

Agenda

PENSION FUND BOARD

Date: Wednesday 18 July 2018
Time: 10.00 am
Venue: Mezzanine Room 1, County Hall, Aylesbury

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1 ELECTION OF CHAIRMAN	
2 APPOINTMENT OF VICE CHAIRMAN	
3 APOLOGIES/DECLARATIONS OF INTEREST/MINUTES	
4 MINUTES OF PENSION FUND COMMITTEE To agree the minutes for the Pension Fund Committee held 24 May 2018	5 - 10
5 BCC PENSION FUND EMPLOYER NEWSLETTERS - MARCH 2018 AND JUNE 2018 Cheryl Platts	11 - 12
6 PENSION FUND ANNUAL REPORT 2017/18 Cheryl Platts	13 - 124
7 REVIEW OF BUCKINGHAMSHIRE PENSION BOARD POLICIES Claire Lewis-Smith	125 - 146
8 ANNUAL BENEFIT STATEMENTS - ADMINISTRATION YEAR END UPDATE Claire Lewis-Smith	147 - 148
9 GDPR UPDATE FOR PENSION FUND BOARD Claire Lewis-Smith	149 - 150
10 INTERNAL DISPUTE RESOLUTION PROCEDURE Sam Price	151 - 154

11	ADMINISTRATION PERFORMANCE STATISTICS Sam Price	
12	I-CONNECT/PENSIONS 'ONLINE' UPDATE Steve Lugg	155 - 176
13	GMP RECONCILIATION Julie Edwards	177 - 186
14	RISK REGISTER UPDATE Julie Edwards	187 - 202
15	FORWARD PLAN FOR PENSION FUND BOARD Claire Lewis-Smith	203 - 204
16	EXCLUSION OF THE PRESS AND PUBLIC To resolve to exclude the press and public as the following item is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)	
17	CONFIDENTIAL MINUTES PENSION FUND BOARD	
18	CONFIDENTIAL MINUTES OF THE PENSION FUND COMMITTEE To approve the confidential minute from the Pension Fund Committee meeting held 24 May 2018	205 - 208
19	BRUNEL PENSION PARTNERSHIP UPDATE Julie Edwards	209 - 210
20	DATE OF NEXT MEETING/AOB 10 October 2018, 10am	

If you would like to attend a meeting, but need extra help to do so, for example because of a disability, please contact us as early as possible, so that we can try to put the right support in place.

For further information please contact: Fazeelat Bashir on 01296 382236, email: akenward@buckscc.gov.uk

Members

Ms B Black
Mr P Dearden
Ms R Ellis (VC)
Mr S Mason (C)

Mr J McGovern
Ms T Pearce
Mr I Thompson
Ms L Wheaton

Minutes

PENSION FUND COMMITTEE

**MINUTES OF THE MEETING OF THE PENSION FUND COMMITTEE HELD ON THURSDAY
24 MAY 2018, IN MEZZANINE ROOM 3, COUNTY HALL, AYLESBURY, COMMENCING AT
2.13PM AND CONCLUDING AT 4.30PM.**

MEMBERS PRESENT

Mr J Chilver, Mr C Harriss, Mr D Martin, Mr M Barber, Mr J Gladwin and Mr N Miles

OTHERS PRESENT

Carolan Dobson, Independent Adviser
Julie Edwards, Pensions and Investments Manager
Matthew Passey, Mercer Investment Consulting
Anne-Marie Kenward, Committee Assistant

From item 15 onwards
Dawn Turner, Brunel Pension Partnership
Chris Crozier, Brunel Pension Partnership
Helen Price, Brunel Pension Partnership

AGENDA ITEM

1. ELECTION OF CHAIRMAN

Mr D Martin nominated Mr J Chilver to continue as Chairman. This was seconded by Mr M Barber. No other nominations were received.

RESOLVED

Mr Chilver to be elected as Chairman of the Committee for the ensuing year.

2. APPOINTMENT OF VICE-CHAIRMAN

Mr Chilver appointed Mr Martin as his Vice - Chairman

RESOLVED

Mr Martin appointed as vice-chair for the ensuing year.



3. APOLOGIES FOR ABSENCE / CHANGES IN MEMBERSHIP

Apologies were received from Mr T Butcher, Ms A Cranmer and Mr M Preston.

The Chairman also noted Mr N Hussain had been nominated to replace Mr S Lambert as the opposition representative.

4. DECLARATIONS OF INTEREST

There were none

5. MINUTES

Minutes of the Pension Fund Committee meeting held on 01 March 2018 were agreed as a correct record.

6. BUCKINGHAMSHIRE PENSION BOARD MINUTES

Minutes of the Buckinghamshire Pension Board meeting held on 14 March 2018 were agreed as a correct record.

It was noted that item 6 - Annual Review of Buckinghamshire Pension Board, was in draft form at the time of the Board meeting. It had since been submitted to Members and sent back to Officers with comments.

7. EXTERNAL AUDIT PLAN

Discussion of report circulated with the agenda.

The report covered the year ending 31 March 2018. Ms J Edwards confirmed that the 3 key risks identified were:

- Management over-ride of controls
- The valuation of Level 3 investments was incorrect
- Change in custodian

Ms Edwards confirmed the final report would be available for the next meeting on 20 July 2018, meaning it could be signed off by this Committee ahead of the next Reg and Audit Select Committee on 21 July. The statutory date for sign off was 31 July.

8. ANNUAL ACCOUNTS

Ms Edwards explained that the report presented at this meeting was still in draft due to delays caused by the change in custodian.

Questions and comments

- With reference to page 13 of the report, Mr J Gladwin asked why there appeared to be a significant switch away from the UK public sector to overseas funds. He had no recollection of a shift in investment policy being agreed. Agreed Mr M Passey would investigate this further as he believed some funds may have been incorrectly labelled.

ACTION
Ms Edwards and Mr Possey by July

- With reference to page 24 of the report, Ms C Dobson confirmed to Mr J Gladwin that the statement regarding tax exemption on income from the USA was correct. Mr Slaughter agreed to seek further information on the matter.

ACTION
Mr Slaughter

- With reference to page 24/25 of the report, Ms Edwards confirmed that a full valuation of Member data was carried out every 3 years with estimates used in the interim. The Chairman agreed Mr Gladwin's request that the paragraph be re-written to clarify the use of estimated data.

ACTION
Ms Edwards

- With reference to page 27 of the report, Mr Gladwin asked for clarification around the dates used for Clerical Medical. Ms Edwards explained that Clerical Medical used a November-October accounting year and would only supply data on that basis. Therefore figures given were a mixture of comparable data for Clerical Medical and actual data from 7 May 2017 onwards when the fund was transferred to Scottish Widows. Ms Edwards agreed to include a brief paragraph to this effect in the final report.

ACTION
Ms Edwards

- With reference to the list of Scheduled Bodies on page 28, Mr Gladwin stated that Little Kingshill and Little Missenden Schools did not appear to have any members in the Fund. This may have been correct if their members had left or they were not academy schools. Ms Edwards agreed to follow this up.

ACTION
Ms Edwards

- With reference to page 8 of the report, Mr Martin noted that on the employers side Admitted Bodies appeared to have dropped significantly. Ms Edwards would review and feedback to the Committee.

ACTION
Ms Edwards

- With reference to page 10 of report, item 8 – Investment Income, Mr Martin noted there had been a dramatic change to the performance of index-linked securities despite no changes being requested. Ms Edwards agreed to review the situation and feedback to the Committee.

ACTION
Ms Edwards

9. PENSION FUND RISK REGISTER

Ms Edwards explained the risk register had been prepared using the Pantera risk management system for the first time and that most of the increases to risk levels were down to this.

The Chairman noted that there were several items rated at high amber but none that were red.

Ms Edwards confirmed that the plan would be reviewed again in one year.

10. FORWARD PLAN

Annual accounts would be published on 20 July ahead of the 31 July deadline, and would then be reviewed by auditors.

11. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED

That the press and public be excluded for the following item which is exempt by virtue of Paragraph 3 of Part 1 of Schedule 12a of the Local Government Act 1972 because it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)

12. CONFIDENTIAL MINUTES

The confidential minutes of the Pension Board Committee meeting held on 01 March 2018 were agreed.

13. CONFIDENTIAL MINUTES OF THE BUCKINGHAMSHIRE PENSION BOARD

14. PENSION FUND PERFORMANCE

15. BRUNEL UPDATE/ RESPONSIBLE INVESTMENT POLICY

16. BRUNEL PORTFOLIO MAPPING

17. DATE OF NEXT MEETING

Pension Fund Committee
20 July 2018, 10am

Pension Fund Board
18 July 2018, 10am

CHAIRMAN

Buckinghamshire Pension Board

Title:	BCC Pension Fund Employer Newsletter – March 2018 and June 2018
Date:	18 July 2018
Author:	Finance Director (Resources & ACES)
Contact officer:	Cheryl Platts, 01296 383407
Electoral divisions affected:	None

Summary

To present, for discussion, the March and June 2018 issues of the BCC Pension Fund Employer newsletter.

Recommendation

The Pension Board is asked to NOTE the March and June 2018 issues of the BCC Pension Fund Employer newsletter, and comment as appropriate.

Resource implications

1. There are none arising directly from this report.

Legal implications

2. There are none arising directly from this report.

Other implications/issues

3. The BCC Pension Fund issue a quarterly Employer newsletter to all Employing authorities in the Fund.
4. The Employer newsletter is the Fund's main communication with its Employing Authorities and it summarises relevant legislative changes and provides investment, administration and general updates for the quarter.
5. A web link to the March and June issues are provided below. All back issues since December 2010 are available online from the Newsletter page within the Employer section of the Fund's website. <https://www.buckscc.gov.uk/services/council-and-democracy/local-government-pension-scheme/employers/newsletter/>

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

6. Not applicable

Background Papers

BCC Pension Fund Employer newsletter – March 2018

<https://www.buckscc.gov.uk/media/4510824/62-employers-newsletter-march-2018.pdf>

BCC Pension Fund Employer newsletter – June 2018

<https://www.buckscc.gov.uk/media/4511371/63-employers-newsletter-june-2018.pdf>

Pension Fund Board

Title:	Review of Buckinghamshire Pension Board Policies
Date:	Wednesday 18 July 2018
Author:	Finance Director, Finance & Procurement
Contact officer:	Claire Lewis-Smith, 01296 383424
Local members affected:	N/A

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The Local Government Pension Scheme (Amendment) (Governance) Regulations 2015 introduced the requirement for an administering authority to establish a Local Pension Board. Guidance on the creation and operation of Local Pension Boards was issued by the Scheme Advisory Board (SAB).

The Board's Terms of Reference, Code of Conduct, Conflicts Policy and Knowledge and Understanding Framework are reviewed annually. The policies have been revised for this year and can be found in the attached appendices.

Recommendation

The Board is asked to review the Terms of Reference, Code of Conduct, Conflicts Policy and Knowledge and Understanding Framework attached as appendices 1-4 of this report.

Supporting information to include the following if a decision is being requested:

Resource implications

None

Legal implications

It is a requirement of the Local Government Pension Scheme Regulations 2013 and

The Pension Regulator's Code of Practice for a Local Pension Board to abide by the Board's Terms of Reference, Code of Conduct, Conflicts Policy and Knowledge and Understanding Framework.

Other implications/issues

None

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

The Local Government Pension Scheme Regulations 2013

<http://lgpsregs.org/schemeregs/lgpsregs2013/timeline.php>

The Pensions Regulator's Code of Practice

<http://www.thepensionsregulator.gov.uk/codes/code-governance-administration-public-service-pension-schemes.aspx>

The Local Government Pension Scheme Advisory Board Governance Guidance Local Pension Boards

<http://www.lgpsboard.org/index.php/board-publications/board-guidance>

July 2018

**Buckinghamshire Local Pension Board
Terms of Reference**

Introduction

1. This document sets out the terms of reference of the Local Pension Board of Buckinghamshire County Council (the 'Administering Authority') a scheme manager as defined under Section 4 of the Public Service Pensions Act 2013. The Buckinghamshire Local Pension Board (hereafter referred to as 'the Board') is established in accordance with Section 5 of that Act and under regulation 106 of the Local Government Pension Scheme Regulations 2013 (as amended).
2. The Board is established by the Administering Authority and operates independently of the Committee. Relevant information about its creation and operation are contained in these Terms of Reference.
3. The Board is not a committee constituted under Section 101 of the Local Government Act 1972 and therefore no general duties, responsibilities or powers assigned to such committees or to any sub-committees or officers under the constitution, standing orders or scheme of delegation of the Administering Authority apply to the Board unless expressly included in this document.
4. Except where approval has been granted under regulation 106(2) of the Regulations, the Board shall be constituted separately from any committee or sub-committee constituted under Section 101 of the Local Government Act 1972 with delegated authority to execute the function of the Administering Authority.

Interpretation

5. The following terms have the meanings as outlined below:

'the Act'	The Public Service Pensions Act 2013.
'the Code'	means the Pension Regulator's Code of Practice No 14 governance and administration of public service pension schemes.
'the Committee'	means the committee who has delegated decision making powers for the Fund in accordance with Section 101 of the Local Government Act 1972.
'the Fund'	means the Fund managed and administered by the Administering Authority.

'the Guidance'	means the guidance on the creation and operation of local pension boards issued by The Local Government Pension Scheme Advisory Board.
'the Regulations'	means the Local Government Pension Scheme Regulations 2013 (as amended from time to time), the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended from time to time) including any earlier regulations as defined in these regulations to the extent they remain applicable and the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (as amended from time to time).
'Relevant legislation'	means relevant overriding legislation as well as the Pension Regulator's Codes of Practice as they apply to the Administering Authority and the Board notwithstanding that the Codes of Practice are not legislation.
'the Scheme'	means the Local Government Pension Scheme in England and Wales.

