receive relevant training. All Pension Board members have completed The Pension Regulator's Public Sector Toolkit to ensure that Board members have sufficient knowledge and skills to carry out their role effectively.

More information on the work of the Devon Pension Board can be found on the Devon Pensions Fund website, including links to minutes, agendas and reports from meetings of the Board and the contact details of Board members:

<https://www.devonpensionfund.org.uk/governance/pension-board/>

DFP/24/51
Devon Pension Board
30th April 2024

TRAINING REVIEW 2023/24 AND TRAINING PLAN 2024/245

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:

- (a) Is invited to comment on the draft Training Plan for further consideration by the Investment and Pension Fund Committee.

2) Introduction

- 2.1 In accordance with Section 248 of the Pensions Act 2004, every individual who is a member of a Local Pension Board must:
 - Be conversant with the rules of the LGPS;
 - Be conversant with any document recording policy about the administration of the Fund which is for the time being adopted in relation to the Fund;
 - Have knowledge and understanding of the law relating to pensions;
 - Have knowledge and understanding of such other matters as may be prescribed.
- 2.2 The Pension Board will comply with the requirements of the Pensions Act 2004, including compliance with the Scheme Advisory Board Knowledge and Skills framework, the agreement of an Annual Training Plan and shall report on members' attendance at training events.
- 2.3 Following on from the recommendations of the Good Governance review, it is anticipated that at some point regulations and guidance will be introduced that extend the knowledge requirements that currently apply to the pension board to members of the Investment and Pension Fund Committee.

3) Training 2023/24

- 3.1 Several training sessions were held during 2023/24 for members of the Investment and Pension Fund Committee and Devon Pension Board.

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Dates and a summary of items covered are detailed below:

Pension Fund Training Event – 6th July 2023

- LGPS update
- Market outlook and impact on asset classes
- Cyber security
- Understanding bonds

Brunel Investor Day – 20th September 2023

- Macro outlook
- Systemic Stewardship
- Long termism and sustainability
- Responsible Investing and trends
- Navigating a path to net zero

Pension Fund Training Event – 3rd November 2023

- Economic outlook
- LGPS update
- Pensions Dashboards
- Measuring Local impact
- Residential Housing investment
- Investment performance review

4) Proposal

- 4.1 The 2024/25 Training Plan is attached at Appendix 1 and sets out a proposal for training to be provided over the year in order to ensure that both the Investment and Pension Fund Committee and the Pension Board have the knowledge and skills required in accordance with the CIPFA Code.
- 4.2 In anticipation of a new Pension Regulators Public sector toolkit, to reflect the new code of practice and the Government's intention to bring the knowledge and skills requirements to Investment Committee members, officers will focus on providing training to ensure compliance.
- 4.3 A training needs analysis will be undertaken in due course in order to identify areas of training for future events.
- 4.4 Officers have reviewed the Training plan to ensure that it reflects current best practise.

5) Conclusion

- 5.1 The Board is asked to 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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Devon Pension Fund Training Plan 2024/25



1 Introduction

The Devon Pension Fund has had a longstanding commitment to training for those involved in the governance of the Fund to ensure that they have the skills and understanding required to carry out their stewardship role. This has included regular events to cover the latest developments in the LGPS, investment strategy and performance monitoring. In February 2014, the Investment and Pension Fund Committee adopted the CIPFA Code of Practice on Public Sector Pensions Finance Knowledge and Skills.

It is important that members of both the Investment and Pension Fund Committee and the Devon Pension Board receive appropriate training in order to carry out their roles effectively.

Following completion of the Good Governance Project undertaken by the Scheme Advisory Board, it is anticipated that it will become mandatory for both committee and pension board members to have completed the Pension Regulator's Public Sector Toolkit modules within six months of appointment.

This training plan sets out how levels of understanding will be assessed, and how the knowledge and skills requirement and other regulatory requirements will be supported through training events over the next year.

2 Knowledge and Skills Framework

There are six areas of knowledge and skills that have been identified as the core requirements for those with decision making responsibility for LGPS funds. They are:

- Pensions legislative and governance context.
- Pensions accounting and auditing standards.
- Financial services procurement and relationship management.
- Investment performance and risk management.
- Financial markets and products knowledge.
- Actuarial methods, standards and practices.

Members of the Investment and Pension Fund Committee and the Pension Board are expected to have a collective understanding and senior officers are expected to have expertise of these areas of knowledge and skills.

3 Pension Board Specific Requirements

Under the regulations the members of the Pension Board are required to have the capacity to take on the role. In addition, in accordance with Section 248A of the Pensions Act 2004, it is expected that every individual who is a member of a Local Pension Board will receive training, and as a result:

- Be conversant with the rules of the LGPS, in other words the Regulations and other regulations governing the LGPS (such as the Transitional Regulations and the Investment Regulations);
- Be conversant with any document recording policy about the administration of the Fund which is for the time being adopted in relation to the Fund;
- Have knowledge and understanding of the law relating to pensions;
- Have knowledge and understanding of such other matters as may be prescribed.

4 Committee and Pension Board Training

Training for the Investment and Pension Fund Committee and the Pension Board during the year will focus on the following areas:

1. **The six areas of the Knowledge and Skills framework** – These will continue to be a major area of focus, with training focused on gaps in knowledge identified through the annual training needs analysis exercise. In addition, the Pensions Regulator Public Sector toolkit and introduction to investment module will provide good foundation knowledge and all members of the committee and pension board are required to complete this training and achieve full accreditation in anticipation that this will soon be a statutory requirement. Officers will continue to work with the Devon County Council Member Development Officer and individual Committee and Board members to ensure that they have the skills and knowledge required.
2. **Brunel Pension Partnership** – Training and briefings will continue to be provided regarding pooling and the service provided by the Brunel Pension Partnership. The training will focus on performance on investment and how Brunel manage Environmental, Social and Governance (ESG) issues. The training will aim to ensure that the Committee and Board are able to effectively monitor the ongoing operation of the company to ensure it is providing the required level of service in a cost-effective manner.
3. **Potential new investment opportunities** – Training will be provided on new areas of investment that may be considered by the Committee. Sessions will be provided to keep Committee and Pension Board members up-to-date with the latest market developments, and look at the Fund's long-term performance.
4. **Responsible Investment** – Training will be provided on the latest requirements in relation to effective stewardship, climate change and other ESG issues. This will include focusing on anticipated new requirements on climate reporting and ensuring the Fund continues to develop its stewardship activities to continue to meet the requirements of the UK Stewardship Code.

