

# PAPER J

	11-Sep-17	10-Jul-17	05-Jun-17	12-May-17	16-Nov-16
open issues	38	25	32	34	34
of which:					
RED	5	4	4	7	12
AMBER	15	11	13	13	13
GREEN	14	9	7	6	5
closed	4	1	8	7	3
UNRANKED	0	0	0	1	1
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	38	25	32	34	34
closed issues	16	15	7	0	0

Isle of Wight Council Pension Fund - Issues Log  
Updated 11 September 2017

Ref no	Risk / Issue?	date raised	Pension issue	Description / Impact	Progress	Responsible Officer	Target completion date	Status	Status July 17	Status June 17
2	I	Sep-16	Data from schools payroll suppliers	Data is inadequate for valuation purposes - missing leavers, etc. Need to determine process for getting correct data, and maintaining it in Altair	<b>UPDATE 08/11:</b> missing data from all academies has been identified. Focussing on 7 other schools (4 who use Strictly Education and 3 who use Capita) to analyse their missing data and the requirements for correction. Data to be sent to schools/academies before Christmas 2016; meetings to be scheduled in January/February 2017; data to be amended and corrected on Altair system before the start of the summer holidays 2017 <b>UPDATE 20/3/17:</b> MC had met with CEC and had now received the required data. Generally good progress being made and MC attending the Business Managers meeting shortly. <b>UPDATE 05/06/2017:</b> improvements have been noted from both school payroll providers. change status to Green as watching brief. <b>UPDATE 10/7/17:</b> a new process is in place to deal with schools and how to escalate. Also got information on I drive so can store and see issues trail. Can also monitor time spent. Developing a policy to charge schools the time spent chasing if things do not improve.	Matt Collier	on-going	GREEN	GREEN	GREEN
3	R	Sep-16	Not all ABS issued by 31 August 2016	Primarily schools/academies with external payroll providers	<b>UPDATE 08/11:</b> See progress on item 2 above. Data to be corrected such that all ABS can be issued in line with statutory deadline 2017 <b>UPDATE 05/06/2017:</b> all 2016 ABSs for active and deferred members were issued by the deadline. Change status to green, in preparedness for 2017 exercise. <b>UPDATE 10/7/17:</b> Done a whole load of reports with SAP and Andrew Taylor has provided some assistance. Got to collate data and get into one spreadsheet, validate and then post. Hope to post IWC in next couple of weeks, then admitted bodies and then schools. Still waiting for data from last year from some schools which is a problem for meeting the deadline. SB suggested that we continue to send information out so that the statements have been issued in time. Suggested send with a covering letter to provide a means to identify cases where we think there are inaccuracies and we can then deal with them afterwards. <b>UPDATE 31/8/2017:</b> all ABS issued and published before 30 August.	Matt Collier	31-Aug-17	CLOSED	GREEN	GREEN
4	I	Sep-16	Reimbursement of expenses for non-elected members of committee/board	<b>INTERNAL AUDIT FINDING:</b> For elected members, policies on training, facility time and the reimbursement of expenses are covered as part of the Council's constitution. However, we noted that there are no such policies in place which cover other representatives, who may sit on the Pension Fund Committee, LGPS Pension Board and the Fire Fighters Pension Board.	<b>UPDATE 08/11:</b> To be considered as part of the overall review of governance arrangements <b>UPDATE 05/06/2017:</b> policies are being drafted specific to the pension fund committee and board. <b>No update at 10/7/17</b>	Jo Thistlewood	31-Jul-17	AMBER	AMBER	AMBER

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5	R	Sep-16	Training needs analysis - Committee	<b>INTERNAL AUDIT FINDING:</b> Pension Fund Committee training needs analysis had not been formally updated since July 2013. It is recognised that the membership of the committee has been relatively stable since this date, so the underlying level of understanding of members should remain relatively unchanged.	training sessions are held before each meeting on relevant agenda issues and hot topics. Formal plan not yet in place, but will need to be developed, particularly in light of the forthcoming local elections in May 2017 <b>UPDATE 05/06/2017:</b> first committee meeting of new term 16/6/17 will be general introduction training for new members. TNA will be circulated, and training plan developed over summer 2017 <b>UPDATE 10/7/17:</b> very condensed briefing on pension fund delivered at initial committee meeting - well received but lots to take in. TNA circulated, agreed all members need training on everything. plan to be developed. <b>UPDATE 20/7:</b> agreed to develop training plan for board and committee together. JT to work with Learning & Development colleagues over the summer to put together a plan.	Jo Thistlewood Learning & Development	30-Sep-17	AMBER	AMBER	AMBER
6	R	Sep-16	Training needs analysis - Board	<b>INTERNAL AUDIT FINDING:</b> A training needs analysis has not yet been undertaken for the LGPS Pension Board. Following conversations with key personnel, we noted that members of this board may lack detailed pension expertise, therefore it is important that skills gaps are ascertained and addressed on an individual level, with training tailored to particular requirements	Draft work plan for the board contains proposed training items. All members have been signposted to the Pensions Regulator on-line training package, with report back on progress at each board meeting. Completion of on-line package will highlight items for further training. <b>UPDATE 05/06/2017:</b> will be followed up at next meeting of board 11 July <b>no update at 10/7</b> <b>UPDATE 20/7:</b> agreed to develop training plan for board and committee together. JT to work with Learning & Development colleagues over the summer to put together a plan. Little enthusiasm from board to assign a member to coordinate training	Jo Thistlewood Learning & Development	30-Sep-17	AMBER	AMBER	AMBER
7	I	Sep-16	LGPS Pensions website not up to date	<b>INTERNAL AUDIT FINDING:</b> The pension's service section of the Council's website will be updated to explain how stakeholders can express an interest in participating in pensions governance arrangements. Furthermore, a clear link will be made to the Pension Fund Committee section of the Council's website. The 'Fund Reports' page of the pension services section of the Council's website will be updated to show the most recent version of pension strategies and policies	<b>UPDATE 10/10:</b> requested support information from Hymans. <b>UPDATE 08/11:</b> information received from Hymans on "templated" website solutions. To be discussed with ICT. <b>UPDATE 20/3/17:</b> Confirmed agreement that the council utilise the templated website solution. CS to follow up with Gavin Muncaster as to the ICT requirements to make this happen. <b>UPDATE 10/7/17:</b> LGPS website agreed going forward with the hosted site. Kick off project in September, Gemma Stevens to lead.	Gemma Stevens	30-Sep-2017 (update)	AMBER	AMBER	RED