Statement of purpose

6. The purpose of the Board is to assist the Administering Authority in its role as a scheme manager of the Scheme. This covers all aspects of governance and administration of the LGPS, including funding and investments. Such assistance is to:
 - (a) secure compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme and any connected scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme and any connected scheme, and;
 - (b) to ensure the effective and efficient governance and administration of the Scheme and any connected scheme.
 - (c) helping the Administering Authority, including doing work requested by the administering authority.

Duties of the Board

7. The Board should at all times act in a reasonable manner in the conduct of its purpose. In support of this duty Board members should be subject to and abide by the code of conduct for Board members.

Establishment

8. The Board was established on 12 February 2015 via approval by County Council. Subsequent to its establishment, the Board may establish sub-committees. Terms of reference for any sub-committees will be formulated and agreed by the Board as and when any sub-committee is proposed.

Membership

9. The Board shall consist of 8 voting members, as follows:
 - 4 Member Representatives; and
 - 4 Employer Representatives.
10. There shall be an equal number of Member and Employer Representatives.

Member representatives

11. Member representatives shall either be scheme members or have capacity to represent scheme members of the Fund.
12. Member representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings, participate in training as required and competently represent members, including providing information to members effectively.
13. A total of 4 member representatives shall be appointed following a transparent recruitment process which will be open to all Fund members and be approved by the Administering Authority.

Employer representatives

14. Employer representatives shall be office holders or senior employees of employers of the Fund or have experience of representing scheme employers in a similar capacity. No officer or elected member of the Administering Authority who is responsible for the discharge of any function of the Administering Authority under the Regulations may serve as a member of the Board.
15. Employer representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings, participate in training as required and competently represent employers, including providing information to employers effectively.
16. A total of 4 employer representatives shall be appointed to the Board following a transparent recruitment process which will be open to all employers in the Fund and be approved by the Administering Authority.

Other members

17. No other members shall be appointed to the Board by the agreement of both the Administering Authority and the Board. This will however be kept under review and be revisited should the Board feel it necessary.

Appointment of chair

18. Subject to the meeting arrangements in paragraphs 31 to 33 below a chair shall be appointed for the Board by the employer and member representatives of the Board from amongst their own number.

Duties of chair

19. The chair of the Board:
 - (a) Shall ensure the Board delivers its purpose as set out in these Terms of Reference,
 - (b) Shall ensure that meetings are productive and effective and that opportunity is provided for the views of all members to be expressed and considered, and
 - (c) Shall seek to reach consensus and ensure that decisions are properly put to a vote when it cannot be reached. In the event of voting at a Board meeting being equal, the Chairman will have a casting vote.

Notification of appointments

20. When appointments to the Board have been made the Administering Authority shall publish the name of Board members, the process followed in the appointment together with the way in which the appointments support the effective delivery of the purpose of the Board.

Terms of Office

21. The term of office for Board members is 3 years.
22. Extensions to terms of office may be made by the Administering Authority with the agreement of the Board.
23. A Board member may be appointed for further terms of office using the methods set out in paragraphs 13 and 16.
24. Board membership may be terminated prior to the end of the term of office due to:
 - (a) A member representative appointed on the basis of their membership of the scheme no longer being a scheme member in the Fund.
 - (b) A member representative no longer being a scheme member or a representative of the body on which their appointment relied.

- (c) An employer representative no longer holding the office or employment or being a member of the body on which their appointment relied.
- (d) A Board member no longer being able to demonstrate to Buckinghamshire County Council their capacity to attend and prepare for meetings or to participate in required training. Where this occurs, the Chairman will have lead responsibility for an initial informal discussion with the member about the concerns. The opportunity to address the issue will be given to the Board member, with the proviso that clear evidence that the issue has been resolved is presented to the administering authority, within 3 months of the date of the Chairman's discussion. Where this is not met, the administering authority will give 1 months' notice of termination to the Board member.
- (e) A Board member has a conflict of interest which cannot be managed in accordance with the Board's conflict policy.
- (f) A Board member who is an elected member becomes a member of the Committee.
- (g) A Board member who is an officer of the Administering Authority becomes responsible for the discharge of any function of the Administering Authority under the Regulations.
- (h) A Board member wishes to resign
- (i) Where a vacancy occurs, a new Board member will be appointed for a 3 year term.

Conflicts of interest

- 25. All members of the Board must declare to the Administering Authority on appointment and at any such time as their circumstances change, any potential conflict of interest arising as a result of their position on the Board.
- 26. A conflict of interest is defined as a financial or other interest which is likely to prejudice a person's exercise of functions as a member of the Board. It does not include a financial or other interest arising merely by virtue of that person being a member of the Scheme.
- 27. On appointment to the Board and following any subsequent declaration of potential conflict by a Board member, the Administering Authority shall ensure that any potential conflict is effectively managed in line with both the internal procedures of the Board's conflicts policy and the requirements of the Code.

Knowledge and understanding (including Training)

- 28. Knowledge and understanding must be considered in light of the role of the Board to assist the Administering Authority in line with the requirements outlined in paragraph 6 above. The Board shall establish and maintain a Knowledge and Understanding Policy and Framework to address the knowledge and understanding requirements that apply to Board members under the Act. That policy and framework shall set out the degree of knowledge and understanding required as well as how knowledge and understanding is acquired, reviewed and updated.

29. Board members shall attend and participate in training arranged in order to meet and maintain the requirements set out in the Board's knowledge and understanding policy and framework.
30. Board members shall participate in such personal training needs analysis or other processes that are put in place in order to ensure that they maintain the required level of knowledge and understanding to carry out their role on the Board.

Meetings

31. The Board shall as a minimum meet 3 times each year.
32. Board members are required to attend no less than 2 ordinary Board meetings per year. Board members can attend meetings by conference call.
33. Meetings will normally take place between the hours of 10:00am and 12:00pm at New County Offices. Failure to meet this requirement will be referred to the Chair and dealt with under paragraph 24(d) of these terms of reference.
34. The Chair of the Board, with the consent of the Board membership, may call additional meetings. Urgent business of the Board between meetings may, in exceptional circumstances, be conducted via communications between members of the Board including telephone conferencing and e-mails.

Quorum

35. A meeting is only quorate when at least 50% of both member and employer representatives are present.
36. If any Board meeting is not quorate, the chair must adjourn the meeting and either arrange it for another date and time or consider any unfinished business at the next ordinary meeting.

Board administration

37. The Chair shall agree with the Board Secretary an agenda prior to each Board meeting.
38. The agenda and supporting papers will be issued at least 5 working days in advance of the meeting except in the case of matters of urgency.
39. Draft minutes of each meeting including all actions and agreements will be recorded and published within 5 working days after the meeting. These draft minutes will be subject to formal agreement by the Board at their next meeting. Any decisions made by the Board should be noted in the minutes and in addition where the Board was unable to reach a decision such occasions should also be noted in the minutes.

40. The minutes may, with the agreement of the Board, be edited to exclude items on the grounds that they would either involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A (2) of that Act and/or they represent data covered by the Data Protection Act 2018.
41. The Board Secretary shall ensure that Board members meet and maintain the knowledge and understanding as determined in the Board's Knowledge and Understanding Policy and Framework and other guidance or legislation.
42. The Board Secretary shall arrange such advice as is required by the Board subject to such conditions as are listed in these Terms of Reference for the use of the budget set for the Board.
43. The Board Secretary shall ensure an attendance record is maintained along with advising the Administering Authority on allowances and expenses to be paid under these terms.
44. The Board Secretary shall liaise with the Administering Authority on the requirements of the Board, including advanced notice for officers to attend and arranging dates and times of Board meetings.

Public access to Board meetings and information

45. The Board meetings can be open to the general public (unless there is an exemption under relevant legislation which would preclude part (or all) of the meeting from being open to the general public).
46. The following will be entitled to attend Board meetings in an observer capacity:
 - (a) *Members of the Committee,*
 - (b) *Any person requested to attend by the Board.*

Any such attendees will be permitted to speak at the discretion of the Chair.
47. In accordance with the Act the Administering Authority shall publish information about the Board to include:
 - (a) The names of Board members and their contact details.
 - (b) The representation of employers and members on the Board.
 - (c) The role of the Board.
 - (d) These Terms of Reference.
48. The Administering Authority shall also publish other information about the Board including:
 - (a) Agendas and minutes
 - (b) Training and attendance logs

- (c) An annual report on the work of the Board to be included in the Fund's own annual report.
49. All or some of this information may be published using the following means or other means as considered appropriate from time to time:
- (a) On the Fund's website.
 - (b) As part of the Fund's Annual Report.
 - (c) As part of the Governance Compliance Statement.
50. Information may be excluded on the grounds that it would either involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act and/or they represent data covered by the Data Protection Act 1998.

Expenses and allowances

51. The Administering Authority will meet the expenses of Board members in line with the Administering Authority's policy on expenses as set out in Part 6 of Constitution.
52. The Administering Authority will pay allowances for Board members as follows:
- a) the Administering Authority will pay allowances to Board members of £750 per annum.*
 - b) the Administering Authority will pay an allowance to the elected Chair of the Board of £3,785 per annum.*
 - c) a) and b) do not apply if the Board member is a councillor member of a local authority or an employee of an organisation participating in the administering authority's pension fund.*

Budget

53. The Board is to be provided with adequate resources to fulfil its role. In doing so the budget for the Board will be met from the Fund and determined by:
- a) The Administering Authority will allocate an annual budget which is managed by and at the discretion of the Board.

Core functions

54. The first core function of the Board is to assist the Administering Authority in securing compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme. Within this extent of this core function the Board may determine the areas it wishes to consider including but not restricted to:

- a) *Review regular compliance monitoring reports which shall include reports to and decisions made under the Regulations by the Committee.*
- b) *Review management, administrative and governance processes and procedures in order to ensure they remain compliant with the Regulations, relevant legislation and in particular the Code.*
- c) *Review the compliance of scheme employers with their duties under the Regulations and relevant legislation.*
- d) *Assist with the development of and continually review such documentation as is required by the Regulations including Governance Compliance Statement, Funding Strategy Statement and Statement of Investment Principles.*
- e) *Assist with the development of and continually review scheme member and employer communications as required by the Regulations and relevant legislation.*
- f) *Monitor complaints and performance on the administration and governance of the scheme.*
- g) *Assist with the application of the Internal Dispute Resolution Process.*
- h) *Review the complete and proper exercise of Pensions Ombudsman cases.*
- i) *Review the implementation of revised policies and procedures following changes to the Scheme.*
- j) *Review the arrangements for the training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme.*
- k) *Review the complete and proper exercise of employer and administering authority discretions.*
- l) *Review the outcome of internal and external audit reports.*
- m) *Review draft accounts and Fund annual report.*
- n) *Review the compliance of particular cases, projects or process on request of the Committee.*
- o) *Any other area within the statement of purpose (i.e. assisting the Administering Authority) the Board deems appropriate.*

55. The second core function of the Board is to ensure the effective and efficient governance and administration of the Scheme. Within this extent of this core function the Board may determine the areas it wishes to consider including but not restricted to:

- a) *Assist with the development of improved customer services.*
- b) *Monitor performance of administration, governance and investments against key performance targets and indicators.*
- c) *Monitor internal and external audit reports.*
- d) *Review the risk register as it relates to the scheme manager function of the authority.*
- e) *Assist with the development of improved management, administration and governance structures and policies.*
- f) *Review the outcome of actuarial reporting and valuations.*
- g) *Assist in the development and monitoring of process improvements on request of Committee.*

h) Any other area within the statement of purpose (i.e. ensuring effective and efficient governance of the scheme) the Board deems appropriate.

56. In support of its core functions the Board may make a request for information to Pension Fund Committee with regard to any aspect of the Administering Authority's function. Any such request should be reasonably complied with in both scope and timing.
57. In support of its core functions the Board may make recommendations to Pension Fund Committee which should be considered and a response made to the Board on the outcome within a reasonable period of time.

Reporting

58. The Board should in the first instance report its requests, recommendations or concerns to Pension Fund Committee. In support of this any member of the Board may attend a Committee meeting as an observer.
59. Requests and recommendations should be reported under the provisions of paragraphs 55 and 56 above.
60. The Board should report any concerns over a decision made by Pension Fund Committee to the Committee, subject to the agreement of at least 50% of voting Board members, provided that all voting members are present. If not all voting members are present, the agreement should be of all voting members who are present, where the meeting remains quorate.
61. On receipt of a report under paragraph 59 above, Pension Fund Committee should, within a reasonable period, consider and respond to the Board.
62. Where the Board is not satisfied with the response received it may request that a notice of its concern be placed on the website and in the Fund's annual report.
63. Where the Board is satisfied that there has been a breach of regulation which has been reported to Pension Fund Committee under paragraph 59 and has not been rectified within a reasonable period of time it is under an obligation to escalate the breach.
64. The appropriate internal route for escalation is to the Monitoring Officer and Regulatory and Audit Committee.
65. The Board may report concerns to the LGPS Scheme Advisory Board for consideration subsequent to, but not instead of, using the appropriate internal route for escalation.
66. Board members are also subject to the requirements to report breaches of law under the Act and the Code (and the whistleblowing provisions set out in the Administering Authority's whistle blowing policy).

Review of terms of reference

67. These Terms of Reference shall be reviewed on each material change to those parts of the Regulations covering local pension boards and at least annually.

68. These reviewed Terms of Reference were adopted on 18 July 2018.

Buckinghamshire Local Pension Board Code of Conduct

Members of the Board who are also elected members of a local authority are governed by their local authority's code of conduct for councillors. There is also a legal obligation for councillors to disclose certain pecuniary interests. Any members of the Board who are also councillors of a local authority will have to meet both of these requirements as well as the code of conduct of the Board.