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5. **Regulatory / Legislative Changes** – Training will be provided on the implications of any legislative and regulatory changes. This will include anticipated new regulations and guidance on climate reporting, governance and any new initiatives related to investment pooling. Training will also include building understanding of the new Code of Practice issued by The Pension Regulator.
6. **Training manual** – Online resource covering a base level of knowledge required of pensions and the Devon Fund and covers topics included in The Pension Regulator toolkit.

Training will be delivered through the following events to be held during the year.

Devon Pension Fund Training - July 2024

In person training event which will include pension administration and the latest regulatory changes and an update on financial markets and economic outlook.

The Pension Regulator Toolkit Training and investments module – as required

A revised Toolkit is expected following the new code of practice. All board and committee members should complete the toolkit either online or via officer training sessions.

Brunel Investor Days– Autumn 2024

A further Brunel Investor Day will be held focusing on relevant LGPS issues, the portfolios and services being provided by Brunel, including market analysis, and stewardship and climate change policies.

Devon Pension Fund Training Day – Autumn 2024

Further training will be provided to include an update on financial markets and economic outlook, administration and the latest regulatory changes and areas of training highlighted as a result of a training needs analysis.

Other Training

Training needs analysis will be undertaken annually to help identify training gaps in individual members' knowledge. Any gaps will be addressed in future training plans. Any areas identified that will not be met by the core training described above, then additional training can be accessed to meet those needs.

Specific training can be identified for the Chairman of the Investment and Pension Fund Committee and the Pension Board to support them in their role if required. In addition, induction training will be provided for all new members of the Committee and Pension Board.

Resources are available to meet all the training requirements outlined above.

Following the Covid pandemic, many courses and events are now made available online. Committee and board members are particularly encouraged to sign up for these events as advised by officers when events become available.

5 Officer Training

It is important that officers have the required training to carry out the tasks of managing the Fund's investments and administering the payment of benefits. The knowledge and skills required of staff are set out in their job descriptions, including any formal qualifications required. Senior Officers should be familiar with the requirements of the CIPFA Code of Practice on Knowledge and Skills and should have expert knowledge of the six areas of the framework.

Senior officers will attend relevant conferences and seminars during the year to ensure that they remain up-to-date with the latest requirements. In addition, they will be expected to keep up to date through use of the internet, and conduct research on relevant issues where required. All staff will have specific training identified to meet assessed requirements. Individual training plans will be put in place and these will be recorded and reviewed as part of the annual appraisal process.

A central training record will be maintained by each of the Investment Team and Peninsula Pensions of the events attended and training received by all members of staff.

For senior officers, there will be a particular focus on the following areas:

1. **Governance** – Understanding the new governance requirements resulting from the Good Governance Project when they are issued for consultation and ultimately enacted in revised regulations.
2. **Investment Arrangements** – the latest pooling guidance and its impact on the relationship with the Brunel Pension Partnership. Further developing the contract management skills required to manage the relationship with the Brunel company.
3. **Climate Change and ESG** – Understanding the new requirements under Taskforce for Climate-related Financial Disclosures (TCFD). It is anticipated that new regulations and guidance will be issued during 2024/25.
4. **New Investment Products** – Keeping up-to-date with what the market is offering, in order to assess the validity of new products for investment by the Devon Fund.
5. **Accounting Issues** – Keeping up to date with the latest SAB guidance on the format of the Pension Fund Statement of Accounts and the content of the Annual Report, including new requirements resulting from investment pooling.
6. **Pensions Admin Regulations** – Understanding the latest guidance and interpretation of changes to LGPS Regulations and their impact on procedures.
7. **Pensions Admin Systems** - Keeping up to date with updates/new releases to our software system Altair, passing down training to all staff.
8. **Wider Pensions Issues** – Understanding the impact of wider Government reforms to pensions, such as the dashboard project, the 95k redundancy cap and the McCloud remedy.

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6 Reporting and Compliance

In line with the guidance on Preparing the Pension Fund Annual report issued by the Department for Levelling Up, Housing and Communities, disclosures will be made re the training undertaken by committee and pension board members.

Officers will monitor and implement the requirements arising from DLUHC guidance following the conclusion of the Good Governance project to ensure compliance and best practice is maintained.

DFP/24/52
Devon Pension Board
30th April 2024

DEVON PENSION BOARD BUDGET – Outturn for 2023/24 and Budget 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) Note the outturn for the Devon Pension Board budget 2023/24
- (b) That the board approves the Devon Pension Board budget for 2024/25

2) Introduction

- 2.1 It is appropriate that the Devon Pension Board is given adequate resources to fulfil its task. As a minimum, the Board will require:
 - allowances and/or expenses for Board members;
 - accommodation and administrative support to conduct its meetings and business;
 - training;
 - legal, technical and other professional advice (where required).
- 2.2 Regulation 106(9) of the Regulations specifies that the expenses of a Local Pension Board shall be regarded as part of the costs of administration of the Fund. These expenses will include, but are not limited to, the cost of secretarial support and any necessary advisory support, overheads attaching to the arranging of meetings and, if the Administering Authority makes provision, payment of allowances and/or expenses to members of the Local Pension Board.
- 2.3 A budget for the direct costs for the Devon Pension Board for 2023/24 was agreed by the Board at its meeting on 18th April 2023.

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3) Devon Pension Board Budget Monitoring Statement – Outturn 2023/24

- 3.1 The budget monitoring statement showing the forecast outturn position for the financial year ending 31st March 2023 is set out below.

Devon Pension Board Budget 2023/24

Budget	Description	Forecast Outturn	Variance Over/(Under)
£		£	£
3,000	Training	2,773	(227)
1,000	Travel and Member expenses	0	(1,000)
3,500	Committee Support	3,500	0
38,000	Officer Support	36,513	(1,487)
500	Printing and Postage	0	(500)
46,000	Total Expenditure	42,786	(3,214)

4) Devon Pension Board Budget 2024/25

- 4.1 An indicative budget for the direct costs for the Devon Pension Board for 2024/25 is set out below. The budget has been formed by an analysis of the total estimated costs incurred during 2023/24.