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9	R	Sep-16	Governance policy and related compliance statement is not up to date and does not reflect current legislative and regulatory requirements	Governance compliance now goes beyond the running of the Pension Fund Committee and has to include the terms, structure and operational procedures relating to the local pension board. This is covered in both the Public Service Pensions Act 2013 (PSPA13) and the Pension Regulators Code of Practice 14 (COP14).  Council needs to put in place a Governance Policy covering the requirements of PSPA13 and COP14. This could be produced as a stand-alone document or, if preferred, could be incorporated into existing (to be updated) Governance Policy/Compliance Statement.	Board has approved use of Hymans template to update policy and compliance statement. Quotation has been received (template and review of suggested changes. Fee £1,250 + VAT.) <b>UPDATE 10/10:</b> Template has been received and circulated to chairmen of pension fund committee and board for comment. <b>UPDATE 08/11:</b> Training session to be delivered by Hymans Robertson prior to 18 November committee meeting to inform amendments to policies and processes. <b>UPDATE 05/06/2017:</b> November training session delivered. No board meeting since that date so no update. To be updated before finalisation of annual report. <b>no update at 10/7</b> <b>UPDATE 20/7:</b> commitment to Pension Board the draft GCS will be circulated by 31 July for comment, and inclusion in annual report 2016-17. <b>UPDATE 21/8:</b> original date not achieved, due to requiring input from Administration team. intend to circulate by 31 Aug.	Jo Thistlewood	31-Jul-2017 31-Aug-2017	AMBER	RED	RED
10	R	Sep-16	Governance compliance check	Need to update governance policies, as well as have the evidence in place to demonstrate compliance to the Pensions Regulator	Board has approved use of Hymans Interactive compliance checker, enabling measurement against the various requirements of the LGPS and the Pension Regulator's Code of Practice 14. Fee for the interactive compliance checker is £1,700 plus VAT <b>UPDATE 10/10:</b> Chased Hymans for checker, with a view to first run through before 18 November committee. <b>UPDATE 08/11:</b> Pensions Regulator has issued free basic toolkit which has been circulated for completion by Technical Finance Manager, Chairmen of committee and board and pension administration team. Results will be collated to inform starting point for action plan to be discussed at 18 November training. <b>UPDATE 20/3/17:</b> Considered to have been ordered but CS to follow up. <b>UPDATE 05/06/2017:</b> policies are being reviewed and updated by Corporate and Technical Finance staff. Programme for approval to be developed. <b>no update at 10/7</b> <b>UPDATE 20/7:</b> agreed at board to separate this into a number of issues for each separate governance policy required. Keep this action as monitor of overall performance	Jo Thistlewood	31-Jul-2017 31-Aug-2017	AMBER	AMBER	AMBER
10a	I	11-Jul-17	Reporting Breaches policy and log	Council urgently needs to have a breaches policy in place	<b>UPDATE 20/7:</b> first draft of policy completed, being reviewed against other funds (E Sussex, Northants). Aim to circulate to board members and CMT by end July, for early adoption and implementation <b>UPDATE 21/8:</b> draft "reporting breaches of the law to the pensions regulator" policy circulated to senior management on 26/7; then to board members on 3/8. comments to be collated and presented to next board meeting (October) for recommendation to and approval at November pension fund committee meeting.	Jo Thistlewood	18-Nov-17	GREEN	n/a	n/a