Members of the Board who are not councillors should have regard to the 'Seven Principles of Public Life' which are:

- Selflessness
 - Holders of public office should act solely in terms of the public interest.
- Integrity
 - Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family or their friends. They must declare and resolve any interests and relationships.
- Objectivity
 - Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination and bias.
- Accountability
 - Holders of public office are accountable for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
- Openness
 - Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
- Honesty
 - Holders of public office should be truthful.
- Leadership
 - Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

APPENDIX 3
July 2018**Buckinghamshire Local Pension Board**
Conflicts Policy

1. For the purposes of the Board, a 'conflict of interest' is defined in section 5(5) of the Public Service Pension Act 2013 as 'a financial or other interest which is likely to prejudice the person's exercise of functions as a member of the board (but does not include a financial or other interest arising merely by virtue of membership of the scheme or any other connected scheme).'
2. A conflict may arise when a member of the Board must fulfil their legal duty to assist the administering authority and at the same time they have a separate personal interest (financial or otherwise), or another responsibility in relation to that matter.
3. The administering authority will satisfy itself that Board members do not have an actual conflict of interest prior to appointment and from time to time thereafter. There is a duty on a proposed Board member/appointed Board member to provide the administering authority with such information as the administering authority reasonably requires to satisfy itself that such person has no conflicts of interest.
4. The administering authority as part of the recruitment process will require applicants to disclose any dual interests or responsibilities which could become conflicts of interest before they are appointed. Thereafter they will monitor whether Board members have potential conflicts by an annual report provided by the Board. There is also a requirement on Board members to inform the administering authority of any potential conflicts of interest as and when they arise. There were no conflicts of interest on 19 July 2017.
5. The Board will cultivate a culture of openness and transparency and ensure that its members have a clear understanding of their role and the circumstances in which they may find themselves in a position of conflict of interest.
6. Some examples of potential conflicts would include:
 - A finance officer appointed as a Board member may, from time to time, be required to take or scrutinise a decision which may be, or appear to be, in opposition to another interest or responsibility. For example they may be required as a Board member to take or scrutinise a decision which involves the use of departmental resources to improve scheme administration, whilst at the same time being tasked, by virtue of their employment, with reducing departmental spending.
 - A member representative who works in the administering authority's internal audit department may be required as part of their work to audit the Fund. For example, the employee may become aware of

confidential breaches of law by the Fund which have not yet been brought to the Board's attention.

- An employer representative from the private sector may also have a conflict of interest as a decision-maker in their own workplace. For example, if an employer representative is drawn from a company to which the administering authority has outsourced its pension administration service and the Board are reviewing the standards provided by it.
7. To manage a conflict of interest the Board will seek advice from an officer of the administering authority, the administering authority's monitoring officer or alternatively seek professional legal advice. The Board need to be confident that such advice is independent and any potential or actual conflicts are disclosed by the officer/adviser. Any concerns will be reported to the administering authority. Options for managing an actual conflict of interest include:
- A member withdrawing from the discussion and any decision-making process;
 - The Board establishing a sub-board to review the issue; or
 - A member resigning from the Board if the conflict is so fundamental that it cannot be managed in any other way.
8. Decisions regarding any identified conflicts of interest will be recorded in the Board's register of interests. The Register of interests will be circulated to the Board for ongoing review and published on the Fund's website. The Board will keep the conflicts policy under regular review.

APPENDIX 4
July 2018

Buckinghamshire Local Pension Board
Knowledge and Understanding Framework

Legal requirements

1. In accordance with Section 248 of the Pensions Act 2004, every member of the Buckinghamshire County Council Local Pension Board must be conversant with:
 - the rules of the scheme (the Local Government Pension Scheme Regulations), and
 - any document recording policy about the administration of the scheme which is for the time being adopted in relation to the scheme.
- 1.1 Pension Board members must also have knowledge and understanding of:
 - the law relating to pensions, and
 - such other matters as may be prescribed.
- 1.2 The degree of knowledge and understanding required by subsection (3) is that appropriate for the purposes of enabling the individual properly to exercise the functions of a member of the pension board.
- 1.3 Schemes should establish and maintain policies and arrangements for acquiring and retaining knowledge and understanding to support their pension board members. However, it is the responsibility of individual pension board members to ensure that they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a member of the pension board.

Areas of knowledge and understanding required

2. Pension board members must be conversant with their scheme rules, which are primarily found in the scheme regulations, and documented administration policies currently in force for their pension scheme. Being 'conversant' means having a working knowledge of the scheme regulations and policies, so that pension board members can use them effectively when carrying out their duties.
 - 2.1 Pension board members must be conversant with specific documents recording policy about administration such as:
 - conflicts of interest and the register of interests
 - record-keeping
 - internal dispute resolution
 - reporting breaches
 - maintaining contributions to the scheme
 - the appointment of pension board members
 - risk assessments/management and risk register policies for the scheme

- scheme booklets, announcements and other key member and employer communications
- the roles, responsibilities and duties of the scheme manager, pension board and individual pension board members
- terms of reference, structure and operational policies of the pension board and / or any sub-committee
- statements of policy about the exercise of discretionary functions
- statements of policy about communications with members and scheme employers
- the pension administration strategy
- any admission body policies
- the contribution rate or amount (or the range/variability where there is no one single rate or amount) payable by employers participating in the scheme
- statements of assurance (for example, assurance reports from administrators)
- third party contracts and service level agreements
- stewardship reports from outsourced service providers (for example, those performing outsourced activities such as scheme administration), including about compliance issues
- statement of investment principles
- funding strategy statement
- scheme annual reports and accounts
- accounting requirements relevant to the scheme
- audit reports, including from outsourced service providers, and
- other scheme-specific governance documents

2.2 They must also have knowledge and understanding of the law relating to pensions (and any other matters prescribed in legislation) to the degree appropriate for them to be able to carry out their role, responsibilities and duties.

2.3 Pension board members should also be familiar with the AVC options offered and the requirements for the payment of member contributions to the providers, the principles relating to the operation of those arrangements, the choice of investments to be offered to members, the provider's investment and fund performance report and the payment schedule for such arrangements.

Induction Training

3 Pension board members are expected to complete induction training within 6 months of their appointment. This consists of an online training resource provided by The Pensions Regulator and ongoing training sessions provided by Buckinghamshire County Council as the Administering Authority of the Buckinghamshire Pension Fund (BCC) which all members are required to attend.

The Pensions Regulator Public Sector

- 4 The Pensions Regulator has developed a specific Public Sector online training Toolkit <http://www.thepensionsregulator.gov.uk/public-service-schemes.aspx> to help Board members meet the minimum level of knowledge and understanding introduced in the Pensions Act 2004. The toolkit contains seven modules in the following areas:
- Conflicts of interest
 - Managing risk and internal controls
 - Maintaining accurate member data
 - Maintaining member contributions
 - Providing information to members and others
 - Resolving internal disputes
 - Reporting breaches of the law
- 4.1 Prior to their first Board meeting, members are expected to complete The Pensions Regulator Public Service Toolkit.
- 4.2 An initial training day will also be held prior to the first meeting. This initial training will be provided by the Local Government Association and Investec and will cover:
- Legal and Governance
 - Investment Framework
 - Benefits Framework
 - Investment Basics
- 4.3 In addition to The Public Service Toolkit The Pensions Regulator has a Trustee Toolkit in relation to Defined Benefit Schemes <https://trusteetoolkit.thepensionsregulator.gov.uk/> It is not a requirement for Public Service Board members to also complete the modules within the Trustee Toolkit, but if a Board member wishes to do so they can email The Pensions Regulator at customersupport@tpr.gov.uk and they will arrange to have these learning modules added to their profile.
- 4.4 Pension board members must have a working knowledge of their scheme regulations and documented administration policies. They should understand their scheme regulations and policies in enough detail to know where they are relevant to an issue and where a particular provision or policy may apply.
- 4.5 Pension board members must have knowledge and understanding of the law relating to pensions (and any other prescribed matters) sufficient for them to exercise the functions of their role. Pension board members should be aware of the range and extent of the law relating to pensions which applies to their scheme, and have sufficient understanding of the content and effect of that law to recognise when and how it impacts on their responsibilities and duties.

- 4.6 It is anticipated that board members will develop a full understanding of all the relevant issues over a period of time. It is not expected that all board members will have the same level of knowledge on all relevant areas, but the Board as a whole must ensure that it has a wide breadth of skills and expert knowledge to ensure that all relevant issues are scrutinised when making recommendations.

Acquiring, reviewing and updating knowledge and understanding

- 5 Pension board members should invest sufficient time in their learning and development alongside their other responsibilities and duties. BCC will provide pension board members with the relevant training and support that they require.
- 5.1 Board members should undertake a personal training needs analysis and regularly review their skills, competencies and knowledge to identify gaps or weaknesses. Any gaps in knowledge should be reported to BCC so that future training can be tailored to bridge these gaps. BCC will then assist pension board members to determine the degree of knowledge and understanding that is sufficient for them to effectively carry out their role, responsibilities and duties as a pension board member.
- 5.2 It is suggested that there are three main ways in which levels of knowledge and skills can be increased:
- Use of web based packages and training provided by CIPFA;
 - LGA, Fund Manager or Actuary led training sessions or specific training as part of the Board meeting agenda;
 - Courses and seminars organised by Fund Managers, Actuaries and the LGA, details of which can be circulated to Board members

Demonstrating knowledge and understanding

- 6 BCC will keep appropriate records of the learning activities of individual pension board members and the board as a whole. This will help pension board members to demonstrate steps they have taken to comply with legal requirements and how they have mitigated risks associated with knowledge gaps

Pension Fund Board

Title: Annual Benefit Statements - Administration Year End Update

Date: Wednesday 18 July 2018

Author: Finance Director, Finance & Procurement

Contact officer: Claire Lewis-Smith, 01296 383424

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

Regulation 89 of The Local Government Pension Scheme Regulations 2013 require an administering authority to issue an annual benefit statement no later than 5 months after the end of the Scheme year to which it relates (31 August). An annual benefit statement must be issued to each active, deferred, deferred pensioner and pension credit member. The purpose of this report is to inform the Board of the current progress regarding the issue of the 2018 annual benefit statements.

Recommendation

The Board is asked to NOTE the content of this report.

Supporting information to include the following if a decision is being requested:

Resource implications

An Employer Liaison Officer was on maternity leave until early July. Other Officers have been working additional hours to cover their work.

Legal implications

None.

Other implications/issues



The Pensions Regulator (TPR) conducted a survey in 2017 which showed that process improvements have stalled in some local government schemes. Due to the specific challenges faced by local government schemes, TPR will be focussing casework activities on local government this coming year.

There are 246 returns due in for 2017/18. By the annual return deadline of 30 April, 210 employers had submitted returns. Of these, 127 had to be returned to employers for revision. 95 of the 127 were returned accurately by the deadline, resulting in 178 employers ready to be processed as at 30 April.

To date, 234 returns have been received and 36 of these are back with employers for correction. There are 12 employers who are yet to submit any return and they have been notified that relevant administration costs will be applicable under the terms of the Pension Administration Strategy.

Of the 198 that can be processed, 125 employers are fully completed with no outstanding member queries. 27 employers have received queries but are yet to either respond or provide sufficient details to resolve the query.

There are 46 employers in the process of having their data cleansed and queries collated by ELOs. The table below compares the position at this stage last year to this year:

	2016/17	2017/18
Returns due	218	246
Accurate returns by 30 April	160	178
% of Total	73.4%	72.36
Returns outstanding	0	12
Employers 100% clean	119	125
% of Total	54.59	50.81

Some employers have outstanding queries from prior years. Figures for each year end query group as at 31 March 2018 and 30 June 2018 are detailed below, showing a reduction of prior year queries, so far this year, of 161:

	31/03/2018	30/06/2018
BKYE17	551	469
BKYE16	304	269
BKYE	456	412
Total	1,311	1,150

We have recorded the number of queries resolved by ELOs by using monthly returns submitted by employers this year. To date, 425 have been resolved by ELOs and 796 have been issued to employers.

The target this year is to issue 92% of active Scheme members with an annual benefit statement by the statutory deadline of 31 August 2018.

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

The Local Government Pension Scheme Regulations 2013

<http://www.lgpsregs.org/schemeregs/lgpsregs2013/timeline.php>

Pension Fund Board

Title: GDPR update for Pension Fund Board

Date: Wednesday 18 July 2018

Author: Finance Director, Finance & Procurement

Contact officer: Claire Lewis-Smith 01296 383424

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

This report is to update the Board on the action taken by the administering authority with the event of the General Data Protection Regulation (GDPR). GDPR came into effect on 25 May 2018 and coincided with Royal Assent being granted to the Data Protection Act 2018. GDPR applies to personal data, meaning any information relating to a person who can be directly or indirectly identified by reference to an identifier.

There were already procedures in place to comply with the provisions of the Data Protection Act 1998. In addition to these a Scheme Member FAQ, Full and Summary Privacy Notices and a Memorandum of Understanding have been published on our website. The pensioner newsletter contained a GDPR article and the annual benefit statement newsletters for active and deferred members also highlight the implications of GDPR. Egress Switch, an end to end encryption email facility has also recently been introduced and notified to employers in the June employer newsletter.

Recommendation

The Board are asked to NOTE the content of this report.

Supporting information to include the following if a decision is being requested:

Resource implications

The cost of Egress Switch for the relevant members of the Pensions & Investments Team was an annual licence of £60 and an initial one off set up cost of £20. For 34

licences the initial cost was £2,720 with ongoing annual licence renewal costs of £2,040. Licences can be transferred should a team member leave.

Legal implications

Formulating and publishing the relevant notices and the introduction of Egress Switch will assist the administering authority with GDPR compliance.

Other implications/issues

Recipients of encrypted emails from the Pensions & Investments Team via Egress Switch are invited to register for free. When doing so, they can reply to the email via Egress Switch under our licence without a need to pay for a licence themselves. They can also create emails to the Pensions & Investments Team or any other organisation that use Egress Switch. Registration is straight forward and screenshots to assist employers and scheme members are available on our website. Feedback from employers who have registered so far is that the system is easy and simple to use.