Devon Pension Board Budget 2024/25

Forecast Outturn 2023/24	Description	Proposed Budget 2024/25
£		£
2,773	Training	3,000
0	Travel and Member expenses	1,000
3,500	Committee Support	6,000
36,513	Officer Support	38,000
0	Printing/Postage/email	0
42,786	Total Expenditure	45,500

- 4.2 The figure for Committee support has been unchanged since the Pension Board was set up in 2015, and has been increased to more accurately reflect the impact of salary increases over that period, and the work required to support the Board.

5) Conclusion

- 5.1 The Board is asked to note the forecast outturn for the Devon Pension Board Budget 2023/24 and to approve the Devon Pension Board budget for 2024/25.

Angie Sinclair

Director of Finance and Public Value

Electoral Divisions: All

Local Government Act 1972: List of background papers

Nil

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INVESTMENT AND PENSION FUND COMMITTEE

1 March 2024

Present:-

Devon County Council

Councillors J Morrish (Chair), P Bullivant (Vice-Chair), H Gent and M Hartnell

Unitary Councils

Councillors M Brook, P Bialyk, and M Lowry (remote)

Union and Retired Members

R Franceschini, L Parker-Delaz-Ajete (remote) and M Daniell (remote)

Other Employers

Councillor R Bloxham

Apologies:-

Councillors Y Atkinson and G Gribble

* 154 **Chair's Announcements**

The Chair welcomed Mr Hodgins to the meeting who was attending in his capacity as a Co-opted Member of the Council's Standards Committee to observe and monitor compliance with the Council's ethical governance framework.

* 155 **Minutes**

RESOLVED that the minutes of the meeting held on 24 November 2023 be signed as a correct record, subject to the addition of apologies by Councillor Hartnell which were not originally recorded.

* 156 **Items Requiring Urgent Attention**

There was no item raised as a matter of urgency.

* 157 **Devon Pension Board**

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INVESTMENT AND PENSION FUND COMMITTEE

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The Committee noted the minutes of the Devon Pension Board meeting held on 30 January 2024.

* **158** **Brunel Oversight Board**

The Committee noted the minutes of the Brunel Oversight Board meetings held on 13 December 2023 and 25 January 2024.

* **159** **Internal Audit Plan 2024/25**

The Committee considered the Report of the Director of Finance and Public Value (DFP/24/24) on the Draft Internal Audit Plan for 2024/25. The Report explained that the Local Authority had a statutory duty to ensure the proper administration of its financial affairs, with assurance that this is the case provided by the reporting of Internal Audit. The audit of the Pension Fund was the responsibility of Devon Audit Partnership, with up to 85 days of internal audit support for the Pension Fund allowed under the plans. The draft Internal Audit Plan for 2024/25 was attached at Appendix 1 to the Report.

It was **MOVED** by Councillor Bloxham, **SECONDED** by Councillor Bullivant and

RESOLVED that the proposed Internal Audit Plan for 2024/25 be agreed.

* **160** **Exclusion of the Press and Public**

RESOLVED that the press and public be excluded from the meeting for the following items of business under Section 100(A)(4) of the Local Government Act 1972 on the grounds that they involve 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).

* **161** **Brunel Business Plan and Reserved Matters Requests**

The Committee considered the Report of the Director of Finance and Public Value (DFP/24/32). The Report outlined revisions that had been made to the Brunel Shareholders Agreement in relation to Special Reserved Matters and Reserved Matters in the context of a wider proposed review of governance around reserved matters; and the proposed Brunel Business Plan and budget for 2024/25. The Business Plan and budget had been presented to the Brunel Oversight Board on 25 January 2024, with a copy of the presentation and of the Business Plan attached to the Report as Appendices A and B respectively.

It was **MOVED** by Councillor Bloxham, **SECONDED** by Councillor Gent and **RESOLVED** that

(a) the Committee note the approval of revisions to the Brunel Shareholders Agreement; and

(b) the Committee endorse the Brunel Pension Partnership's business plan and budget for 2024/25 for approval by the Director of Finance and Public Value under her delegated power as the shareholder representative for Devon.

* **162** **Local Impact Portfolio Update**

The Committee considered the Report of the Director of Finance and Public Value (DFP/24/33) on proposed commitments under the Local Impact Portfolio, the setting up of which was agreed at June 2023 meeting of the Committee for investment in Devon and the wider South West, with a target allocation of 3% of the Fund ([Minute *126](#) refers).

Members were supportive of the proposals, with discussion centring on the structure of some of the companies who were proposed for receipt of funding; and on the speed of delivery, given the importance of continued investment return for the Fund.

It was **MOVED** by Councillor Brook, **SECONDED** by Councillor Bloxham and

RESOLVED that the three commitments outlined in the Report (totalling £120 million) be approved by the Committee, subject to further due diligence, with final decisions on the commitments be delegated to officers after due diligence.

* **163** **Brunel Climate Change Policy Implementation**

The Committee considered the Report of the Director of Finance and Public Value (DFP/24/34) which provided details on the methodology for Brunel's implementation of the Fund's alignment policy in relation to the Paris Agreement. The Report also requested feedback from members on Brunel's proposed activity-based exclusions policy, which aimed to exclude companies from Brunel's investment portfolio that engage in certain activities, on the basis that those activities do not represent responsible investment.

It was **MOVED** by Councillor Bloxham, **SECONDED** by Councillor Gent and

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RESOLVED that the Committee support the activity-based exclusion criteria proposed within the Report on companies within the investment universe for the actively managed equity and corporate bond portfolios.

* **164** **Re-admission of the Public and Press**

RESOLVED that the press and public no longer need to be excluded from the meeting and could be readmitted.

* **165** **Investment Management Report**

The Committee considered the Report of the Director of Finance and Public Value (DFP/24/25). The Report outlined the Fund value and asset allocation, Fund performance, funding level, 2023/24 budget forecast, and cash management.