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10b	I	11-Jul-17	Internal Disputes Resolution Process	current process is not fit for purpose, and urgently needs to be updated	<b>UPDATE 20/7:</b> first draft of revised process completed. To be reviewed over summer <b>UPDATE 21/8:</b> draft "internal dispute resolution procedure" circulated to senior management on 3/8. comments to be incorporated and sent to board in advance of next board meeting (October) for recommendation to and approval at November pension fund committee meeting.	Jo Thistlewood	18-Nov-17	GREEN	n/a	n/a
10c	I	11-Jul-17	Governance policy	current policy out of date, to be revised using Hymans template	<b>UPDATE 20/7:</b> template completed. To be reviewed over summer	Jo Thistlewood	30-Sep-17	GREEN	n/a	n/a
10d	I	11-Jul-17	Communications policy	current policy out of date and unfit for purpose	<b>UPDATE 20/7:</b> first draft of revised policy completed. To be reviewed over summer	Jo Thistlewood	30-Sep-17	GREEN	n/a	n/a
11	R	Sep-16	Employer engagement	Communication with employers is not very good, both for triennial valuation results and in general. Communications policy needs updating. Discussion with employer representatives on both Committee and board to determine how best to develop this.	<b>UPDATE 08/11:</b> in development. Will be covered as part of governance processes review, linked into information flowing from valuation, and development of website (item 7) <b>UPDATE 05/06/2017:</b> results of valuation communicated. Communications policy in process of being updated. Website see item 7 above. <b>no update at 10/7</b> <b>Defer due date to link with action 7 above</b>	Jo Thistlewood	30-Sep-17	AMBER	AMBER	AMBER
12	I	Sep-16	Pooling project	ACCESS pool to become operational by 1 April 2018 - big project, resource issues: monthly elected member meetings (Ivor/Bob as named deputy?) monthly two day officer meetings project work stream calls	<b>UPDATE 20/3/17:</b> In progress, Full Council report completed. <b>UPDATE 05/06/2017:</b> previous Chairman of PFC (Ivor Warlow) engagement very good. New chairman to be briefed. Inter Authority Agreement approved by Full Council, delegated to DoF and Monitoring Officer to finalise. To be sealed by Council before end June 2017. <b>UPDATE 10/7/17:</b> final inter authority agreement sealed by IWC on 5 July. first elected member meeting on 31 July - Cllr Axford and JT attending <b>to separate into separate issues as work continues on this significant project</b>	Jo Thistlewood Chris Ward Adrian Axford	on-going	GREEN	GREEN	GREEN
12a	I	07-Jul-17	operator procurement documentation	procurement for operator being led by Kent CC, with involvement from 10 of 11 ACCESS funds (not IW due to capacity). Documents circulated by Kent CC for review/comment by local procurement teams by 21 July	<b>UPDATE 20/7:</b> review completed by Hayley Holden and returned to Kent CC on 19 July	Hayley Holden	21-Jul-17	CLOSED	n/a	n/a
12b	I	12-Jul-17	analysis of fund investments	data collation project being coordinated by bfinance for the pool. Information required about total holdings and individual fund mandates. To be returned to bfinance by 24 July	<b>UPDATE 20/7:</b> data collection spreadsheets sent to all four fund managers, with deadline for return 20/7. whole fund data collated and sent to investment consultants for reasonableness check, to be returned to fund by 20/7. <b>UPDATE 24/7:</b> data submitted. Report has been received by ACCESS pool, for discussion. Issue closed at this stage.	Jo Thistlewood	24-Jul-17	CLOSED	n/a	n/a
12c	I	31-Jul-17	operator procurement - IWC involvement in evaluation panel	IWC has not been involved in creating tender specification, but has approved process from a procurement perspective. Evaluation of suppliers will require significant commitment from council: 5 days individual evaluation, then up to 8 days group moderation in London General consensus from elected member group for ACCESS that EVERY fund should be involved in the evaluation and moderation	<b>UPDATE 1/8:</b> emailed Monitoring Officer and Director of Finance to seek confirmation that they are content with the risk of us not being directly involved in the procurement evaluation, with a view to writing to ACCESS joint committee chairman confirming our non-participation.	Helen Miles Chris Ward (Jo Thistlewood)	30-Sep-17	AMBER	n/a	n/a