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

None

Background Papers

GDPR – the Regulation
<https://www.eugdpr.org/>

Scheme Member FAQs
https://www.buckscc.gov.uk/media/4510754/gdpr_faq.pdf

Full Privacy Notice
<https://www.buckscc.gov.uk/media/4511165/full-privacy-notice.pdf>

Summary Privacy Notice
<https://www.buckscc.gov.uk/media/4511165/full-privacy-notice.pdf>

Egress Switch Registration Instructions
https://www.buckscc.gov.uk/media/4511370/egress_switch_registration.pdf

Pension Fund Board

Title: Internal Dispute Resolution Procedure

Date: Wednesday 18 July 2018

Author: Sam Price, Principal Pensions Officer (Administration)

Contact officer: Sam Price, 01296 383755

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The Local Government Pension Scheme (LGPS) operates a two stage dispute procedure under Regulation 72 to 79 of The Local Government Pension Scheme Regulations 2013.

Within the first stage of this procedure, the complaint will be considered by a person nominated by the body that took the decision that the member wishes to complain against. Each employer is asked to nominate a 'specified person' and any complaints against the employing authority will be directed to them. Where the complaint is against the administering authority, these complaints will be addressed by myself, as the 'specified person'.

If the member is not satisfied with the decision from stage 1, they have not received a decision or an interim letter more than 3 months after the date the initial complaint is lodged or it is more than 1 month from the date they were informed a decision would be made, then a member can progress their complaint to stage 2. At this stage, the administering authority can take a fresh look at the complaint which would be undertaken by a person not involved in the first stage decision. Where the stage 1 complaint was against the employing authority, I will undertake the stage 2 review. Where the stage 1 complaint was against the administering authority, Bucks CC Legal team are responsible for this review.

If members are still unhappy following stage 1 & Stage 2 then they can take the case to the Pensions Ombudsman within 3 years of the original decision.

The following IDRPs were received in 2017/2018

Description	Employing/ Admin Authority	Stage 1	Outcome	Progressed to Stage 2	Outcome
Appeal against factors used in retirement calculation	Administering	May 2017	Declined	August 2017	Declined
Ill Health	Employer	May 2017	Declined	January 2018	Declined
Pensioner member appeal against payslip process	Administering	July 2017	Declined	August 2017	Declined
Ill Health	Employer	August 2017	Declined		
Ill Health	Employer	September 2017	Declined		
Appeal against 'poor advice'	Administering	September 2017	Declined		
Transfer	Administering	September 2017	upheld	March 2018	In progress
Refund	Administering	September 2017	Declined	February 2018	Declined
Appeal against factors used in retirement calculation	Administering	September 2017	Declined		
Ill health	Employer	November 2017	In progress		
Death Benefits	Administering	December 2017	Declined		
Ill health	Employer	March 2018	In progress		
Appeal against administrative error				May 2017	Declined
Appeal against final pay				June 2017	Declined

One Pensions Ombudsman determination in the 2017/18 year relating to a complaint against Amersham & Wycombe college (employer) & Buckinghamshire County Council (administering authority) regarding misquoted information. The Pensions Ombudsman upheld the complaint against the employer but not the administering authority.

Recommendation

The Board is asked to NOTE the IDRPs for the 2017/2018 year.

Supporting information to include the following if a decision is being requested:

Resource implications

N/A

Legal implications

N/A

Other implications/issues

N/A

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

N/A

Pension Fund Board

Title: Pensions 'Online' Update
Date: Wednesday 19 July 2017
Author: Steve Lugg
Contact officer: Steve Lugg 07856 074141

Local members affected:

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The “my pension online” service for LGPS members was launched in 2016 and is now standard practice for member users. i-Connect is a web-based application / data exchange hub through which employers submit data relating to their workforce to the Buckinghamshire Pension Fund. The aim is the realisation of anticipated operational efficiencies and administrative cost savings.

Recommendation

The Board is asked to note the Report.

Supporting information to include the following if a decision is being requested:

The “my pension online” service for LGPS members was launched in 2016 and is now standard practice for member users. As at 5th July 2018, 7,574 active scheme members have registered, which equates to 34.8%, 3,482 (12.7%) deferred members and 3,055 (16.2%) pensioner members. A more user-friendly version was launched in Q4 2017 and the project has been successfully implemented.

i-Connect is a web-based system through which employers and/or payroll providers submit data relating to their workforce to the Buckinghamshire Pension Fund. The aim is the realisation of anticipated operational efficiencies and administrative cost savings.

i-Connect is marketed to the 80 LGPS funds who use Altair as their pension administration platform by third party provider Aquila Heywood via their subsidiary i-Connect Services

Limited. It replaces the existing requirement for employers to submit spreadsheets or undertake an action with regard to new entrants, leavers, opt-outs and other changes and in particular removes the need to undertake the lengthy year-end return procedure.

i-Connect minimises manual intervention as it combines the capabilities of a number of commonly used interfaces and enables the automatic transfer of data. Some manual intervention may still be necessary after payroll data upload following the detection of errors in the data by i-Connect.

There is an online return option for employers with fewer than 100 active LGPS members, so employers will transmit the data either by uploading a payroll extract file (larger employers) into i-Connect or by keying the information into Altair via i-Connect (smaller employers), both on a monthly basis.

Progress to date

10 employers including Thames Valley Police are currently submitting monthly data via the Live i-Connect system and several more are testing. There is a plan to roll out i-Connect to all other employers and payroll providers over the course of the next 2 years and it is standard practice for new employers who join the Fund.

Cyber security

Heywood are ISO27001 certified and their hosting procedures are certified under ISO9001:2008.

Each member accesses the 'my pension online' website using their own unique credentials, comprising a user name and password. Inherent system security prevents each member from accessing the records of other members.

i-Connect provides mapping, processing and change detection, via reliable “direct line” secure communication over site-to-site VPN. All processing takes place in memory, and rarely is data held in the database. All data is encrypted, is converted into a stream of thousands of individual change commands. i-Connect reduces the risks associated with the transmission of data between employers/payroll providers and the Fund through the use of a secure HTTPS system for user access over the internet. It is certified by a high-end VeriSign SSL certificate. I-Connect converts the data files it receives into binary form and then sends a “message” to a message queue in the middle tier. All communication between the web tier and the middle tier is via this messaging system; there is no web, database or other similar technology communication between the tiers, only messaging of binary objects. The payroll extract file is never stored. In the i-Connect middle-tier, the binary contents are extracted, mapped and processed into a per-member list of in-memory structures – the hash-codes of these structures are compared with those stored on the database for the same member. Any identified differences trigger the creation of an event – which is effectively a ready-to-send binary message – informing the Altair pension administration system that data has changed, and the nature of that change. These events are stored in binary form in the database until the user “releases” the event stream to the back end. At this point they are placed on a very specific messaging queue and consumed, over the VPN, by a Target System Bridge (TSB) which is deployed, along with the pension administration system, in the main application server. The ready-to-send objects (which do contain sensitive information) are stored in the database using Blowfish encryption. These objects are only retained in the database until they are released to the pension administration system (expected to be a small number of outside normal office hours). The i-Connect database does not hold personal member data of any kind in an un-hashed format. The hash chosen is irreversible, and is a hash of a combination of all the fields on a particular member structure. Each bridge in the pension administration system instance has a globally unique identifier (GUID), comprising of a large number of characters,

and all data objects contain the client reference (for example DUBLIN) as a primary key field. In the unlikely case of mis-configuration of i-Connect, if the messages intended for another client (for example BELFAST) were sent to the DUBLIN client's queue, then all message processing would fail as the primary key information will not match. All changes in pension administration system are audited in the standard way. All changes to member details in i-Connect cause the creation of a new row and triggers the expiry of the old row (this allows an element of history and "undo"). All user actions are logged in the database - "changed by" is a column on every table in i-Connect.

Resource implications

The aim is the realisation of anticipated operational efficiencies and administrative cost savings.

Legal implications

N/A

Other implications/issues

N/A

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

N/A

Background Papers

None

Buckinghamshire County Council's Corporate Information Security Framework

Welcome

Welcome to the Corporate Information Security Framework site for Buckinghamshire County Council.

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[Why We Introduced the Standards](#)
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Definition and Scope of IT Security

Information security is all about keeping corporate information safe. The Standards address the need to protect confidential and sensitive information from disclosure, unauthorised access, loss, corruption and interference and is relevant to information in both electronic and physical formats. Security can be defined by three things:-

- Confidentiality - information must not be made available or disclosed to unauthorised individuals, entities, or processes
- Integrity - data must not be altered or destroyed in an unauthorised manner, and accuracy and consistency must be preserved regardless of changes
- Availability - information must be accessible and useable on demand by authorised entities

A holistic approach to security encompasses the following areas:-

- personnel security
- physical security
- communications security
- information security
- computer security
- technical security

What You Need to Know

As inappropriate or unauthorised use of computer systems, communications systems and networks may expose the Buckinghamshire County Council to security threats and a wide range of legal issues, these Standards have been designed to protect the users, stakeholders and the Buckinghamshire County Council from illegal or damaging actions by individuals either knowingly or unknowingly. Most of the requirements in this system are based on good old common sense and you are required to understand your obligations.

Why We Introduced the Standards

Buckinghamshire County Council exists in an ever changing technological world and to ensure we can continue to operate in this environment and continue to do business we must be more aware of security issues and measures that protect the Council's key assets, ie:-

- Its people
- Its business and the infrastructure to support the business
- Its products and services
- Its information

Security attacks against organisations like Buckinghamshire County Council are increasing all the time and we must ensure our systems can be protected against these threats. The first step in achieving this is to document the rules and guidelines around system management, operation and use. By complying with these rules and guidelines we are doing everything we can to protect our systems and our people from a security threat.

Please remember the Standards have been introduced to protect you as much as the Buckinghamshire County Council.

What the Standards Do

- They provide a security and acceptable use framework for Buckinghamshire County Council as an organisation
- They help protect the assets of the Council
- They provide a uniform level of control and guidelines for management
- They provide one IT security message to all
- They advise you as to what the IT security and acceptable use controls and guidelines are

How the Standards are Arranged

The Standards are set out by category of user. Everyone who uses computer systems, communications systems or networks that make up the Council's computing environment should be familiar with the Standards listed under the heading User. Managers should be familiar with both the User Standards and the Management Standards and Technical staff need to be familiar with the Standards listed under Technical.

Procedural Documentation

The Standards and procedures contained within this site are concerned with what the organisation should do to protect its information and systems from significant risks. Procedures vary from business to business and where the procedural document has been developed, links can be provided beneath each requirement or under the menu heading "Procedures and Processes". Other useful documentation has been included under the menu heading "Forms, Logs and Guidelines".

Buckinghamshire County Council's Obligations

The ITMT shares the responsibility for information security to ensure that:-

- The Council's Standards, Guidelines and Procedures are approved, published, communicated, reviewed and continue to meet business needs
- That any significant change in the exposure of information to security threats is identified and managed
- All security incidents are monitored and reviewed
- Major initiatives to improve information security are approved and authorised
- Information security controls across the organisation are co-ordinated
- Responsibilities for the protection of information and information system assets are clearly defined and allocated
- The appropriate structure is implemented to effectively manage information security
- Procedural documentation to support Standard requirements is developed and maintained
- The purpose, use and implementation of any new information processing mechanism, channel or facility is approved
- There is transparency in the decision making process to ensure accountability
- Appropriate inter-organisation agreements relating to security requirements and common minimum standards are in place
- Advice is sought from qualified security specialists as and when required.
- Staff have the equipment and skills to perform their duties in accordance with the Council's Standards
- Staff are aware of their obligations with regard to IT security

Responsibility for IT security within the Council

The scope of IT security is defined in the paragraph "[Definition and Scope of IT Security](#)". In order to facilitate a secure IT environment within the Council the following roles and committees work together and are accountable for the ongoing security of information:-

- The Director of Digital and ICT has overall responsibility for Information Technology within the Council including the provision of infrastructure, applications and communications and the management of Information Technology projects however some responsibilities may be delegated to other staff. This role is responsible for the Council's compliance to the

appropriate relevant information security standards and best practice guidelines and for budget management.

- The ICT Solution Owner is accountable for the deployment, use and security of technology, including IT infrastructure and applications. This position is responsible for the implementation of information security in relation to the day to day management of the computing environment.
- ITMT are responsible for approving the strategic direction of IT to ensure that it continues to meet the needs of the business. This group has ultimate oversight and funding control over technology projects.

Your Obligations

It is the responsibility of every staff member, temporary employee, contractor and third party user to ensure they are familiar with the Standards and abide by them. For systems to remain secure and information protected everyone must read, understand and comply with the Council's Standards and procedures.

Non-Compliance

As these Standards have been put in place to protect both Buckinghamshire County Council and the users, Buckinghamshire County Council has an expectation that they will be complied with. Any breach of these Standards will be handled by Human Resources in accordance with existing disciplinary procedures and may result in action up to and including dismissal.

What to do Next

To find out what each of the Standards is about look at the [Summary of Standards](#). This document outlines the purpose of each Standard.

Check out the [Top 20 Top Security Points for Users](#) first. This is just an appetiser and lists the most important things that you, as users, need to know.

IT security is a common sense practice and the Standards tell users what to look out for and be aware of but they are not the be all and end all. Security is everyone's responsibility and we may discover additional security issues or loopholes while performing our daily tasks. If you discover anything unusual, please contact the ICT Service Desk.

Need Some Help?

If you are unsure what something means, try the [Glossary](#) which will provide a definition. If you need help or have any questions or issues please contact the ICT Service Desk.

Can't Find What You're Looking For?

If you're interested in a particular topic then you might want to try the [Topic Index](#) which lists series of topics in alphabetical order.

