

# Pension Board

**Date: Wednesday 3rd December 2025**

**Time: 10.00am**

**Venue: Kaposvar Room - Guildhall, Bath**

**Board Members:** Nick Weaver (Chair), Helen Ball (Member Representative), Alison Wyatt (Member Representative), Andrew Ridley (Member Representative) and Stuart Pearson (Employer Representative)

Chief Executive and other appropriate officers

Press and public



## NOTES:

**1. Inspection of Papers:** Papers are available for inspection as follows:

Council's website: <https://democracy.bathnes.gov.uk/ieDocHome.aspx?bcr=1>

**2. Details of decisions taken at this meeting** can be found in the minutes which will be circulated with the agenda for the next meeting. In the meantime, details can be obtained by contacting as above.

## **3. Recording at Meetings:-**

The Openness of Local Government Bodies Regulations 2014 now allows filming and recording by anyone attending a meeting. This is not within the Council's control. Some of our meetings are webcast. At the start of the meeting, the Chair will confirm if all or part of the meeting is to be filmed. If you would prefer not to be filmed for the webcast, please make yourself known to the camera operators. We request that those filming/recording meetings avoid filming public seating areas, children, vulnerable people etc; however, the Council cannot guarantee this will happen.

The Council will broadcast the images and sounds live via the internet [www.bathnes.gov.uk/webcast](http://www.bathnes.gov.uk/webcast). The Council may also use the images/sound recordings on its social media site or share with other organisations, such as broadcasters.

## **4. Public Speaking at Meetings**

The Council has a scheme to encourage the public to make their views known at meetings. They may make a statement relevant to what the meeting has power to do. They may also present a petition or a deputation on behalf of a group.

**Advance notice is required not less than two full working days before the meeting. This means that for meetings held on Thursdays notice must be received in Democratic Services by 5.00pm the previous Monday.**

Further details of the scheme can be found at:

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=12942>

## **5. Emergency Evacuation Procedure**

When the continuous alarm sounds, you must evacuate the building by one of the designated exits and proceed to the named assembly point. The designated exits are signposted. Arrangements are in place for the safe evacuation of disabled people.

## **6. Supplementary information for meetings**

Additional information and Protocols and procedures relating to meetings

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13505>

**Pension Board - Wednesday 3rd December 2025**

**at 10.00am in the Kaposvar Room - Guildhall, Bath**

**A G E N D A**

**1. EMERGENCY EVACUATION PROCEDURE**

The Chair will draw attention to the emergency evacuation procedure as set out under Note 5.

**2. APOLOGIES FOR ABSENCE**

**3. DECLARATIONS OF INTEREST**

**4. TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR**

**5. ITEMS FROM THE PUBLIC**

**6. ITEMS FROM MEMBERS**

**7. MINUTES OF PREVIOUS MEETING: 3RD JUNE 2025 (Pages 5 - 14)**

**8. INVESTMENTS UPDATE (Pages 15 - 40)**

**9. REVIEW OF AUDIT REPORTS - TO FOLLOW**

**10. REVIEW OF REGULATORY AND DATA BREACHES (Pages 41 - 52)**

**11. ADMINISTRATION PERFORMANCE UPDATE (Pages 53 - 92)**

**12. LEGISLATION UPDATE (Pages 93 - 98)**

**13. RISK MANAGEMENT REVIEW (Pages 99 - 106)**

**14. GOVERNANCE UPDATE (Pages 107 - 118)**

The Committee Administrator for this meeting is Mark Durnford who can be contacted on 01225 394458.

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**BATH AND NORTH EAST SOMERSET**

**PENSION BOARD**

Tuesday 3rd June 2025

**Present:** - Nick Weaver (Chair), Helen Ball (Member Representative) and Steve Harman (Employer Representative)

**Also in attendance:** Nick Dixon (Head of Pensions), Jeff Wring (Director of Financial Services, Assurance & Pensions), Liz Woodyard (Group Manager for Funding, Investment & Risk), Claire Newbery (Pensions Operations Manager), Carolyn Morgan (Governance and Risk Advisor), Rebecca Clark (Member Services Manager) and Claire Moon (Digital Services Manager), Anne Black (Business Change Manager), Viki Merrill (Project Officer) and Richard Hopkins (Project Manager)

**53 EMERGENCY EVACUATION PROCEDURE**

The Chair welcomed everyone to the meeting and asked the Democratic Services Officer to read out the Emergency Evacuation Procedure.