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15	I	Sep-16	Re-tender of Actuarial Services contract	Current contract expires 31 March 2017 timing given valuation new framework only just released	<p>Consideration to be given to extending current contract by a further 12 months, better timing for us and potential suppliers. Waiver report to be written.</p> <p><b>UPDATE 10/10:</b> Waiver report agreed by Chris Ward, emailed Procurement team for advice on next steps. Instructed Theresa Ellis to join framework soon.</p> <p><b>UPDATE 05/06/2017:</b> new contract entered into for 1 year ending 31 March 2018. National LGPS framework joined. Looking to carry out mini-competition through framework in late summer/early autumn 2017, for new contract to start 1/4/18</p> <p><b>UPDATE 6/7/17:</b> service specifications drafted for Actuarial and governance consultancy services, under framework. Back with Procurement team for next steps. Changed to GREEN as project well in hand.</p>	Jo Thistlewood Theresa Ellis	30-Sep-17	GREEN	GREEN	AMBER
16	I	Sep-16	Re-tender of investment consultancy services contract	Current contract expires 31 March 2017 timing given valuation, new framework being re-let added complication of change in requirement following pooling in April 2018	<p>Consideration to be given to extending current contract by a further 12 months, better timing for us and potential suppliers. Waiver report to be written.</p> <p><b>UPDATE 10/10:</b> waiver report agreed by Chris Ward, emailed Procurement team for advice on next steps.</p> <p><b>UPDATE 05/06/2017:</b> new contract entered into for 1 year ending 31 March 2018. Framework not available until October 2017 at earliest so carrying out competition under previously used service specification in late summer/early autumn 2017, for new contract to start 1/4/18</p> <p><b>UPDATE 6/7/17:</b> service specifications drafted and other internal procurement templates completed. Back with Procurement team for next steps. Changed to GREEN as project well in hand.</p>	Jo Thistlewood Theresa Ellis	30-Sep-17	GREEN	GREEN	AMBER
17	R	Sep-16	Administration team capacity	Team has recently been increased in size - development of new members to cover existing work, and training to ensure sufficient knowledge of all areas of work.	<p><b>UPDATE 08/11:</b> Administration team now has full complement of staff to cover LGPS and Fire work, Teachers Pensions work requirements are still being assessed.</p> <p>Training and development programme in place - looking at workloads and streamlining processes, to develop a "new business as usual". Knowledge is being shared between Operational HR, Pensions and Payroll teams.</p> <p>Increased engagement with software supplier to meet council needs and to develop understanding of software.</p> <p><b>UPDATE 20/3/17:</b> LB confirmed that the two apprentices were making good progress with their training programme, one further ahead than the other but overall, appears to be working well.</p> <p><b>UPDATE 05/06/2017:</b> one apprentice has left, but replacement will be starting in July 2017. Knowledge transfer continues.</p> <p><b>UPDATE 10/7/17:</b> new trainee started last week. Also looking at an additional administrative system for further automation. Haywoods coming in next week to demonstrate. This would help with reduction in error, provide good audit trails and be time saving.</p> <p><b>UPDATE 11/9:</b> team now fully staffed - new trainee providing a "fresh pair of eyes" for processes.</p>	Matt Collier Louise Brading	on-going	GREEN	GREEN	GREEN

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18	I	Sep-16	Terms of reference for committee to be updated to include administration responsibilities as well as investment.	Committee ToR currently cover a lot of investment work and a little above funding strategy and valuation. Need to be updated for administration and liabilities monitoring.  Check other committee ToR (within ACCESS?) to ensure ours is fit for purpose	<b>UPDATE 08/11:</b> To be covered as part of overall governance review <b>UPDATE 05/06/2017:</b> conversations ongoing with Monitoring Officer about changes to terms of reference of committee. <b>UPDATE 06/07/17:</b> paper on revisions to committee terms of reference to be presented to pension board on 11 July, for onward recommendation to committee in September. Change to GREEN as work is now underway <b>UPDATE 20/7/17:</b> discussed at pension board meeting 11/7. agreed in principle that summary ToR with bullet points for clarity be recommended. to be update and circulated to board members, for approval at special committee meeting early September	Jo Thistlewood Helen Miles	30-Sep-17	GREEN	GREEN	AMBER
19	R	Sep-16	pension fund risk register has not been updated	<b>EXTERNAL AUDIT FINDING 2015-16:</b> the Pension Fund risk register had not been updated during the course of 2015/16 and there were delays in returning some evidence requested as part of the audit. This, at least in part, was caused by a reduction in the number and capacity of officers working on the Pension Fund. New members of staff have been recruited during 2015/16 which should help to alleviate these pressures in the future.	to an extent, risk register superseded by this issues log. Log to be maintained and reports to pension fund committee and board at each meeting. <b>UPDATE 05/06/2017:</b> log is being monitored at monthly governance meetings. JCAD risk register is being reviewed and updated by Corporate and Technical Finance colleagues <b>no update at 10/7</b>	Jo Thistlewood Becky Horn	31-Jul-17	AMBER	AMBER	AMBER
20	R	Sep-16	Key man risk - technical finance manager	Current workload does not allow sufficient time to support full range of LGPS pensions issues, in addition to increasing requirements of fire pensions, as well as head of internal audit	<b>UPDATE 20/3/17:</b> Workload under review. Internal Audit to transfer to Portsmouth wef 1.4.17 <b>UPDATE 05/06/2017:</b> maintain watching brief	Chris Ward	ongoing	GREEN	GREEN	GREEN
22a	I	Sep-16	Employer issues - 1	Cessation calculation for Weston	Weston Academy closed Dec 15. Academy cessation deficit to be calculated. Cessation data for Weston Academy submitted to Hymans Robertson (31/10/16) <b>UPDATE 05/06/2017:</b> queries received from Hymans 30/5 - to be resolved <b>UPDATE 06/07/2017:</b> confirmed with Hymans that this issue is with them for resolution. change responsibility to JMT(Hymans) and amend date to August.  <b>UPDATE 31/08/2017:</b> Hymans have said that final cessation valuation report should be available by 8 Sep. Then need to discuss with AET, which may change status of this issue.	Matt Collier Jo Thistlewood (Hymans)	30-Jun-2017 <del>31-Aug-2017</del> 08-Sep-2017	GREEN	GREEN	GREEN
22b	I	Sep-16	Employer issues - 2	Planet Ice cessation deficit	Planet Ice ceased to be employer within fund in April 2015. Cessation deficit calculated by Hymans Robertson. Last chased with Planet Ice Nov16. <b>UPDATE 06/07/2017:</b> no progress - RED to reflect this., To be discussed with Chris Ward <b>NB value of deficit = £27,000</b>	Jo Thistlewood	30-Jun-17	RED	RED	AMBER
22c	I	Sep-16	Employer issues - 3	Housing Groups exit planning	been in discussion since November 2014. in principle agreement, but now looking to obtain security for deficits. Currently with Chris Ward for resolution - update needed on latest position <b>UPDATE 06/07/17:</b> discussed with Hymans, proposal for paper to be presented to Fund for options and security, with fee quote has been received. CW has emailed housing groups' solicitor with proposal for next steps, including fee sharing. Awaiting response. Leave as AMBER, as has been on-going for a long time. <b>UPDATE 01/08/2017:</b> no response from Housing Groups	Chris Ward Jo Thistlewood	30-Jun-17	RED	AMBER	AMBER