As at the 31st of December, the Fund value stood at just over £5.6 billion, which was in an increase of £275 million over the quarter. The Fund return was approximately 6.6% over the financial year to date. It was also noted that the total Fund return remained ahead of the Local Government Pension Scheme average for both the year-to-date and 3-year periods.

It was proposed in the Report to move £60 million out of the Passive Equities portfolio and split this between the Sustainable Equities portfolio and the Emerging Markets portfolio. Over the quarter, these portfolios performed above benchmark.

It was **MOVED** by Councillor Brook, **SECONDED** by Councillor Gent and

RESOLVED that

(a) the Report be noted;

(b) the proposed rebalancing within the Equities allocation by adding £25 million to the Sustainable Equities and £35 million to the Emerging Markets portfolios, funded from the Passive Equities allocation, be approved; and

(c) compliance with the 2023-24 Treasury Management Strategy be noted.

* **166** **Treasury Management Strategy 2024/25**

(Due to the temporary absence of the Chair, the Vice-Chair assumed chairing responsibilities for this item).

The Committee considered the Report of the Director of Finance and Public Value (DFP/24/26) on the proposed Treasury Management Strategy for

2024/25. Members were advised that, in line with the CIPFA Code of Practice, a treasury management strategy is required to be agreed each year in relation to the money that the Fund holds as cash, and how that cash is deposited. Cash only represented a small part of the Fund's investment. The proposed Treasury Management Strategy was set out in Appendix 1 to the Report.

It was **MOVED** by Councillor Bloxham, **SECONDED** by Councillor Gent and

RESOLVED that the adoption of the Treasury Management Strategy for 2024/25, as set out in Appendix 1 to the Report, be approved.

* **167** **Actuarial Services Tender Outcome**

(Due to the temporary absence of the Chair, the Vice-Chair assumed chairing responsibilities for this item).

The Committee considered the Report of the Director of Finance and Public Value (DFP/24/27) which updated members on progress for awarding the contract to provide actuarial services to the Devon Pension Fund for the period from 1 April 2024 to 31 March 2030. The Fund required the professional services of an actuary in order to carry out the triennial actuarial valuation of the Fund and a variety of other tasks. Given that the current contract was due to expire on 31 March 2024, this procurement exercise was approved at the June 2023 meeting of the Committee.

The Fund went out to tender in one with the national framework set up for local government pension schemes, with two of the four eligible companies bidding for the contact. Subject to a standstill period that was due to end in March, the expectation was that the contract would be awarded to Barnett Waddingham.

* **168** **Pension Administration Strategy**

(The Vice-Chair assumed chairing responsibilities in opening this item. The Chair returned in advance of the next item).

The Committee considered the Report of the Director of Finance and Public Value (DFP/24/28) on the revised Pension Administration Strategy, for approval by the Committee. The full revised Strategy was attached at Appendix 1 to the Report.

Officers highlighted two key proposed changes, these being: the introduction of a more detailed Peninsula Pensions Communication Policy Paper (Appendix A to the revised Strategy); and rechargeable administration costs where an individual employer is underperforming (Appendix C to the revised Strategy). The latter proposed change would allow Peninsula Pensions to levy fines on some employers that failed to engage with the team in a timely

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INVESTMENT AND PENSION FUND COMMITTEE

1/03/24

manner despite multiple requests for information which has had an impact on, for instance, timely payment of pension payments to recent retirees, where employers have not advised Peninsula Pensions of individuals retiring in good time. In proposing this revision, Peninsula Pensions had considered the policies of other administering authorities and contacted them, and had been advised that – in most cases – one fine is usually sufficient to ensure better employer engagement and prevent future breaches.

In relation to the proposals regarding the levying of fines to employers, some concern was raised about the impact such a policy could have on the relationship between the administering authority and employers, particularly in relation to similar concerns raised by members of the Devon Pension Board. However, the members of the Committee were broadly in favour, as it represented a sound mechanism to ensure retirees received their pension payments in good time, where poor employer engagement should not detriment these individuals.

It was **MOVED** by Councillor Gent, **SECONDED** by Councillor Bloxham and **RESOLVED** that the revised Pension Administration Strategy be approved.

* 169 Communications Strategy

The Committee considered the Report of the Director of Finance and Public Value (DFP/24/29) on the updated Communications policy, which was one of the four statutory elements required for the Fund to have in place. The Communications Policy was last updated in November 2019. The revised policy was attached as Appendix 1 to the Report, with mainly cosmetic changes having been made, and comments from the Devon Pension Board actioned and included.

It was **MOVED** by Councillor Bloxham, **SECONDED** by Councillor Brook and **RESOLVED** that the revised Communications Policy be approved.

* 170 Private Market Allocations

The Committee considered the Report of the Director of Finance and Public Value (DFP/24/30) which summarised the current position on the Fund's private markets, investments and commitments. Officers outlined that Brunel planned to begin cycle 4 of investment in April.

It was proposed to commit a further £100 million to private equity as part of the strategy to build up the allocation gradually. In response to questioning from a Member, it was explained to the Committee that no allocation to infrastructure or private debt was proposed because targets had already been achieved.

It was **MOVED** by R Franceschini, **SECONDED** by Councillor Brook and

RESOLVED that

(a) progress being made on the investment of the Fund's private markets commitment be noted;

(b) no allocation be made to Brunel's Cycle 4 Infrastructure and Private Debt portfolios; and

(c) the proposed £100 million allocation to Brunel's Cycle 4 Private Equity portfolio be approved.

* **171** **Local Government Pension Scheme Update**

The Committee considered the Report of the Director of Finance and Public Value (DFP/24/31) on latest developments impacting the LGPS.

Of note was the Government response to a consultation held last summer regarding proposals concerning the future of pooling, with Government setting out that their immediate priority was for existing assets to be pooled. To consolidate into future larger pools was set as a long-term ambition. It was noted that the Devon Fund had already pooled 95% of its assets with Brunel, including all listed assets. Member discussion focused around this, with concern expressed about central Government taking away local control of the Fund and investment decisions thereof.

Members noted the Report.