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Compliance with ISO 27002 Standard

ISO 27002 is the code of practice adopted by England and many other countries around the world as a common basis for developing organisational security standards and effective security management practices.

Compliance with the ISO 27002 Standard for Information Systems Security assists with achieving ISO 9001 certification and provides evidence that security is taken seriously by management. Trading partners, shareholders, stakeholders and other third parties with a vested interest in BCC can have confidence that the Council is acting responsibly in protecting its computer systems and the information stored within them from the risk of a serious security breach that could potentially affect the Council's reputation and profitability.

The requirements and controls included in this system have been cross referenced to ISO 27002. Using these references it is possible to ascertain the extent to which the organisation meets internal compliance objectives, adheres to best practice and satisfies the provisions of the code. It also assists in complying with the following international codes, acts and standards:-

- IS18 - Code of Practice (Queensland, Australia)
- HIPAA - The Health Insurance Portability and Accountability Act (USA)
- GLBA - The Gramm, Leach, Bliley Act (USA)
- Sarbanes Oxley (USA)
- European Union Data Protection Directive (EU)

Payment Card Industry Data Security Standard (PCI DSS)

The PCIDSS Standard describes the 12 Payment Card Industry (PCI) Data Security Standard (DSS) requirements that apply to organisations who process credit card payments or hold credit

card data. These PCIDSS requirements are organized in 6 logically related groups, which are "control objectives."

PCIDSS requirements are applicable if a Primary Account Number (PAN) is stored, processed, or transmitted. If a PAN is not stored, processed, or transmitted, PCIDSS requirements do not apply.

These security requirements apply to all "system components." System components are defined as any network component, server, or application that is included in or connected to the cardholder data environment. The cardholder data environment is that part of the network that possesses cardholder data or sensitive authentication data. Adequate network segmentation, which isolates systems that store, process, or transmit cardholder data from those that do not, may reduce the scope of the cardholder data environment. Network components include but are not limited to firewalls, switches, routers, wireless access points, network appliances, and other security appliances. Server types include but are not limited to the following: web, database, authentication, mail, proxy, network time protocol (NTP), and domain name server (DNS). Applications include all purchased and custom applications, including internal and external (Internet) applications.

The requirements and controls included in this system have been referenced to the PCIDSS standard where appropriate. Using these references it is possible to ascertain the extent to which the Council meets internal compliance objectives and satisfies the requirements of the Standard.

Public Services Network (PSN) - for UK customers

The Public Services Network (PSN) creates the effect of a single network across the public sector, delivered through multiple service providers, to create a more efficient marketplace for public sector ICT services, and thus ensure ongoing value and innovation, while reducing costs. The PSN is the enabling network layer for the Government ICT Strategy [E1].

Being PSN Compliant is defined as "A state describing ongoing adherence to the rules, conditions and obligations identified in a signed Code of Connection (CoCo)".

Regulatory Framework

A range of Legislation, Statutes, Codes of Practice and Standards are applicable to the operations of the Council. This may include, but is not limited to:-

Childrens Act 2004	Human Rights Act 1998
Civil Contingencies Act 2004	Intellectual Property Act 2014
Computer Misuse Act 1990	Land Registration Acts (various)
Copyright, Designs and Patents Act 1988	Limitation Act 1980
Data Protection Act 1998	Litter Act 1983
Data Retention and Investigatory Powers Act 2014	Malicious Communications Act 1988
Digital Economy Act 2010	Official Secrets Act 1989
Disability Discrimination Act 1995	Planning Acts (various)
Education Acts (various)	Police and Justice Act 2006
Electronic Communications Act 2000	Privacy and Electronic Communications Regulations 2003
Environmental Information Regulations 2004	Privacy and Electronic Communications (EC

	Directive) (Amendment) Regulations 2003
Environmental Protection Act 1990	Protection of Animal Acts (various)
Equality Act 2010	Public Records Act 1958
European Convention of Human Rights	Racial and Religious Hatred Act 2006
Farmland and Rural Development Act 1988	Regulation of Investigatory Powers Act 2000
Freedom of Information Act 2000	Regulations on the Re-use of Public Sector Information 2005
Health Acts (various)	Terrorism Act 2006
Local Government Acts (various)	The EU Cookie Law
The Workplace (Health, Safety and Welfare) Regulations 1992	The Re-use of Public Sector Information Regulations 2005
Housing and Planning Act 1986	Town and Country Planning Acts (various)

Monitoring and Review

This Standard supports the Information Security Policy overview and as such forms part of the Council's Information Security Framework.

The content of the Standards is agreed and overseen by the audience's authorized governance body for information security. For the purposes of this standard the authorised governing body is CID (Customer Information & Digital Board).

The Director of Digital and ICT will monitor staff compliance to the Standards, associated guidelines and procedures on an ongoing basis. Training needs will be identified and continuous offending will be escalated to Service Directors and above.

The Corporate Information Security Framework will be reviewed as it is deemed appropriate, but not less frequently than every 12 months. This has occurred as follows:-

Description	Date Created	Date of Next Review
Corporate Information Security Framework 17	4 July 2017	30 July 2018
Corporate Information Security Framework 16.1	30 November 2016	30 November 2017
Corporate Information Security Framework 15.1	15 January 2016	15 January 2017

Please Give Us Your Feedback

It is important that the Standards remain relevant to you, as the computer user. Please pass on any feedback to the Director of Digital and ICT.

Authorisation

Chief Executive Officer

Date: 31 January 2016



Aquila Heywood

Information Security Management System Policy



24 July 2017

Table of Contents

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1 Background

As an organisation, we:

- Collect, process, store, and transmit information.
- Recognise that information, and related processes, systems, networks and people are important assets for achieving organisation objectives.
- Have a legal duty to protect certain types of information.

In our connected world, information held and processed is subject to threats of attack from a wide range of sources, including computer-assisted fraud, espionage, sabotage, vandalism, error, nature (for example, flood or fire) and so on, and is subject to vulnerabilities inherent in its use.

Damage to information systems and networks caused by malicious code, computer hacking and denial-of-service attacks have become more common, more ambitious and increasingly sophisticated.

The term 'Information Security' is generally based on information being considered as an asset, which therefore has a value and requires appropriate protection. In reviewing Information Security, three main properties are considered:

- Confidentiality: Information is not made available or disclosed to unauthorised individuals, entities, or processes.
- Integrity: Protecting the accuracy and completeness of information assets.
- Availability: Information is accessible and usable upon demand by an authorised entity.

Achieving Information Security requires the management of risk and encompasses risks from physical, human and technology-related threats associated with all forms of information within or used by the organisation.

Our business, technology, and information are all dynamic in nature and subject to changing risks over time. Learning from an ongoing review of Information Security (for example, any security incidents, results of risk management or known vulnerabilities) helps to make our Information Security Management System (ISMS) more effective.

The coordinated activities directing the implementation of suitable controls and managing Information Security risks are generally known as elements of our ISMS.

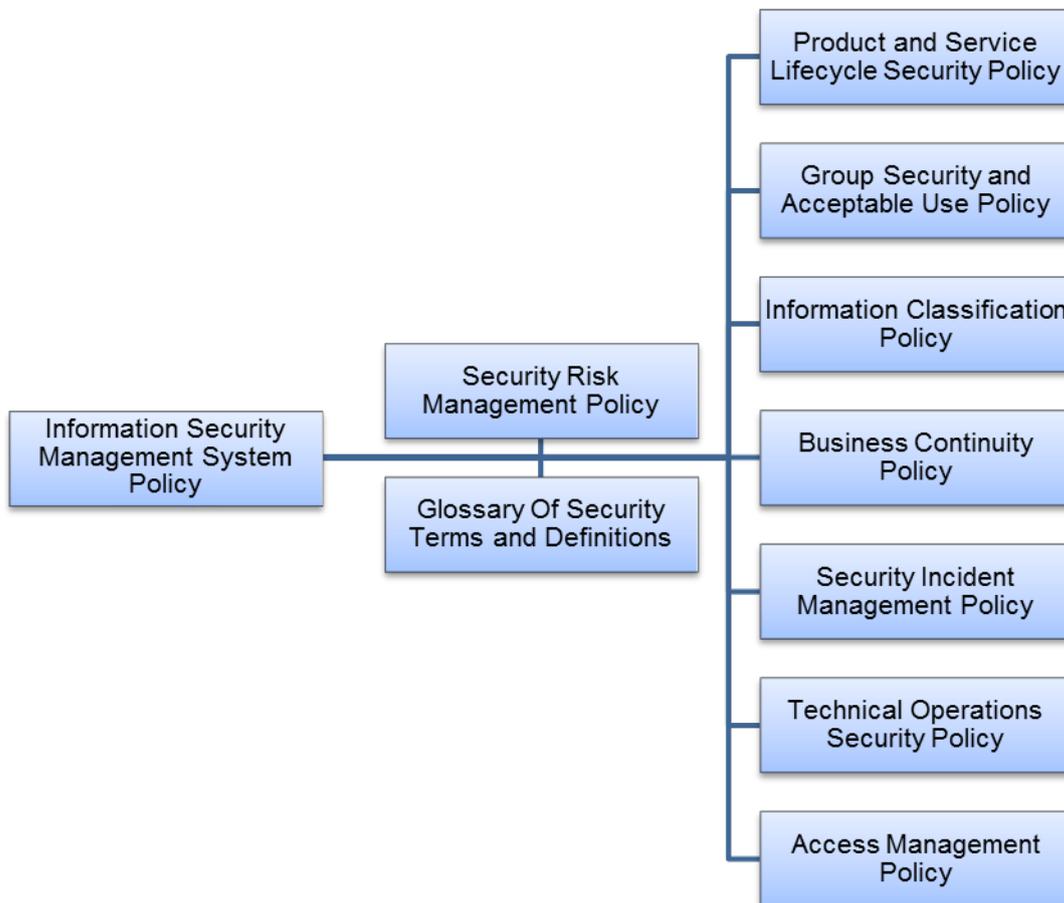
2 Information Security Management System (ISMS)

The Aquila Heywood Information Security Management System (ISMS) is the term used to describe all the policies, procedures, resources and other parts of the organisation that implement, maintain, review and improve Information Security.

The ISMS is integrated with the Quality Management System (QMS) and they are jointly referred to as the Aquila Heywood management system.

This Information Security Management System Policy and other ISMS policies are organised in a framework to separate them according to their scope and the people to whom they are relevant.

Graphical illustration of the ISMS structure



The requirements in these security policies are based on risks to Aquila Heywood information assets and good security practice. Controls to mitigate these risks are monitored by the manager responsible for the system, process or other type of control to ensure they remain effective.

All staff are responsible for adhering to the ISMS Policy; managers must ensure their area of responsibility is compliant with the ISMS.

The ISMS shall be reviewed in line with internal audit procedures and appropriate improvements implemented.

Information Security risks shall be managed in the context of Aquila Heywood's overall business risk.

Documentation of the ISMS will be managed in line with the QMS.

2.1 Objectives and measures

The Information Security Management System has the following objectives and measures:

Objective	Measure
Assure the confidentiality of customer information in the care of Aquila Heywood.	Information Security requirements identified, specified, built and tested within all service implementations.
Protect the confidentiality of Aquila Heywood information.	
Protect the integrity of information held by Aquila Heywood.	
Maintain availability of information to stakeholders according to requirements.	Information security incidents recorded within the Group Incident Management system and reported to stakeholders – Security and Quality Forum and customers, if appropriate.
Ensure legal and regulatory security requirements are identified and met.	Review of appropriate requirements with the Group Legal Counsel
Enable the planning and testing for continuity of services to customers and internal business services in the case of a major incident or disaster.	Successful annual testing of the recovery of services to the DR/Test data centre. Evidenced by customers.
Provide effective Information Security training, education and awareness.	New staff introduced to the ISMS with confirmed annual statement of review. Staff with specific security roles appropriately trained and skilled.
Identify potential and actual breaches of Information Security, investigate and take appropriate action to report, remedy and/or prevent similar incidents.	All security incidents recorded in the Group Incident Management system.
Inform senior management of the effectiveness of the ISMS.	Circulation of Security and Quality Forum minutes to the Executive Management Committee
Work continuously to improve in everything we do	Internal audit programme

3 Scope

The sales and marketing, customer management, supply, implementation, development, enhancement, support, hosting and customer operational management of the Life and Pensions systems products and services provided by Aquila Heywood, including the provision of Data Screening and Cleansing services and data validation through the ATMOS organisation and data management services via i-Connect.

The management of security covers all areas within the technical and physical boundaries as stated in the Information Security Management System Policy.

3.1 Technical boundaries

The Redhill and Altrincham office services and infrastructure, including internal and external hosted services, wireless networks, remote access services, inter-site links and customer connections.

The use of Aquila Heywood remote services and mobile devices by staff of the Group.

The architecture and design of products created by the Aquila Heywood Group.

3.2 Physical boundaries

The Redhill and Altrincham offices, including the machine rooms at those sites, together with the transfer of any sensitive data in our care outside the office perimeters.

4 ISMS roles, responsibilities and authority

The **Group's Security Consultant** is responsible for the day-to-day management of the ISMS, its regular review and continuous improvement.

The Security Consultant shall work with Heads of Department to implement and maintain the ISMS such that effective and efficient controls are in use, and report status as required to senior management.

Department Heads are responsible for the processes and/or technical controls that protect the security of information and assets in their area.

They will ensure that the ISMS policies are applied in their area and inform the Security Consultant of any incidents that affect the ISMS's effectiveness, and propose any changes necessary for its continual improvement.

In particular, managers shall:

- Classify the information for which they are responsible.
- Define appropriate access rights to that information.
- Manage the risks to their information and assets as agreed with the Security Forum.

The **Security and Quality Forum** is the group responsible for providing leadership on, reviewing the operation of, and approving any changes to the ISMS. The Security and Quality Forum comprises the Security Consultant, Quality Manager, CTO and Director | People and is chaired by the CFO.