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22d	I	05-Jun-17	Employer issues - 4	Caterlink outsourcing from Cowes Enterprise College	<p>informed in December 2016 that CEC outsourced catering to Caterlink from 1 August 2016. Admission agreement drafted and sent to CEC for signing in March 2017. Document is with Ormiston for signature, before being sent to Caterlink then to IWPF for sealing. chased weekly since then, last chased 19/6. Caterlink not sending data of contributions until agreement signed</p> <p><b>UPDATE 10/7/17:</b> agreed to delay signature from 30/6 to 4/7 to ensure could be signed at trustees meeting of AOT. additional info requested 4/7, awaiting signature.</p> <p><b>UPDATE 20/7/17:</b> awaiting call with Actuaries to discuss options for bond, as requested by OAT on 17/7. to discuss with Chris Ward.</p> <p>Invoice for interest on unpaid contributions (due to non-signature of agreement by OAT) raised to Cowes Enterprise College on 19 July.</p> <p><b>UPDATE 21/08/2017:</b> Bond calculation completed by actuaries, amount required confirmed by OAT, Caterlink progressing acquisition of bond. Amend to AMBER as admission agreement still unsigned, but progress being made! (chased 31/8 as no contact)</p>	Jo Thistlewood	30-Jun-2017 31-Aug-2017	AMBER	RED	RED
22e	I	15-Jun-17	Employer issues - 5	Yarmouth Harbour exit planning	<p>telecon with YHC and Hymans on 15/6 options for managing their deficit on exit from fund.</p> <p>Hymans to provide information and data, IWPF to confirm risk attitude to deficit</p> <p><b>UPDATE 10/7/17:</b> call scheduled with actuaries and employer to discuss arrangements and cost. agreed to share cost of this work. Discussed risk attitude with CW - part lump sum, part funding agreement.</p> <p><b>UPDATE 21/08/2017:</b> report received from actuaries with cessation calculations. meeting arranged between IWC and YHC on 7 Sep. Change status to Green as good progress being made.</p>	Hymans Jo Thistlewood	31-Dec-17	GREEN	AMBER	AMBER



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25	I	Oct-16	GMP Reconciliation exercise	<p>April 2018 – State pension provision moving from two tiers to single tier.</p> <p>All schemes will need to do a GMP reconciliation – not a legal requirement (no secondary legislation issued yet) but an 'expectation' from Pensions Regulator and HMRC.</p>	<p>Being led by pensions admin team, link to LGPS project. Access to HMRC system has been obtained. Working with Heywood to get necessary version of Altair to facilitate reconciliation. Timing and capacity issue for future.</p> <p><b>UPDATE 09/01/2017:</b> limited progress on FPS.</p> <p><b>UPDATE 20/3/17:</b> ITM had been chosen as the supplier to assist with the completion of this exercise. Phase 1 will be the completion of data matching, Phase 2 is for ITM to review the data and identify and fix any errors and Phase 3 would be the return of the file for upload back into the system.</p> <p><b>UPDATE 05/06/2017:</b> phase 1 work completed for both Fire and LGPS. Extent of issue now known - no worse off than other pension admin authorities! remainder of work to be contracted, quotes have been obtained from 3 providers; meeting to consider next steps 22 June 2017</p> <p><b>UPDATE 30/06/2017:</b> National LGPS Framework has been joined, subject to payment of fees. Plan for request for quotations to be issued by 7 July; returned by 21 July; appointment and start contract by 1 August.</p> <p><b>UPDATE 20/7/17:</b> now working with Procurement team to facilitate this procurement. Looking to submit ITT for return and award of contract in early September, for completion of project by 1 November 2018.</p> <p><b>UPDATE 31/8:</b> Further competition document issued 31/8; responses due back 26/9; evaluation complete by 13/10; contract aware 19/10; contract start 30/10. Change status to GREEN. Once contract awarded and project plan established, close this issue and create new for project monitoring</p>	<p>Procurement: Theresa Ellis</p> <p>Project: Matt Collier</p>	<p>Procurement: 01-Sep-2017</p> <p>Project: in line with government timescales</p>	GREEN	AMBER	AMBER
27	I	Nov-16	Accuracy of information received into Altair system	<p>Develop use of i-connect software (purchased 3 years ago but never implemented) to extract information from employer payroll systems, verify changes, and input into Altair admin system to ensure integrity of data input.</p> <p>Once input, use Hymans data validation portal to confirm cleanliness of data for valuation and reporting purposes</p>	<p>4 stage project to be undertaken in roll out of i-connect: 1) IW Council; 2) Academies and schools with external payroll providers; 3) larger employers; 4) other employers</p> <p><b>UPDATE 20/3/17:</b> No progress. CS to follow up with Dean Finlayson. 12.5.17 - DF confirms that to be able to produce this information required some additional tables to be created and extracted from the core SAP tables. This is not something that can be done in house and so requires the engagement of Absoft to do the work. A rough estimate of the cost to do the work would be £2/3 thousand. Bearing in mind the pending decision on the future of SAP Absoft have not yet been instructed to do the work and also requires confirmation of available funding to proceed.</p> <p><b>UPDATE 06/07/2017:</b> estimate of cost for external support for this work established at £5k (around 40-45 hours work). Funding to be provided 50% payroll system development/50% LGPS (as majority of benefit is for LGPS). Plan for taking this forward to be developed by LB/MC. Good start but leave as RED until plan developed.</p> <p><b>UPDATE 10/7/17:</b> LB will be discussion with Dean today. Implementation will need to be in three stages IWC, other employers, fire.</p> <p><b>UPDATE 31/8/2017:</b> Absoft have commenced work on project; information is flowing between them, pensions and ICT. change status to AMBER at this stage, subject to detailed project plan (at which point potentially close this issue and create new for prjoect management)</p>	<p>Louise Brading Dean Finlayson Matt Collier</p>	<p>31-Jul-2017 for plan</p>	AMBER	RED	RED