* **172** **Employer Changes**

The Committee noted:

(a) New admitted bodies - The following application for admitted body status has been approved:

- On 1 September 2023 Direct Cleaning Services took on the cleaning contract for some of the schools within Thinking Schools Academy Trust.
- On 30 October 2023 First Federation outsourced their out of hours school services to Fishkids.
- On 30 October 2023 First Federation outsourced their catering services at Willowbank School to Norse

(b) New academy conversions and changes:

- On 1 September 2023

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- The Castle Partnership Trust (TCPT) merged with Uffculme Academy Trust and became Blackdown Education Partnership. They have academies in both the Devon and Somerset Pension Funds.
 - Gulworthy Primary and Lamerton Cof E Primary Schools became academies and joined the Learning Academy Partnership.
 - Bay Education Trust became part of Thinking Schools Academy Trust.
 - The Burton Academy changed name to the Loadstar Academy and joined the Thinking Schools academy Trust.
 - The Brunel Academy joined the Special Partnership Trust.
 - Matford Brook – A new School officially opened and became part of the Ted Wragg Trust.
- On 1 October 2023
 - St Margarets C of E Junior School became an academy and joined Ventrus.
 - Newtown Primary School became an academy and joined Academy for Character & Excellence.
 - Pilton Infants and Horwood & Newton Tracey School joined TEAM Multi Academy Trust.
 - On 1 November 2023
 - Wolborough Cof E Primary School became an academy and joined Link Academy Trust.
 - Trinity C of E School became an academy and joined Academy for Character & Excellence.
 - St Christophers Secondary MAT became part of Athena Learning Trust.

(c) Cessations:

- With effect from 1 June 2023 Torbay Youth Trust ceased membership of the LGPS with all active staff taping back to Torbay Council. The assets and liabilities will also transfer to Torbay Council.

* 173

Annual Consultative Meeting with Staff and Retired Members

The Committee noted the Annual Consultative Meeting scheduled for the afternoon.

Officers also suggested that it may be more appropriate to hold the Annual Consultative Meeting in June, to enable more timely reporting of performance over the financial year ending on 31st March, with the Committee in support of this suggestion.

* 174 **Dates of Future Meetings**

The Committee noted the future meetings.

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 10.34 am and finished at 12.40 pm

DFP/24/53
Devon Pension Board
30th April 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.
- 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 31st December 2023 was 92% (95% 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, alongside reviewing the Pension Administration Strategy.
- 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 26 compliments between 1 October 2023 and 31 December 2023.
- 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 31 December 2023 against the statutory Disclosure Regulations. It also includes a graph which shows the monthly trend analysis on the percentage of high, medium,

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and low priority cases completed within timescales since April 2022. In addition, a further chart, highlights 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 January 2023 to 31 December 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://lgpsmember.org)

Peninsula Pensions continue to work on the implementation of the remedy accordingly and liaise with software providers as required.

Review of Pension Administration Strategy:

The above Strategy was approved by the Devon County Council Investment and Pension Fund Committee on 1st March 2024, effective from 1st April 2024.

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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Administration Performance – 01/10/2023 to 31/12/2023 (Devon Pension Fund)

	Total Cases	Success Rate
HIGH PRIORITY PROCEDURES	3137	95%
MEDIUM PRIORITY PROCEDURES	4962	92%
LOW PRIORITY PROCEDURES	1585	85%
	9684	92%

High Priority

	Total Cases	Success Rate
CHANGES	232	98%
COMPLAINTS (First instance)*	17	100%
COMPLAINTS (Stage 1 IDRP)*	4	100%
COMPLAINTS (Stage 2 IDRP)*	0	-
DEATH	406	83%
DEFERRED OVER 55	371	99%
PAYROLL	693	95%
REFUND	19	100%
RETRACT	593	96%
RETPB	802	96%
TOTAL	3137	95%

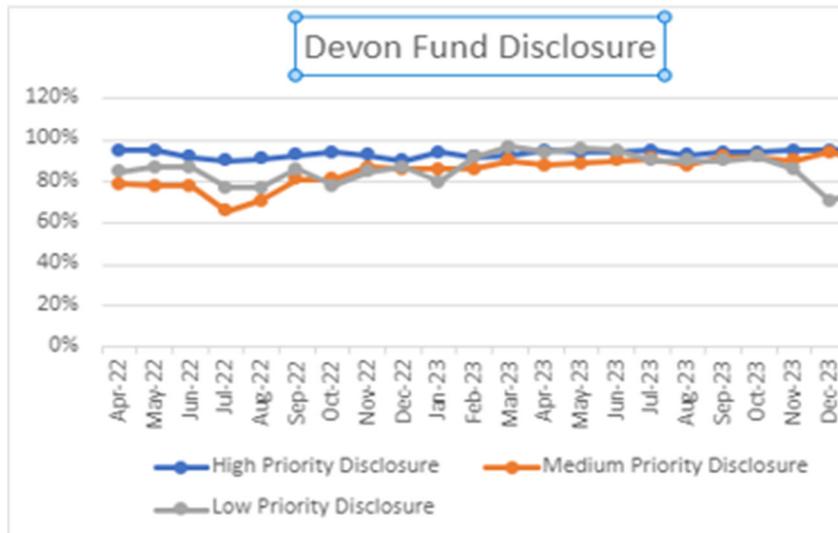
Medium Priority

	Total Cases	Success Rate
AMALGAMATIONS	1125	78%
DEFERRED	1362	90%
DIVORCE	46	96%
EMPLOYER QUERIES	93	89%
ESTBULK	0	
ESTEMP	61	100%
ESTMEMB	68	99%
GEN	945	100%
HMRC	135	100%
MSS	1127	100%
TOTAL	4962	92%

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Low Priority

ESTOTHER	76	82%
GMP ACTIVE/DEFERRED	15	100%
INTERFUND IN	89	90%
INTERFUND OUT	91	79%
PENSION TOP UP	149	100%
REFUNDSFROZ	926	81%
STARTERS	0 -	
TVIN	167	94%
TVOUT	72	96%
TOTAL	1585	85%