The Security and Quality Forum governs the ISMS within Aquila Heywood.

The Security and Quality Forum is accountable for:

- Setting direction and priorities on security matters
- Authorising changes to security policy and procedures
- Reviewing the security awareness program
- Management of security incidents
- Monitoring the programme for registration to ISO27001
- Reviewing Information Security risk assessments and improvement plans

- Maintaining the Group Security Risk Register
- Considering improvement actions to enhance the ISMS
- Monitoring the management of vulnerabilities
- Receiving and reviewing Information Security-related audit reports

The quorum of the Security and Quality Forum is three members; a quorate Security and Quality Forum has authority regarding security management.

The Security and Quality Forum shall review the management of risks and the effectiveness of controls to mitigate these at least quarterly.

The security policies are reviewed annually, or when required, to ensure they remain relevant and effective. Changes to the security policies are authorised by the Security and Quality Forum.

Any member of staff may suggest improvements to the ISMS via their line manager or a member of the Security and Quality Forum.



Pension Fund Board

Title:	GMP Reconciliation
Date:	Wednesday 18 July 2018
Author:	Finance Director, Resources & ACES
Contact officer:	Julie Edwards, Pensions & Investments Manager 01296 383910

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The end of contracting-out of the Additional State Pension from April 2016 means that a data reconciliation exercise needs to be completed before December 2018. The purpose is to ensure that the information held by the Fund in relation to periods of Pension Fund members' contracted out employment correctly matches the data held by HMRC.

Recommendation

The Board is asked to NOTE the report.

Supporting information

The end of contracting-out of the Additional State Pension from April 2016 means that a data reconciliation exercise needs to be completed before December 2018. The Fund has engaged ITM to undertake the reconciliation. ITM expect to complete the project by the end of November, Appendix 1 is a summary of progress to date. As at 6 July 2018 a total of 51.32% of discrepancies have been resolved and a further 24.06% discrepancies are under review e.g. HMRC or file review queries. HMRC are currently responding to queries within 3 to 4 months.

Background Papers

None

Project Update for Buckinghamshire Pension Fund GMP Reconciliation

Sarah Millson
06 July 2018



Buckinghamshire Pension Fund GMP Reconciliation

Project Manager (ITM & Client):	Sarah Millson & Ruth Allison
Project Sponsor (ITM & Client):	Maurice Titley & Julie Edwards
Today's Date:	6 July 2018
Overall RAG Status:	Green
Project Start Date:	1 March 2018
Planned Completion Date:	30 November 2018
Estimated Completion Date:	30 November 2018
Predicted Variance:	None currently foreseen

Project commentary

RAG description	<p>The actions to improve the linking between the two sets of data and the analysis to link the dependant members to the first life records have been completed. During the next reporting period the analysis of deceased members where there is a mismatch between the status on admin and HMRC will be finalised and the focus will switch to members who are 'On HMRC but have no liability on Admin', for example members who have received a refund of contributions.</p> <p>HMRC responses to queries have started to be received and will be scheduled for processing once the population reconciliation phase of the project has been completed.</p> <p>File review replies will also be reviewed and scheduled processing at the appropriate point to ensure any query files can be raised with HMRC ahead of the cut-off date in October.</p>
Project concerns	None at this time.

Project dashboard

Status	Reconciled			Proposal		Unreconciled			Out Of Scope
	No GMP liability	Exact match	Within tolerance	Proposal to Client	Proposal to HMRC	Awaiting data from Client	Awaiting data from HMRC	Further review	N/A record
Active	16,038	274	251		4	40	2,142	2,086	3,938
Deferred Post GMP Age	491	120	45	2	2	1	174	484	32
Deferred Pre GMP Age	15,935	2,358	507	11	14	81	3,873	5,040	587
Pensioner Post GMP Age	2,767	1,570	5,633		5	28	1,999	1,628	545
Pensioner Pre GMP Age	509	508	74			8	143	364	7
Widow(er)	102	140	241		2	16	1,064	150	285
Unlinked dependant						11			18
Total on admin	35,842	4,970	6,751	13	27	185	9,395	9,752	5,412
Other admin (members with no liability)							89	2,482	31,030
HMRC only						8	2,309	73	11,318
Total reported cases – 6 July 2018	35,842	4,970	6,751	13	27	193	11,793	12,307	47,760
Total reported cases	25,990	4,738	6,078				695	49,288	32,866

Notes to accompany the reconciliation status table:

Reconciled

- No GMP liability – GMP is zero on both the administration and HMRC records.
- Exact match – GMP on the administration and HMRC records reconciles exactly.
- Within tolerance – the difference between the administration and HMRC GMP is less than the tolerance level set. Provisional tolerance is £2 per week.

Proposal

- Proposal made to client – members where bulk analysis suggests that either the admin or HMRC data should be accepted and a decision from the client is required.
- Proposal made to HMRC – queries raised with HMRC where we have provided information to show that the member has no further liability in the scheme and HMRC should accept the admin data.

Unreconciled

- Awaiting data from client – results of bulk analysis e.g. On Admin, not on HMRC where a review of member files is required to resolve a query that cannot be dealt with by the extraction of data from the administration extract.
- Await data from HMRC – this encompasses all queries raised with HMRC and the 'Error Code/Type 5' members where full data still needs to be provided. ITM will automatically raise an HMRC query spreadsheet for the members identified as part of the baseline production as the project initiated by HMRC to supply corrected data is behind schedule.
- Further review – all members who will be dealt with as part of the population reconciliation e.g. improving the linking between the HMRC and admin membership. Once the population reconciliation concludes the remaining members in the category will form part of the GMP Value Reconciliation, where mismatches between the GMP amounts held by HMRC and Admin are investigated in more detail.

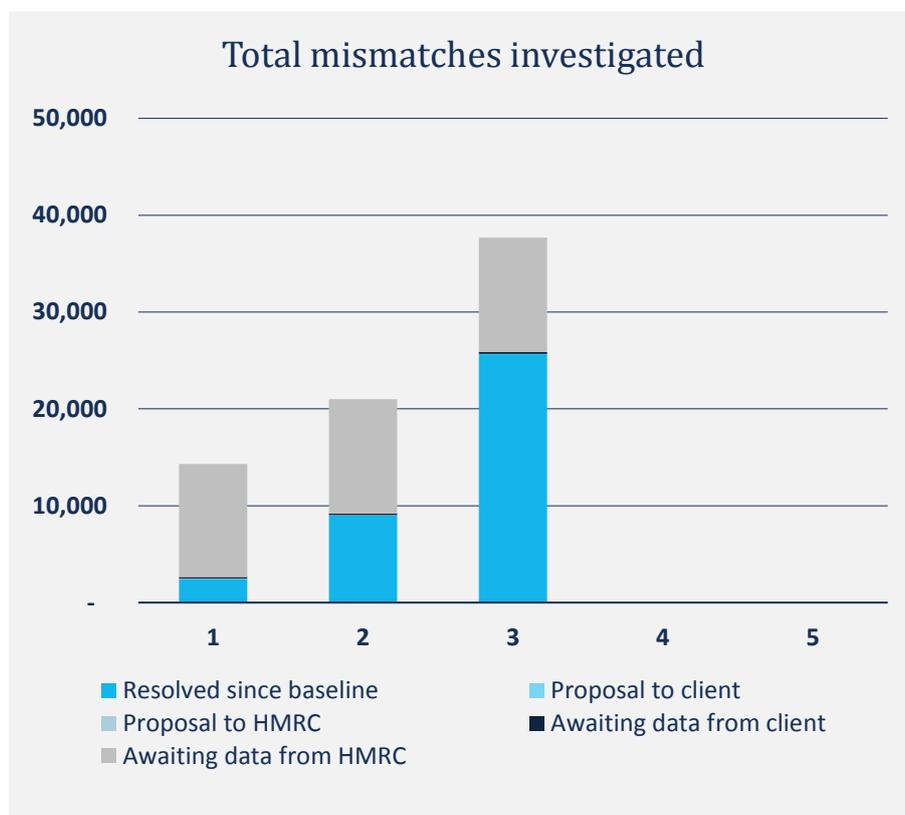
Out of Scope

- Record Not Applicable – includes the following:
 - Members with no liability under the scheme and no corresponding record on the HMRC data (transfers out, refunds)
 - Members with pre 6 April 1978 service or post 5 April 2016 service only
 - Member with no liability status but another liability record is already linked to an HMRC record
 - Originally unlinked dependant records that are subsequently matched to a corresponding first life record
 - HMRC records initially not matched to admin that subsequently are
 - HMRC records that HMRC come to withdraw, e.g. original Error Code 5 cases that HMRC acknowledge have no surviving spouse

A summary is provided in relation to the following categories in the status column of the reconciliation table:

- Other Admin (members with no liability) – all members recorded on the admin data with a status of ‘no liability’ and no spouse in payment, e.g. refund, transfer out, full commutation, deceased with no widow(er) together with child pensioners and deceased dependants.
- HMRC only – cases where HMRC have a contracted-out liability recorded, but where no admin record was initially (or still) matched to it. Some of these members will be dealt with as we work through multiple record issues, with any outstanding cases being dealt with under the ‘On HMRC, not on Admin’ project action where a bulk query will be raised with HMRC asking for further information (e.g. employer details) to enable any further analysis to be carried out.

The graph and table below demonstrate progress made since the start of the project. As at 6 July 2018 a total of 51.32% of discrepancies have been resolved and a further 24.06% discrepancies are under review e.g. HMRC or file review queries.



HMRC queries (SRS)

HMRC queries

HMRC Batch	Topic	Number of queries	Queries Logged with HMRC	Expected reply date
989	Type 5 Not In Scheme (Automation)	176	28 February 2018	Automated reply file received 13 September 2018*
990	Not In Scheme	3	28 February 2018	Full reply received
991	Type 5 Was In Scheme (Automation)	516	28 February 2018	Automated reply file received 13 September 2018*
1000	On HMRC not Admin (Automation)	2,155	12 March 2018	Automated reply file received 28 August 2018*
1001	On HMRC not Admin	28	12 March 2018	Full reply received
1013	On Admin not HMRC (Automation)	8,889	3 April 2018	Automated reply file received 12 October 2018*
1056	Multiple HMRC Record Matching	142	15 May 2018	24 September 2018*
1091	Multiple Admin Record Matching	3	5 July 2018	TBC

*HMRC clerical team response date

**HMRC automated response date

HMRC query responses

Batch	Topic	Number of queries raised	Number of queries replied to	Response received from HMRC	Status
1000	On HMRC not Admin (Automation)	2,155	2,085	15 May 2018	To be scheduled
990	Not In Scheme	3	3	11 June 2018	To be scheduled
1001	On HMRC not Admin	28	28	11 June 2018	To be scheduled
989	Type 5 Not In Scheme (Automation)	176	157	12 June 2018	To be scheduled
991	Type 5 Was In Scheme (Automation)	516	429	12 June 2018	To be scheduled
1013	On Admin not HMRC (Automation)	8,889	7,915	3 July 2018	To be scheduled

File reviews

Batch	Topic	Number of queries	Date issued	Response received
1	On Admin not HMRC – Pass 1	174	6 April 2018	22 June 2018
2	On HMRC not Admin – Pass 1	8	6 April 2018	22 June 2018

Batch	Topic	Number of queries	Date issued	Response received
3	Multiple Admin Record Matching	13	6 July 2018	
4	Dependant Linking	11	W/C 9 July 2018	

Client Advice

Batch	Topic	Number of queries	Date issued
1	On Admin not HMRC – Corrected NI Nos	96	6 April 2018

Decisions required

No	Decision required	Members affected	Date raised	Status
1	Tolerance level to be applied	6,078	28 February 2018	Tolerance of £2pw agreed 16 April 2018

Progress reporting

Project Progress	
Planned last period and achieved	<ul style="list-style-type: none"> ▶ Multiple Admin Record Matching ▶ Dependant Linking
Not planned last period but achieved	<ul style="list-style-type: none"> ▶ None for this period
Planned last period but not achieved	<ul style="list-style-type: none"> ▶ Deceased Member Analysis
Reasons for exceptions	

Planning	
Task and milestones planned next period	<ul style="list-style-type: none"> ▶ Unlinked HMRC Dependants ▶ Full Commutation ▶ Preserved Refunds/Refunds
Items added to the project plan	<ul style="list-style-type: none"> ▶ None to report

Key Risks and Issues

Risk	RAG Status	Mitigation	Status
HMRC are currently responding to queries in 3 to 4 months.	●	ITM will monitor HMRC's performance how any change in service delay impacts the GMP reconciliation.	Open

Issue	RAG Status	Status
None		

Pension Fund Board

Title:	Pension Fund Risk Register
Date:	Wednesday 18 July 2018
Author:	Finance Director, Resources & ACES
Contact officer:	Julie Edwards, Pensions & Investments Manager 01296 383910 Sam Price, Principal Pensions Officer (Administration) 01296 383755
Local members affected:	No

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The Risk Register identifies the key risks to the Pension Fund and is reviewed periodically by the Pension Fund Committee and the Buckinghamshire Local Pension Board, the last Committee review took place on 24 March 2018 and the most recent Board review took place on 16 March 2017.

Recommendation

The Board is asked to review the Risk Register for the Pension Fund and instruct officers to make any amendments necessary.

Resource implications

There are none arising directly from this report.

Background

The Board is asked to review the attached register to ensure that:

- The descriptions of risks are still relevant;
- The current scores attributed to the impact and likelihood of the risks are appropriate, please see tables overleaf; and
- Risk treatment is adequate;

Risks relating to the fund management are attached as Appendix 1, administration risks are attached as Appendix 2. In accordance with the Council's risk management framework scores between 0 and 5 are attributed to the impact of the risk. The impact areas are service / performance, reputation / political, financial, data protection / technological, legislation / regulatory and health and safety. Appendix 3 shows the criteria for attributing the risk impact scores. Scores between 0 and 5 are attributed to the likelihood of the risk from extremely unlikely (1) to extremely likely (6). Appendix 4 shows the indicators for attributing the risk likelihood scores. The scores for each risk are combined and assigned red, amber or green in the heat map in accordance with the table below.