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28	I	26-Jun-17	Pension Board membership	Check ToR for length of membership for board members, is there a need for re-election/reappointment?	<b>new 26/06/2017</b> <b>UPDATE 20/7/2017:</b> yes all members apart from new elected member need to be re-elected this year. <b>Split into two issues below</b>	Jo Thistlewood Helen Miles	30-Sep-17	RED	AMBER	n/a
28a	I	09-Aug-17	Pension board - scheme member representatives (2 required)	Current ToR state: The scheme member representatives shall be appointed by UNISON, who will be responsible for arranging their own election of suitable candidates and advise the Isle of Wight Council of this so that it can be assured that it is open and transparent.	<b>UPDATE 21/8/2017:</b> request sent on 9/8 to Mark Chiverton for nominations by Unison to be received by 1 September, or earlier notification if Unison are not able to make appointments. Resent 21/8 as no response. ToR to be reviewed to include process to be followed should UNISON fail to make appointment. <b>UPDATE 31/8:</b> nominations from UNISON are subject to issues with insurance (see issue 30 below)	Jo Thistlewood	01-Sep-17	AMBER	n/a	n/a
28b	I	09-Aug-17	Pension board - employer representative (1 required)	Current ToR state: One of the employer representatives shall be an elected member of the Isle of Wight Council. The other will be selected by the other employers of the fund, following nominations.	<b>UPDATE 21/08/2017:</b> existing member resigned position 7/8. email sent on 9/8 to all scheme employers requesting expressions of interest to be received by 1 September. As at 21/8, two Eol have been received, so following closing date, vote will need to be held.	Jo Thistlewood	01-Sep-17	AMBER	n/a	n/a
29	I	11-Jul-17	pension board terms of reference	need to be updated to reflect revised relationship, with committee, potential increased members, length of membership term, etc.	discussed at board meeting, proposals to be reviewed and revised TOR to be presented to full council in September 2017 for adoption. <b>UPDATE 21/08/2017:</b> agreed that Hymans will carry out review of existing ToR, with proposed amendment, in comparison with revised ToR proposed by Board. Quote received for £750, work will be completed within 2 weeks of drafts being sent through. Info sent 23/8 <b>UPDATE 11/9:</b> response from Hymans received today.	Jo Thistlewood Helen Miles	20-Sep-17	AMBER	n/a	n/a
30	I	11-Jul-17	pension board insurance	to be resolved - all members likely to not stand for re-election if not in place	seeking advice from Insurance team, insurers, and other LGPS colleagues (including LGA) <b>UPDATE 31/8/07:</b> the council has extended its current elected members' indemnity insurance to cover Local Pension Board members. Based on advice from LGA, this is considered sufficient to cover the issues raised by James Goudie QC. HOWEVER, nominees for pension board from UNISON do not agree. From IWC perspective this issue is closed, however leave as red to discuss.	Jo Thistlewood Justin Thorne	31-Aug-17	RED	n/a	n/a
31	I	20-Jul-17	future structure of LGPS committee and board	PSPA13 required establishment of board. Secretary of State approval required for combined committee/board. Hampshire were only authority to set up combined arrangement. Discuss options for future operation of IW governance arrangements. Proposal to present report on options to Committee/Board and Council in September 17.		Helen Miles Jo Thistlewood	20-Sep-17	AMBER	n/a	n/a
32	R	26-Jun-17	Brewster judgement - Supreme Court judgement	Requirement that a surviving adult partner to be formally nominated in order to be entitled to payment of survivor benefits constituted unlawful discrimination and a breach of the European Convention on Human Rights. Need to ensure our scheme rules are compliant.	<b>New issue since July meeting</b> <b>UPDATE 26/06/2017:</b> Matt Collier and Judy Mason have been discussing. <b>UPDATE 17/8:</b> DCLG guidance on implications for LGPS has been issued: "scheme managers can rely on this judgment and section 3 of the Human Rights Act 1998 as the legal basis for not requiring that a surviving adult partner be nominated in order to receive survivor benefits" <b>UPDATE 01/09/2017 (Judy Mason):</b> LGPS Regulations for England and Wales already do not require a nomination. Issue closed for LGPS	Matt Collier Judy Mason	30-Sep-17	CLOSED	n/a	n/a