* **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

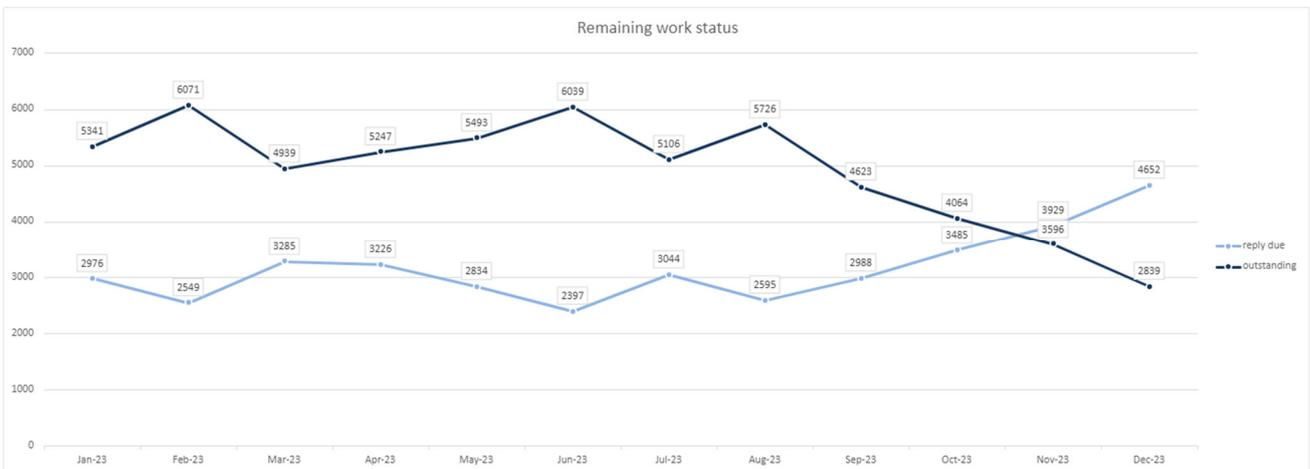
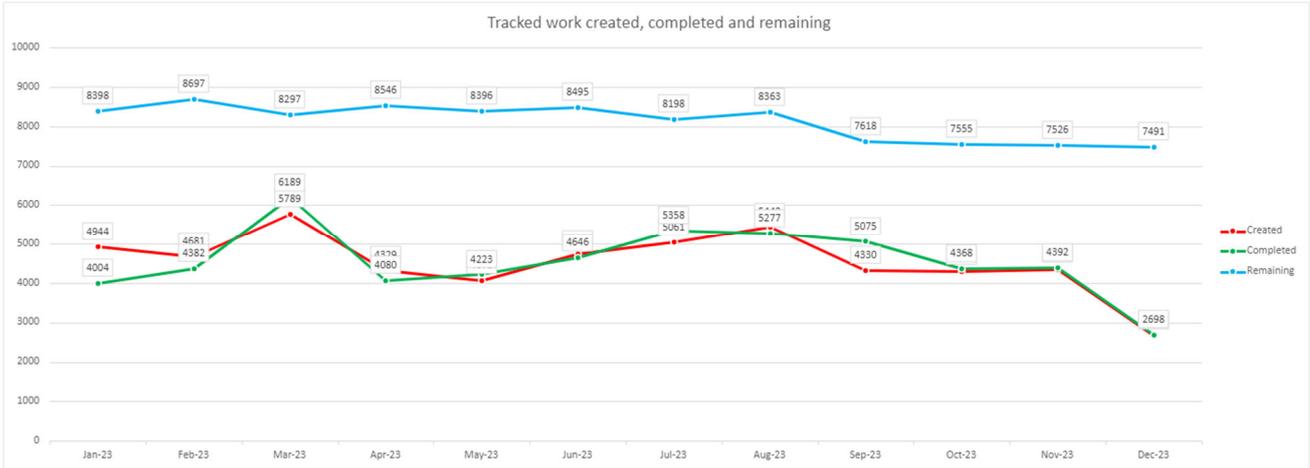
Variance in performance when compared to previous quarter:

Performance report						
Case breakdown		Period 1		Period 2		Period 1: 01/07/2023 to 30/09/2023
PRIORITY (case		in target	%	in target	%	DIFFERENCE
Period 2: 01/10/2023 to 31/12/2023						
high	CHANGES	338	99.7%	227	97.8%	-1.9%
high	COMPLAINT/IDRPMEM	35	97.1%	17	100.0%	2.9%
high	COMPLAINT/IDRPEMP	4	50.0%	4	100.0%	50.0%
high	DEATH	293	74.7%	339	83.5%	8.8%
high	DEFERRED OVER 55	431	96.4%	368	99.2%	2.8%
high	PAYROLL	884	97.1%	656	94.7%	-2.5%
high	REFUND	82	95.3%	19	100.0%	4.7%
high	RETRACT	405	93.3%	569	96.0%	2.6%
high	RETPB	867	95.3%	771	96.1%	0.9%
med	AMALGAMATIONS	936	83.5%	876	77.9%	-5.6%
med	DEFERRED	1880	84.0%	1226	90.0%	6.0%
med	DIVORCE	97	85.1%	44	95.7%	10.6%
med	EMPLOYER QUERIES	208	86.0%	83	89.2%	3.3%
med	ESTBULK	0		0		0.0%
med	ESTEMP	69	100.0%	61	100.0%	0.0%
med	ESTMEMB	57	90.5%	67	98.5%	8.1%
med	GEN	1322	99.1%	943	99.8%	0.7%
med	HMRC	50	98.0%	135	100.0%	2.0%
med	MSS	1343	99.9%	1127	100.0%	0.1%
med	PFINJURY	0		0		0.0%
low	ESTOTHER	55	79.7%	62	81.6%	1.9%
low	GMP ACTIVE/DEFERRED	11	100.0%	15	100.0%	0.0%
low	INTERFUND IN	94	86.2%	80	89.9%	3.6%
low	INTERFUND OUT	98	82.4%	72	79.1%	-3.2%
low	PENSION TOP UP	129	97.0%	149	100.0%	3.0%
low	REFUNDSFROZ	897	90.4%	747	80.7%	-9.8%
low	STARTERS	0		0		0.0%
low	TVIN	199	92.6%	157	94.0%	1.5%
low	TVOUT	110	91.7%	69	95.8%	4.2%
	Total	10894	91.5%	8883	91.7%	0.2%