Matrix & Heat Map - scoring detail & colour scale

5	5	10	15	20	25	30
4	4	8	12	16	20	24
3	3	6	9	12	15	18
2	2	4	6	8	10	12
1	1	2	3	4	5	6
	1	2	3	4	5	6

Scoring - Colour Code	
	1-3
	4-6
	7-12
	13-20
	21-30

Impact Areas	Scale
Service/Performance	0-5
Reputation / Political	0-5
Financial	0-5
Data Protection / Technological	0-5
Legislation / Regulatory	0-5
Health & Safety	0-5

Likelihood	Scale
Scores from	1-6

Background Papers

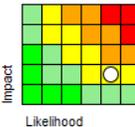
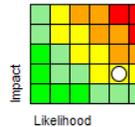
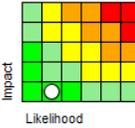
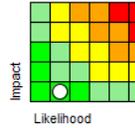
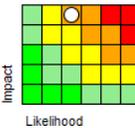
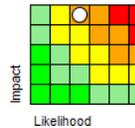
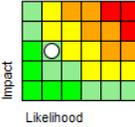
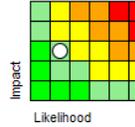
None

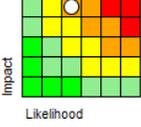
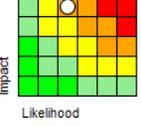
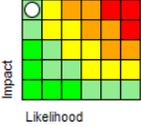
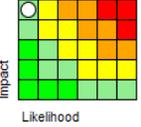
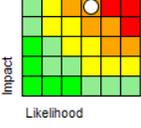
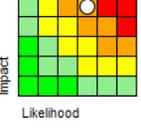
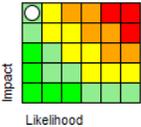
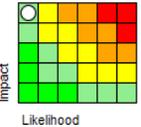
Pensions & Investments Risk Register

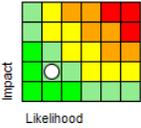
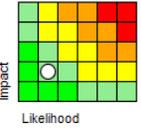
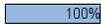
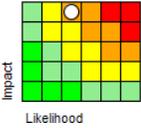
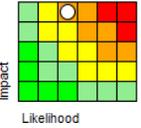
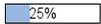
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Risk Name	Risk Description	Current Score	Direction of Travel	Target Score	Action Name	Description	Action Progress	Risk Owner	Latest Note	Date Reviewed
BSP-P&I-01 Investment Strategy	If the investment strategy does not produce the returns as envisaged / required then funds perform worse than expected, the deficit increases, pressure on employer contributions, pressure on Council Tax and reputational pressure on the Pension Fund				BSP-P&I-01 Investment Strategy Actions	Strategy reviewed formally every 3 years Review strategy more frequently - annual refresh Action Plan where issues arise Mini-valuation undertaken annually Appointment of Investment Consultant and Committee Advisor, Investment advice analysed. A long term view is taken with regards to the Fund's investment strategy.		Julie Edwards		01-May-2018
BSP-P&I-02 Significant Downturn in a Particular Sector	If there is a significant downturn in a particular sector / geographical location due to man made or natural disasters, then funds perform worse than expected, the deficit increases, employers contributions would need to be increased.				BSP-P&I-02 Significant Downturn in a Particular Sector Actions	Strategy reviewed every 3 years Review strategy more frequently - annual refresh Action Plan where issues arise. Managers closely monitored. Economic issues are being monitored. Closer monitoring of managers' views on Eurozone and BREXIT implications. Revised strategy implemented May 2014, investment strategy reviewed in March 2017. The Fund investments are diversified across several asset classes. Annual mini-actuarial valuation reported. Governance structures require meeting every Fund Manager on average 3 times per annum. Holistic reporting to Members - not just performance based.		Julie Edwards		01-May-2018
BSP-P&I-03 New Investment Vehicle Not Understood	If a new investment vehicle is not understood by the Pension Fund Committee then loss of control, limited governance exercised, poor controls / limited challenge and errors.				BSP-P&I-03 New Investment Vehicle Not Understood Actions	Ensure adequate training. Periodic training needs analysis undertaken to support annual training plan. Committee Advisor supports the Committee members understanding of asset classes and investment issues.		Julie Edwards		01-May-2018

Risk Name	Risk Description	Current Score	Direction of Travel	Target Score	Action Name	Description	Action Progress	Risk Owner	Latest Note	Date Reviewed
BSP-P&I-06 Public Sector Cuts	Public sector cuts could increase the number of early retirements, increase in administration costs and impact on revenue. Public sector cuts, member opt outs, localism and outsourcing could reduce the number of active members reducing contributions income. Contributions income could bring forward the date when the Fund has to use investment income to meet benefit payments.	 Impact Likelihood	↓	 Impact Likelihood	BSP-P&I-06 Public Sector Cuts Actions	Review in light of austerity measures and other large employer strategies. Periodic meetings held with larger employers. Factor maturity of the Fund into investment strategy decisions, review Funding Strategy Statement every three years following the actuarial valuation.		Julie Edwards		01-May-2018
BSP-P&I-07 Significant Changes in Government Regulations	If significant changes in government regulations occur, for example IAS19, then limited opportunities for innovation exist and resource is wasted supporting employers / members with non-value adding activities.	 Impact Likelihood	↓	 Impact Likelihood	BSP-P&I-07 Significant Changes in Government Regulations Actions	The Investment Regulations 2016 removed some of the existing prescriptive means of securing a diversified investment strategy and placed the onus on authorities to determine the balance of their investments and take account of risk. The Secretary of State has the power to intervene to ensure the more flexible legislation is used and the guidance on pooling is adhered to.		Julie Edwards		31-Mar-2019
BSP-P&I-09 Poor Fund Management	If there is poor Fund management caused by poor selection, loss of key staff, change in process or not keeping up with the market then there will be poor performance, reduced assets, damage to reputation and increased deficit.	 Impact Likelihood	→	 Impact Likelihood	BSP-P&I-09 Poor Fund Management Actions	Fund managers' performance actively reviewed quarterly. Investment strategy reviewed March 2017. Benchmarking undertaken and research undertaken.		Julie Edwards		01-May-2018
BSP-P&I-10 Underestimation of Pensioner Longevity	If there is an underestimation of pensioner longevity then there will be a failure to have high enough pension contributions and increased pressure on future contributions.	 Impact Likelihood	↓	 Impact Likelihood	BSP-P&I-10 Underestimation of Pensioner Longevity Actions	Not within the Pension Fund's control Actuaries review projection of longevity regularly. The 2013 Actuarial Valuation mortality assumptions allowed for a long term rate of improvement in mortality rates. The 2016 mortality assumptions did not allow for a long term rate of improvement in mortality rates.		Julie Edwards		01-May-2018

Risk Name	Risk Description	Current Score	Direction of Travel	Target Score	Action Name	Description	Action Progress	Risk Owner	Latest Note	Date Reviewed
BSP-P&I-11 Inflation	If inflation is significantly greater than currently forecast, then a combination of lower bond values and increasing pay levels will cause the deficit to widen (all else equal). If inflation is negative (deflation) for a prolonged period of time, the value of the inflation linked bonds will decrease. However, the value of the liabilities would not fall to the same extent as pay levels are unlikely to fall and pensions cannot be reduced, which will cause the deficit to widen (all else equal).				BSP-P&I-11 Inflation Actions	The strategic allocation to inflation linked bonds within the investment strategy will increase in value if inflation expectations increase (all else equal), helping to offset some of the impact on the liabilities. The Pension Fund Committee will consider the Fund's exposure to inflation linked assets when reviewing the Fund's investment strategy. Part of the inflation linked bond allocation is managed actively, and the manager has discretion to increase or decrease the allocation in anticipation of increases or decreases in inflation expectations respectively		Julie Edwards		01-May-2018
BSP-P&I-12 Loss of Confidence by Employees and Employers	If there is loss of confidence by employees and employers in the Pension Fund management then political fallout, seen as a poor performer, criticism from external audit and Public Interest Reports.				BSP-P&I-12 Loss of Confidence by Employees and Employers. Actions	Pensions Communications Officer role involves designing and delivering communications strategy. The Buckinghamshire Pension Board was established in 2015.		Julie Edwards		01-May-2018
BSP-P&I-13 Market Volatility	If stock market volatility exists at key points in the cycle e.g. at time of actuarial review then, deficit grows as does pressure on employer costs.				BSP-P&I-13 Market Volatility Actions	Ongoing review more intense when markets are volatile. Key decision to be made in terms of timing of changes. Actuary using 'smoothing' effect which actively seeks to mitigate risks.		Julie Edwards		01-May-2018
BSP-P&I-14 Failure / Fraud at a Fund Management House or Nominee Company	If a failure / fraud of a fund management house or nominee company occurs, then there will be a short term performance failure, time and cost implications and a potential loss of opportunity if at the wrong moment.				BSP-P&I-14 Failure of a Fund Management House or Nominee Company Actions	Ongoing review using governance structures described previously.		Julie Edwards		01-May-2018

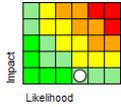
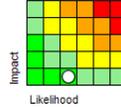
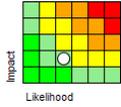
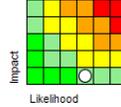
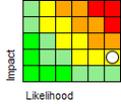
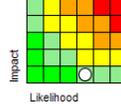
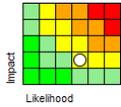
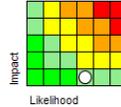
Risk Name	Risk Description	Current Score	Direction of Travel	Target Score	Action Name	Description	Action Progress	Risk Owner	Latest Note	Date Reviewed
BSP-P&I-15 Policy Compliance	If officers undertake fraudulent activity or do not follow policy decision or recommend inappropriate / radical policy decision then too great an exposure in certain areas will exist leading to greater volatility, break down of trust, policy decisions slowed, loss of opportunity and reputation damage.				BSP-P&I-15 Policy Compliance Actions	Effective scrutiny of officer activity by line management, Pension Fund Committee and audit		Julie Edwards		01-May-2018
BSP-P&I-17 Brunel Pension Partnership	Proposals to pool the Fund's assets in the Brunel Pension Partnership are currently being implemented. If the project is not managed and the transition is ineffective or excessive in cost, then the cost benefit ratio may not be achieved. If the guidance on pooling is not adhered to, then the Secretary of State may deem it necessary to intervene in the investment function of an administering authority.				BSP-P&I-17-01 Brunel Pension Partnership Actions	Project team, Shadow Oversight Board with representatives from the Pensions Committees, Client Operations Group with officer representatives and Finance and Legal Assurance Group established. Project plan regularly reviewed to help support workstreams and keep deliverables on track.		Julie Edwards		01-May-2018

P&I Administration Risks

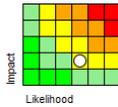
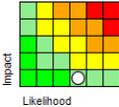
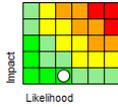
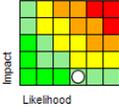
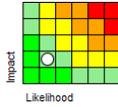
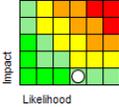
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Risk Name	Risk Description	Current Score	Direction of Travel	Target Score	Action Name	Action Progress	Risk Owner	Latest Note	Date Reviewed
RS-PA-01 Employer LGPS knowledge	Lack of employer understanding of the LGPS and knowledge of the Service Level Agreement may cause incorrect information to be provided and additional queries from employers						Julie Edwards	<p>Due to Scheme complexities and also changing staff this is an issue which will be encountered regularly. The team are also working closely with employers to improve knowledge by holding annual training events, face to face training and quarterly meetings with the larger employers. Quarterly newsletters are also provided, a dedicated employer area on the BCC LGPS website and each employer has a dedicated Liaison Officer within the team.</p> <p>Progress has been made over the past year, one large employer has cleared all outstanding backlog tasks and now regularly provides information on time. We are working closely with two main "issue" employers / payroll providers with the aim to help clear their backlogs and also improve the information they provide in future.</p>	15-May-2018
RS-PA-02 Staff Capacity Issues	A lack of capacity due to staff losses or sickness could adversely affect the workload of the pensions section resulting in decreased productivity.						Julie Edwards	<p>The team has expanded in terms of staff capacity as a result of workloads & to ensure that there is sufficient capacity within the team in the event of sickness absence. Where this isn't possible, temporary staff are used.</p>	03-May-2018
RS-PA-03 Pensions Administration Software	The risk that the pensions administration software (Altair) causes disruption due to system crashes etc. leading to calculation errors, delays and a loss of working time.						Julie Edwards	<p>This continues to be an issue however the cause of this has been more due to BCC ICT issues/internet issues rather than directly caused by Heywoods. In terms of likelihood, this seems to be a more regular occurrence lately (in particular internet down & N/H Drive issues) so the risk likelihood has increased. This is being raised with ICT. SP</p>	03-May-2018