Ref no	Risk / Issue?	date raised	Pension issue	Description / Impact	Progress	Responsible Officer	Target completion date	Status	Status July 17	Status June 17
33	I	30-Aug-17	compliance with MiFID II - "opting up"	<p>the second Markets in Financial Instruments Directive issued by EU (MiFID II) comes into force on 3 Jan 2018. Under previous directives, LGPS funds were classed as 'professional clients' under MiFID I.</p> <p>MiFID II changed the client categories and definitions and by default, LGPS funds will by default be 'retail clients', but have the ability to "opt up" to 'elective professional clients'.</p> <p>If we don't opt up, then we will not be able to access professional advice from our investment consultants, may lose access to our custodian facilities, and may not be able to access certain asset classes in which the fund is currently invested.</p> <p>LGA has issued templated "opting up" solution, which need to be completed by end October 2017 to ensure that the fund is compliant with the new directive when it comes into force</p>	new action	Jo Thistlewood	31-Oct-17	RED	n/a	n/a
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Isle of Wight Council Pension Fund - Issues Log CLOSED

Updated #####

Ref No	Risk / Issue?	date raised	Pension issue	Description / Impact	Progress	Responsible Officer	Target completion date	Status	Date reported closed
24		Sep-16	Publication of annual report	Needs to be published by end December	Audit opinions received, to be updated into annual report, pdf'd then uploaded onto document library and linked to pensions website.	Jo Cooke Becky Horn	28-Sep-16	CLOSED	Sep-16
1a		Oct-16	(Valuation 2016) data reconciliation at employer level	Following "data fix" for the 1,057 members with missing salary data, specific queries received on Free School, IWSB, and Spurgeons. Cannot progress to assumption setting etc. without this information	<b>UPDATE 10/10:</b> Data reworked for these specific employers. Confirmation from Hymans that all issues now resolved.	Matt Collier	10-Oct-16	CLOSED	Oct-16
1b		Oct-16	(Valuation 2016) Assumption setting papers	Hymans commissioned to write two papers about the assumptions for Asset Outperformance and Salary Increases. Papers to be presented to IOW for review and decision.	<b>UPDATE 08/11:</b> Papers received 11 October, discussed with s151 officer 20 October and confirmed with Hymans on 21 October 2016.	Hymans	21-Oct-16	CLOSED	Nov-16
21		Sep-16	Declaration of compliance	TPR declaration of compliance with auto enrolment at 1 May 2016 to be submitted by 30 Sept but struggling to get information from Capita for their schools.	detailed information requested and being chased by admin team. Concern that Capita may not have auto enrolled on 1 May, confusion at their end over staging date.  <b>UPDATE 10/10:</b> confirmed that Capita did NOT auto-enrol. Notified TPR by telephone 29/9/16. conversation Pensions Advisory Service 29/9 - ensure that payroll provider complies ASAP  <b>UPDATE 08/11:</b> revised deadline for compliance notice to TPR of 21 November - awaiting data from Capita to confirm numbers  <b>UPDATE 20/3/17:</b> Complete	Matt Collier	21-Nov-16	CLOSED	Mar-17
21a		Oct-16	Auto enrolment: Capita	Capita must auto-re-enrol all eligible staff	<b>UPDATE 08/11:</b> Capita (and impacted schools) have confirmed that staff have now been auto-enrolled, with one month's contributions taken in October payroll. Awaiting confirmation of numbers enrolled to complete declaration of compliance  <b>UPDATE 20/3/17:</b> Complete	Capita	14-Nov-16	CLOSED	Mar-17
21b		Oct-16	auto enrolment: Capita	Declaration of non-compliance to be filed with the Pensions Regulator	<b>UPDATE 20/3/17:</b> Complete	Jo Thistlewood	30-Nov-16	CLOSED	Mar-17
1		Sep-16	Triennial valuation 2016	Data quality issues meant significant delay in getting data to actuaries. Expectation of initial results by November Committee meeting.  Valuation to be completed by end February 2017.	Timetable for completion expected from Hymans Robertson by 23 September. Further actions will fall out of this.  <b>UPDATE 20/3/17:</b> Actions completed	Hymans Jo Thistlewood	28-Feb-17	CLOSED	May-17
1c		Oct-16	(Valuation 2016) compASS modelling	Once assumptions have been agreed, contribution rate strategy modelling to be carried out for IWC. To be discussed with officers following committee meeting on 18 November 2016	<b>UPDATE 08/11:</b> Modelling scenarios received from Hymans 19 October, discussed with s151 officer 20 October and confirmed with Hymans on 21 October 2016. <b>UPDATE 05/06/2017:</b> modelling complete and assumptions agreed with Director of Finance Oct 16	Hymans	18-Nov-16	CLOSED	Jun-17