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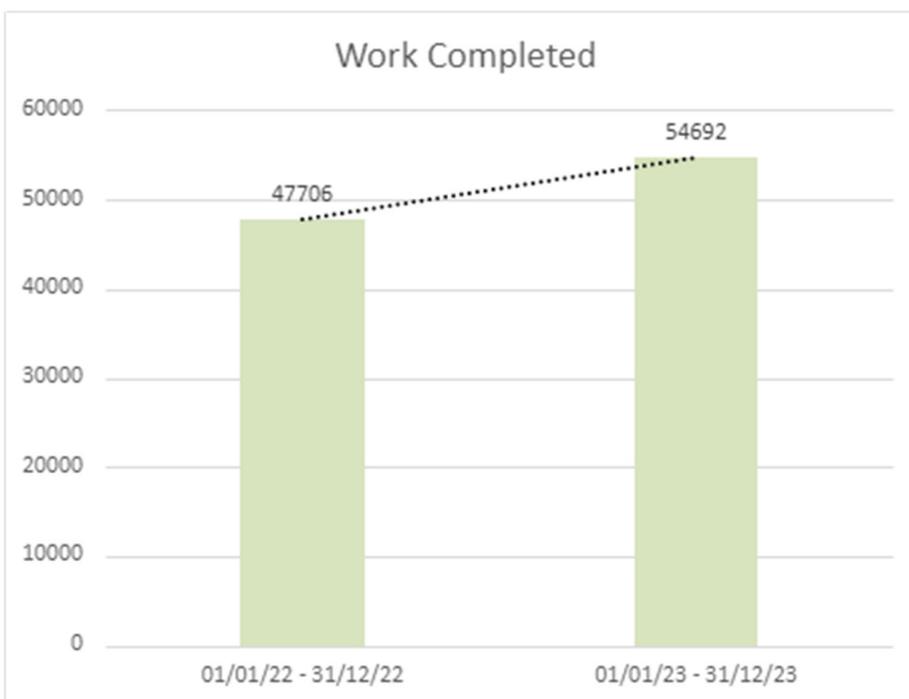
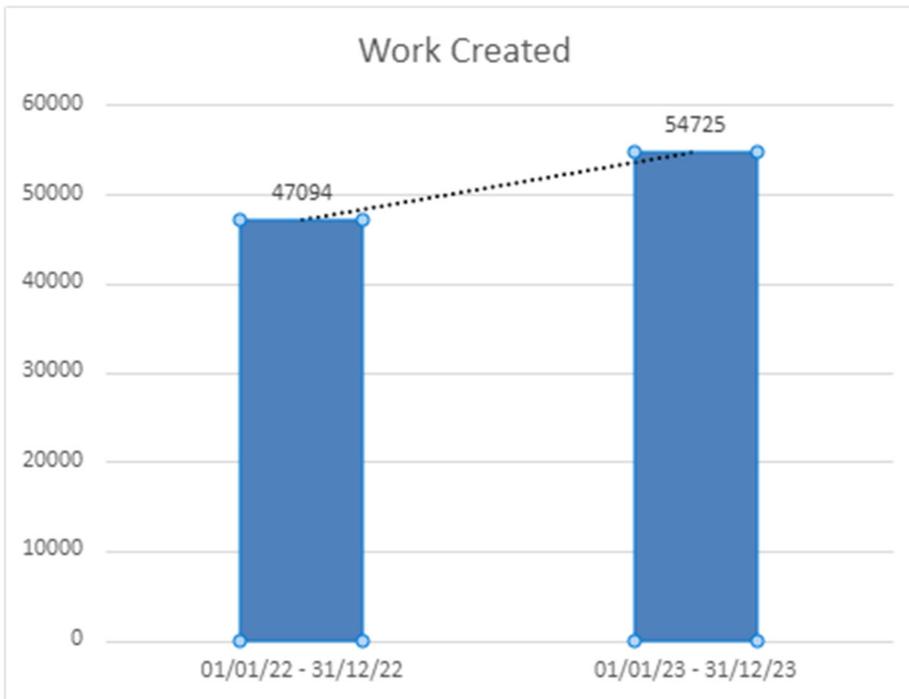
Appendix 2

Month	Created	Completed	completion rate	Remaining	reply due	outstanding
Dec-23	2663	2698	101.31%	7491	4652	2839



**Work received 12 month rolling period 1 January 2023 to 31 December 2023
(against same period for previous financial year)**