Risk Name	Risk Description	Current Score	Direction of Travel	Target Score	Action Name	Action Progress	Risk Owner	Latest Note	Date Reviewed
RS-PA-04 Software Updates	Software updates resulting from scheme changes may create errors in calculations thus resulting in more time spent checking and re-doing calculations.						Julie Edwards	There continues to be minor errors within Altair calculations, we are aware of these and taken action accordingly including raising with Heywoods to ensure they are resolved quickly.	03-May-2018
RS-PA-05 Staff Retention	Staff retention. There is a risk of losing trained staff to other organisations due to a lack of flexibility in the career matrix.						Julie Edwards	Work has been put into this area recently including the re-evaluation of some JD's to ensure staff are being paid in line with responsibilities. An increase of team training, new efficient work procedures & ensuring that all staff continue to be informed at all times has resulted in an increase in morale and motivation which will reduce the risk of losing trained staff.	03-May-2018
RS-PA-06 Quality / Timeliness Data from Employers	Poorly performing employers/payroll providers can cause additional work on the pensions team by not providing information which they have a statutory duty to provide. This results in wasted time chasing employers and creating a backlog of work.						Julie Edwards	This continues to be an issue for some employers but there has been some progress with one larger employer in particular. Those poorly performing employers are being regularly reviewing including review meetings & training in order to improve the quality and timeliness of the information provided. Unfortunately this is a continuing area but is a priority area for P & I in terms of making improvements.	03-May-2018
RS-PA-07 TUPE / Payroll Provider Changes	Additional work and disruption is caused due to outsourcing and changes in schools payroll providers creating losses of vital information. This results in a lot of extra work on pensions administration staff attempting to piece together information which should have been provided						Julie Edwards	Payroll changes do continue to be an issue where employers do not advise the team of these changes which results in delays in receiving information or pension records being updating incorrectly. A new monthly notification spreadsheet has been issued recently to all employers and this includes a tab to notify of payroll provider changes so the likelihood of this risk should reduce in the future.	03-May-2018

Risk Name	Risk Description	Current Score	Direction of Travel	Target Score	Action Name	Action Progress	Risk Owner	Latest Note	Date Reviewed
RS-PA-08 TUPE Transfers / Academy Conversions	The increase of TUPE transfers / schools opting for academy status has resulted in an increased workload for pensions staff. The TUPE officer must deal with the admission agreements as well as liaising with external contractors and the fund actuaries. The range of employees involved differ between employer but range from one employee to hundreds.						Julie Edwards	TUPE's are dealt with by the TUPE office and Academy conversions with specific Employer Liaison Officers which should reduce any impact on the team in terms of additional work & delays. The Principal 7 TUPE Officer have received all BCC & MKC schools to ascertain that 1/3rd have converted to Academy status which suggests further workloads to come. With this information the team can plan ahead. The likelihood has not reduced due to the fact that high workloads could be created due to Academy conversions.	03-May-2018
RS-PA-09 Guaranteed Minimum Pension reconciliation	The end of contracting-out of the Additional State Pension from April 2016 means that a Guaranteed Minimum Pension reconciliation of the Fund's records with the HMRC's records will need to be completed by 2018. This reconciliation may result in identifying overpayments/underpayments. If the reconciliation is not complete before the closing of the office this could result in the Fund being liable for GMP's which we should not be responsible for.						Julie Edwards	ITM are now well under way working on this as a project and are now at a stage of liaising with the payroll team.	03-May-2018
RS-PA-10 Mid / High Earner Optouts due to Tax Legislation	Tax legislation in respect of high-earners pensions contributions could result in a departure of high-earners from the Fund. High-earners leaving the Scheme could be perceived as senior management not advocating the benefits of the LGPS						Julie Edwards	Although the tax regime continues to be an area of concern for high earners, we have not seen a high opt out rate so the likelihood of this risk had decreased. we have ensured that we are providing high earners with all necessary information to keep them up to date including 1-1 meetings, newsletters, dedicated information on the website and actuary presentations. The option to go 50/50 in the scheme has also been utilised rather than opting out.	03-May-2018

Risk Name	Risk Description	Current Score	Direction of Travel	Target Score	Action Name	Action Progress	Risk Owner	Latest Note	Date Reviewed
RS-PA-11 Admitted Bodies Deficits	If Admitted Bodies who joined the Fund prior to 1997 fail or if current Admitted Bodies reduce their active members to 0, then the Fund has no powers to ensure these organisation make good any deficit.						Julie Edwards	An employer covenant exercise is currently taking place which will allow these to be renegotiated with a bond requirement however it is not mandatory. The Actuary has been instructed to complete a full employer risk review on certain categories of employer	03-May-2018
RS-PA-12 Mid / high earner optouts due to high employee contribution rates	The 3% on average increase employee pension contributions implemented, with effect from 1 April 2014, by increasing the tiers of contributions paid by mid/high earners could result in a departure of mid/high-earners from the Fund. Mid/High-earners leaving the Scheme could be perceived as senior management not advocating the benefits of the LGPS. During current period of low pay increases members may opt out due to pressures on household budgets.						Julie Edwards	The likelihood of this has reduced due to the fact that to date we have not seen a high increase in opt outs due to the increase in contributions rates.	03-May-2018
RS-PA-13 Annual Benefits Statements Issuance	The Public Sector Pensions Act 2013 requires that Annual Benefits Statements are issued to Scheme Members by 31 August. There is a risk that the Regulator will issue a fine although this is the position for most local authorities.						Julie Edwards	Over 95% of ABS's were issued to scheme members by the end of March 2018 for the 2016/17 The number of outstanding backlog queries has reduced meaning that going forward the number of queries at year end should also reduce due to this as well as increased accuracy from employers due to training.	03-May-2018

RISK IMPACT AREAS

Score	Level	Service Delivery / Performance	Political / Reputation	Health and Safety	Technology / Data Protection	Financial	Legislation / Regulatory
1	Minimal	Minimal service disruption in non-critical area of service for brief period (hours).	Contained within service area. Complaint from individual / small group / single supplier. No press interest. Minor delay in member objectives	Minimal injury or discomfort to an individual. Failure to report notifiable incident to the HSE.	Isolated individual personal detail compromised / revealed.	Costing <£1m.	Minimal delay in inability to meet standards required by national regulatory organisations and statutory government standards agencies.
		Commercial Plan Outcomes/ Objectives delayed by less than 1 month.	Complaint from an individual to a member or internal complaint from a member. Minor change to political landscape.		Minimal technological failure / security breach with minimal impact on day-to-day service delivery.		Minimal disruption to our ability to fulfil statutory duties for a number of hours.
2	Minor	Minor effect to an important service area for a short period (days).	Adverse local publicity / local public opinion aware. Lowered perception/standing with local suppliers.	Injury causing loss of working time to an individual. HSE Investigation leads to improvement notice served or threat of prosecution.	Some individual personal details compromised / revealed.	Costing = £1m to <£2.5m.	Minor delay in inability to comply with standards required by national regulatory organisations and statutory government standards agencies.
		Commercial Plan Outcomes/ Project / Objective fails to deliver on 1 important aspect. Delayed by up to 3 months.	Complaint or petition from a local group / delay to member objectives. Moderate change to political landscape.		Minor technological failure / security breach to the organisation's ICT assets impacting on the day-to-day delivery of services.		Minor disruption to our ability to fulfil statutory duties for a short period (days).
3	Moderate	Moderate service disruption of an important service area for a period of up to a week.	Adverse national media interest and/or adverse publicity in professional/municipal press. Adverse local publicity of a major and persistent nature. Lowered perception/standing with national suppliers / professional / local government community.	Serious injury sustained by one or more individuals. Prohibition Notice served by the HSE that closes a key facility.	Many individual personal details compromised/ revealed	Costing = £2.5m to <£5m	Moderate delay / inability to comply with basic standards required by national regulatory organisations and statutory government standards agencies.
		Commercial Plan Outcomes/ Major Project / Objective fails to deliver several key benefits. Delayed by 3 - 6 months.	Moderate criticism from local government community. Significant delay in member objectives. Significant change in political landscape.		Large technological failure / security breach with a significant impact on the organisation's ICT assets essential for the day-to-day operation of critical services.		Moderate disruption to our ability to deliver statutory duties for a prolonged period to the detriment of vulnerable people across Buckinghamshire (weeks).
4	Significant	Significant service disruption, across several important areas of service for protracted period.	Adverse and persistent national media coverage. Adverse central government response, threat of removal of delegated powers. Public Enquiry. Officer(s) and/or Member(s) forced to resign. Council blacklisted by suppliers.	Serious permanent disablement of individual or several people. Prosecution under Corporate Manslaughter Act.	All personal details compromised/ revealed.	Costing = £5m to < £10m	Significant failure to comply with required standards set out by national regulatory organisations and statutory government standards agencies.
		Commercial Plan Outcomes/ Complete failure of business critical project / objective. Delayed by over 6 months.	Significant and persistent criticism from central government. Major delay in member objectives. Major change in political landscape.		Significant technological failure / security breach with a detrimental impact on the organisation's ICT assets essential for the day-to-day operation of critical services.		Complete failure to deliver a statutory duty to the detriment of vulnerable people across Buckinghamshire.
5	Severe	Complete service failure across all critical areas of service for protracted period.	Adverse and persistent international media coverage. Adverse central government response, threat of removal of delegated powers. Public Enquiry. Officer(s) and/or Member(s) forced to resign. Council blacklisted by suppliers.	Death of an individual or several people. Prosecution under Corporate Manslaughter Act.	All personal details compromised/ revealed and exposed to groups undertaking fraudulent activity.	Costing = £10m & over	Severe failure to comply with mandatory standards set out by national regulatory organisations and statutory government standards agencies.
		Complete failure to deliver Commercial Plan Outcomes/ business critical project / objective. Delayed by over 12 months.	Condemning criticism from central government. Complete failure to meet member objectives. Catastrophic change in national/international political landscape.		Severe and prolonged complete technological failure / full security breach with a detrimental impact on the organisation's ICT assets essential for the day-to-day operation of critical services.		Complete failure to deliver a statutory duty to the detriment of vulnerable people across Buckinghamshire for a protracted period.

RISK LIKELIHOOD

Score	Level	Description	Indicators
1	Extremely Unlikely	Less than 5% chance of occurrence	EITHER has happened rarely / Never before. OR less than 5% chance of occurring on or prior to proximity date.
2	Unlikely	5% - 20% chance of occurrence	EITHER only likely to happen once every 5 or more years. OR 5-20% chance of occurring on or prior to proximity date.
3	Less Likely	20% - 45% chance of occurrence	EITHER only likely to happen at some point within next 2-5 years. OR 20-45% chance of occurring on or prior to proximity date. OR circumstances occasionally encountered once a year.
4	More Likely	45% -70% chance of occurrence	EITHER likely to happen at some point within the next 2 years. OR 45-70% chance of occurring on or prior to proximity date. OR circumstances encountered few times a year.
5	Very Likely	70%-90% chance of occurrence	EITHER Likely to happen at some point within the next 12 months. OR 70-90% chance of occurring on or prior to proximity date. OR Circumstances encountered several times a year.
6	Extremely Likely	Over 90% chance of occurrence	EITHER Regular occurrence. OR Over 90% chance of occurring on or prior to proximity date. OR Circumstances that could give rise to the occurrence frequently encountered - at least monthly.

18 July 2018	Agenda Item	Aylesbury, County Hall Author	Cyclical Item?
	Election of Chairman	--	
	Appointment of Vice Chairman	--	
	Apologies / Declarations of interest / Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	BCC Pension Fund Employer Newsletters - March 2018 and June 2018	Cheryl Platts	Every meeting
	Pension Fund Annual Report 2017/18	Cheryl Platts	Annually
	Review of Buckinghamshire Pension Board Policies	Claire Lewis-Smith	Annually
	Annual Benefit Statements - Administration Year End Update	Claire Lewis-Smith	Ad hoc
	GDPR	Claire Lewis-Smith	Ad hoc
	Internal Dispute Resolution Procedure	Sam Price	Annually
	Administration performance statistics	Sam Price	Every meeting
	i-Connect/Pensions 'Online' Update	Steve Lugg	Ad hoc
	GMP Reconciliation	Julie Edwards	Ad hoc
	Risk Register	Julie Edwards	Annually
	Forward Plan	Claire Lewis-Smith	Every meeting
	Exclusion of Press and Public		
	Confidential Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Brunel Pension Partnership Update	Julie Edwards	Every meeting
	Date of next meeting / AOB	--	

10 October 2018	Agenda Item	Aylesbury, County Hall Author	Cyclical Item?
	Apologies / Declarations of interest / Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	BCC Pension Fund Employer Newsletter - September 2018	Cheryl Platts	Every meeting
	Pension Fund Annual Report 2017/18	Cheryl Platts	Annually
	Annual Benefit Statements - Administration Year End Update	Claire Lewis-Smith	Ad hoc
	Administration performance statistics	Sam Price	Every meeting
	Training Needs Analysis	Claire Lewis-Smith	Annually
	Forward Plan	Claire Lewis-Smith	Every meeting
	Exclusion of Press and Public		
	Confidential Minutes	Chairman	Every meeting

Pension Fund Board Forward Plan

Updated	21-Mar-18
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Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
Brunel Pension Partnership Update	Julie Edwards	Every meeting
Date of next meeting / AOB	--	

March 2019	Agenda Item	Aylesbury, County Hall Author	Cyclical Item?
	Apologies / Declarations of interest / Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	BCC Pension Fund Employer Newsletter - December 2018	Cheryl Platts	Every meeting
	Scheme member and employer communications	Cheryl Platts	Annually
	i-Connect/Pensions 'Online' Update	Steve Lugg	Ad hoc
	Annual Review of Buckinghamshire Pension Board	Claire Lewis-Smith	Annually
	Administration performance statistics	Sam Price	Every meeting
	CIPFA Pensions Administration Benchmarking	Sam Price	Annually
	Risk Register	Julie Edwards	Annually
	Forward Plan	Claire Lewis-Smith	Every meeting
	Annual Benefit Statements - Administration Year End Update	Claire Lewis-Smith	Ad hoc
	Exclusion of Press and Public		
	Annual Benefit Statements - Confidential Appendix	Claire Lewis-Smith	Ad-hoc
	Confidential Minutes	Chairman	Every meeting
	Minutes of Pension Fund Committee	Pension Fund Committee Chairman	Every meeting
	Brunel Pension Partnership Update	Julie Edwards	Every meeting
	Local Pension Board Insurance	Claire Lewis-Smith	Ad hoc
	Date of next meeting / AOB	--	

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

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