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1d		Oct-16	(Valuation 2016) whole fund results	expected that initial draft whole fund results will be ready for presentation at 18 November committee meeting. Hymans to present on: * assumptions * initial whole fund results * draft funding strategy statement * progress on comPASS modelling * next steps for employers	<b>UPDATE 05/06/2017:</b> whole fund results presented to committee Nov16. subsequently all employer contribution rates agreed and valuation signed off by 31 March 2017	Hymans	18-Nov-16	CLOSED	Jun-17	9
3a		Oct-16	Not all ABS issued by 31 August 2016	Declaration of non-compliance to be filed with the Pensions Regulator	<b>UPDATE 05/06/2017:</b> closed as per item 3	Jo Thistlewood	30-Nov-16	CLOSED	Jun-17	10
8		Sep-16	Committee and Board membership on democratic web pages only includes elected members	<b>INTERNAL AUDIT FINDING:</b> Membership is not accurate or transparent to stakeholders viewing the Council's website.	Board membership on committee pages is complete, including elected and non-elected members. Committee membership to be updated <b>UPDATE 05/06/2017:</b> complete for membership before election.	Marie Bartlett		CLOSED	Jun-17	11
14		Sep-16	ACCESS pool decisions	Certain decisions will require full council approval - need to get onto forward plan as soon as possible. Impact of pre-election period March - May 2017?	see item 13 above <b>UPDATE 05/06/2017:</b> Inter Authority Agreement approved by Full Council, delegated to DoF and Monitoring Officer to finalise. To be sealed by Council before end June 2017.	Hymans Jo Thistlewood Helen Miles Chris Ward		CLOSED	Jun-17	12
22		Sep-16	Employer issues	Admission agreements for Top Mops and Ryde Arena cessation for Weston confirmation of deficit funding from Planet Ice Housing groups cessation planning	<b>UPDATE 08/11:</b> Admission agreement for Top Mops has been distributed for signature (01/11/16). Not required for Ryde Arena as employer has ceased. Cessation date for Weston Academy submitted to Hymans Robertson (31/10/16) <b>UPDATE 20/3/17:</b> Agreement for Top Mops ready for sealing today. Funding agreement for Housing groups still outstanding for resolution. <b>UPDATE 05/06/2017:</b> separate this issue into individual employers below:	Jo Thistlewood Adrian Taylor (Weston)	31-Mar-16	CLOSED	Jun-17	13
23		Sep-16	New investment regulations and investment strategy statement	New investment regulations have been issued, and require an Investment Strategy Statement to be published by 1 April 2018.	<b>UPDATE 08/11:</b> Technical Finance Manager attending development session 2 December 2016 facilitated by Mercer to formulate process <b>UPDATE 05/06/2017:</b> ISS approved by PFC in March 2017, and published.	Jo Thistlewood	31-Mar-17	CLOSED	Jun-17	14
26		Nov-16	Increased awareness for members of AVC process	Additional Voluntary Contributions process has not been looked at for a number of years, and is not actively promoted to pension fund members. Prudential (AVC provider) have offered to deliver sessions for members	Administration team are co-ordinating information sessions in the new year. <b>UPDATE 20/3/17:</b> Sessions with Prudential booked for May, provisionally 17/18 May. <b>UPDATE 05/06/2017:</b> a number of sessions presented, very well received. Will repeat every two years going forward.	Matt Collier	31-Jan-17	CLOSED	Jun-17	15

13	I	Sep-16	ACCESS pool governance arrangements	Terms of reference for Joint Governance Committee may require constitutional changes	<p>Draft ToR to be obtained from Hymans, and circulated to Monitoring Officer and s151 officer for comments and consideration of implications.</p> <p><b>UPDATE 08/11:</b> monitoring officers from all 11 funds have been involved in conference call. Eversheds have been engaged by ACCESS to draft initial Inter Authority Agreement. IOW Monitoring Officer is fully engaged. Intent for IAA to be recommended by February Pension committee for approval at Full Council 15 March 2017.</p> <p><b>UPDATE 05/06/2017:</b> Inter Authority Agreement approved by Full Council, delegated to DoF and Monitoring Officer to finalise. To be sealed by Council before end June 2017.</p> <p><b>UPDATE 06/07/2017:</b> Original version of IAA sealed by IWC and delivered on 29 June. HOWEVER, due to drafting errors by external solicitors for ACCESS group, this version had to be destroyed and another version sealed. Completed by deadline of 5 July.</p>	<p>Hymans Jo Thistlewood Helen Miles Chris Ward</p>	30-Jun-17	CLOSED	Jul-17
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