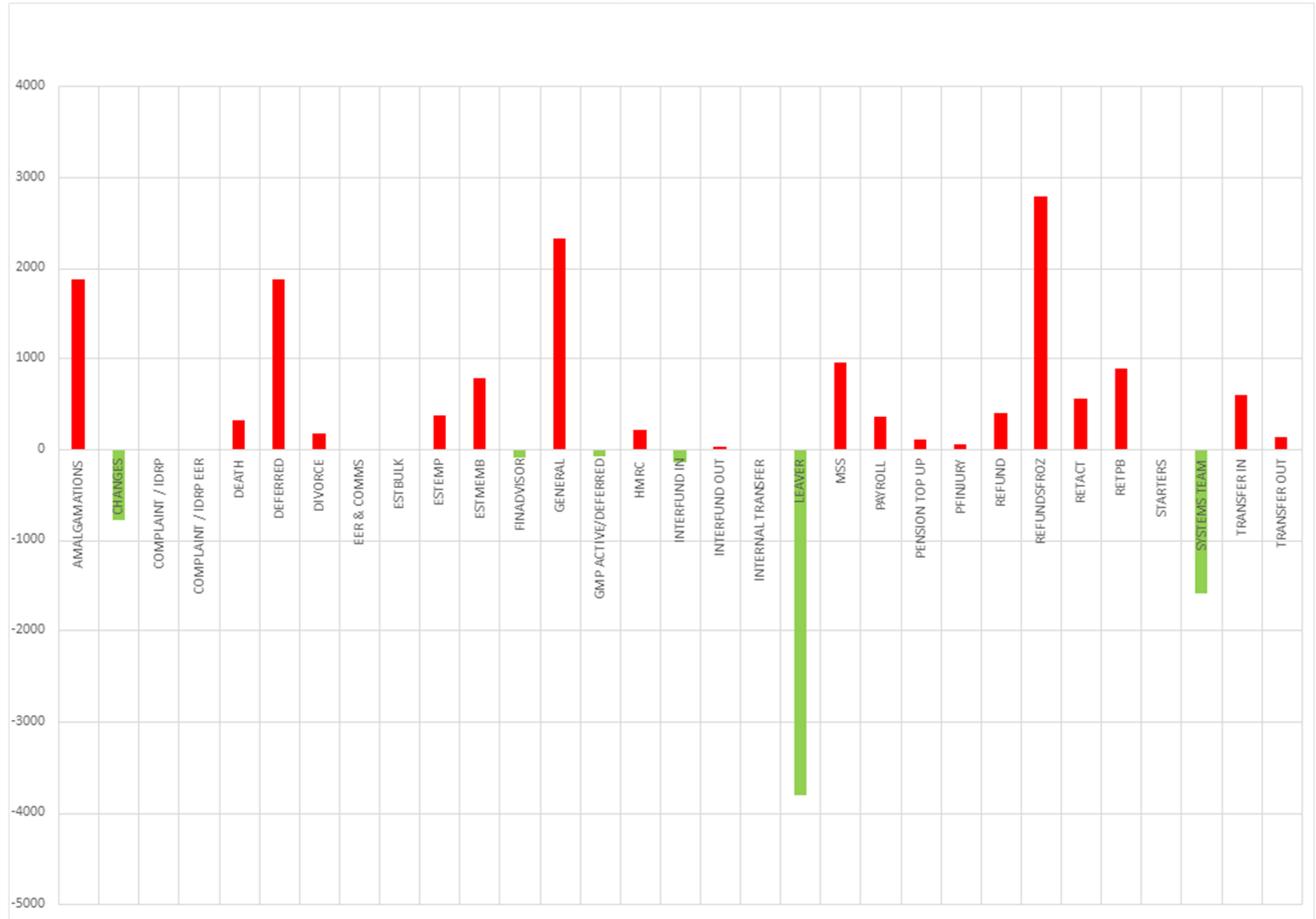
from	to	Work Created	Work Completed	Average Monthly Work Remaining
01/01/2022	31/12/2022	47094	47706	7653
01/01/2023	31/12/2023	54725	54692	8132



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Increase or decrease of type of work created within period 1st January 2023 to 31 December 2023 against same period for previous financial year.

(Increase shown in red, decrease shown in green)



DFP/24/54
Devon Pension Board
30th April 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) Confirmation of annual revaluation, earnings and pension increases

- 3.1 On 25 January 2024, HM Treasury (HMT) published a written ministerial statement confirming the rates of annual revaluation, earnings and pensions increase due to apply from April 2024. The statement confirms:
- public service pensions will increase on 8 April 2024 by 6.7%, in line with the Consumer Prices Index for the year up to September 2023
 - revaluation of 6.7% plus any local addition will be used in April 2024 to revalue CARE accounts in public service pension schemes that use prices as the measure of revaluation

4) 2024/25 Employee Contribution bands

- 4.1 The table below sets out the employee contribution bands effective from 1 April 2024. These are calculated by increasing the 2023/24 bands by the September 2023 CPI figure of 6.7% and rounding down the result to the nearest £100.

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Band	Actual pensionable pay for an employment	Main section contribution rate for that employment	50/50 section contribution rate for that employment
1	Up to £17,600	5.50%	2.75%
2	£17,601 to £27,600	5.80%	2.90%
3	£27,601 to £44,900	6.50%	3.25%
4	£44,901 to £56,800	6.80%	3.40%
5	£56,801 to £79,700	8.50%	4.25%
6	£79,701 to £112,900	9.90%	4.95%
7	£112,901 to £133,100	10.50%	5.25%
8	£133,101 to £199,700	11.40%	5.70%
9	£199,701 or more	12.50%	6.25%

5) Preparing the Pension Fund Annual Report – updated guidance

- 5.1 This guidance is the first publication which has been reviewed and jointly approved by the SAB's Compliance and Reporting Committee (CRC), the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Department for Levelling Up, Housing and Communities (DLUHC). It replaces the 2019 guidance produced by the CIPFA Pensions Panel, which was disbanded in 2021.
- 5.2 The new guidance applies to 2023/24 annual reports which are due for publication by 1 December 2024, and later years. The guidance says funds should use their best endeavours to comply fully with the requirements for 2023/24 but exercise judgement where, because of changes to the previous content, to do so would require disproportionate effort or cost. The guidance will be kept under regular review.
- 5.3 The purpose of the guidance is to assist local government pension funds with the preparation and publication of the pension fund annual report, as required by regulation 57 of the Local Government Pension Scheme Regulations 2013 (in respect of England and Wales). It also aims to ensure that reporting across the scheme is consistent and provides comparable data for all funds.
- 5.4 Most of the required detail has been included in the Devon Fund Annual Report in previous years, consistent with previous guidance and good practice. The key changes in the new guidance are:

- Additional requirements to report on the proportion of investment assets that have been pooled, split by asset class.
- A new requirement to report on investments in UK assets, including UK Equities, UK Government Bonds, UK Infrastructure and UK Private Equity.
- The option to report on their investments in support of the Government's levelling up agenda, in advance of the introduction of regulations requiring such reporting.
- There is no longer a requirement to include the full text of the Fund's statutory statement within the Annual Report, so long as a link to the documents, as they stood at 31st March, is included, so that it is clear to readers how they can be accessed. If hard copies of the Annual Report are provided, then copies of the statutory statements should be included with them.

5.5 Officers will have regard to the revised guidance in compiling the Fund's 2023/24 Annual Report. The full guidance can be found at:
<https://lgpsboard.org/images/Guidance/Annual%20Report%20Guidance%202024.pdf>.

6) Conclusion

6.1 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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Address: Room 180 County Hall

DFP/24/55
Devon Pension Board
30th April 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 is good practice for the Board to consider its Future Work Programme at each meeting.

3) Future Work Programme

- 3.1 The proposed 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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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

January 2025

- Actuarial Valuation preparation
- Section 13 valuation report

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 effectively 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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