**54 APOLOGIES FOR ABSENCE**

The Democratic Services Officer informed the Board that apologies had been received from Jon Evans (Employer Representative) and Alison Wyatt (Member Representative).

**55 DECLARATIONS OF INTEREST**

There were none.

**56 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIR**

There was none.

**57 ITEMS FROM THE PUBLIC**

There were none.

**58 ITEMS FROM MEMBERS**

There were none.

**59 MINUTES OF PREVIOUS MEETING: 4TH MARCH 2025 (PUBLIC & EXEMPT)**

The Board approved the minutes of the previous meeting and they were duly signed by the Chair.

The Pensions Operations Manager introduced the report to the Board and highlighted the following points.

- Recruitment – The fund has successfully recruited 11 new officers joining the Operations and Business Change teams in the last month, 10 of which were in Administration. This leaves a further 4.5 vacant posts including 1 within Business Change team, recruitment is ongoing.
- McCloud - The team are on track to complete the known McCloud cases before the 31st August. We have remediated more than 2/3rds of the 360 pensioner cases identified and have also completed the death cases, trivial commutations and certain types of transfers out (Non club and interfunds). There are still some complex cases to work through including club transfers and divorce cases.

SLA monthly performance average April 2024 to April 2025

- Average at around 80%
- High influx of member inquiries had an impact on staff resources. Letters sent re: McCloud and tracing a factor in the increase.
- Team is working as hard as ever and we remain above our projected expectations.

Total KPI's outstanding – Apr 2024 to Apr 2025

- 1897 (as at 27/4/25) – This figure did rise a little but is now decreasing.

KPI's outstanding over 31 days – Apr 2024 to Apr 2025

- Around 300 as of 2/6/25
- Pensions Increase led to additional work required.

Service performance – plan v's actual

- The Fund remains ahead of the plan as of Q4 2025.

The Head of Pensions commented that when they had began this work, around 18 months ago, they knew that there would be ups and downs. He said that the team should be proud for maintaining their progress of performance and that he expected it to continue to improve.

Councillor Toby Simon referred to the Pensions Increase and asked if there were any workarounds in terms of the end of year processing.

The Pensions Operations Manager replied that there was not at the moment and was something they need to work on with their software provider.

The Chair asked if the recent officer visit to Worcester had been useful.

The Member Services Manager replied that they had been able to have an open conversation with their staff and had welcomed the information that had been shared.

The Digital Services Manager added that they had demonstrated the use of iConnect and discussed the subjects of automation and workflow.

The Project Officer said that it had been a productive meeting as they were in phase 1 of implementing the Pensions Dashboard.

The Chair commented that he felt it would be good to keep the dialogue ongoing.

### Status 2 Backlog

- Status 2's – What are they?
  - Status 2 = Undecided leaver
  - We have been told by an employer via their monthly data return that a post has ended, but there could be a number of reasons that leave them as a Status 2
- Why do they sit as Status 2?
  - We are waiting for:
  - A member decision
  - Information from another fund or scheme
  - More information from the employer or member
- Actions and decisions
  - We must review a record and decide:
  - Link or Aggregate with other records
  - Write to member and offer a refund & transfer out quote
  - Send them their retirement options
  - Defer the pension and send the member a statement
- Why?
  - Good Record Keeping & Best practice
  - Complies with the Pension Regulator code of practice
  - Members can view their complete pension record
  - Data available via Pensions Dashboard
  - Annual benefit statement
  - Valuation

The Chair stated employers have a statutory responsibility to inform the Fund regarding the reason for the member leaving.

The Pensions Operation Manager explained that they were working on putting a consistent process in place. She added that employers have 15 working days to provide them with a leaver form.

## Status 2 Records

- During the last year, the number of status 2 records we held on our system peaked at 8,307 during September 2024. Compared with 5,790 status 2 records as at the end of April 2025, this is a 30% reduction.

## Type of Cases Outstanding on Status 2 Records

- As at the end of April 2025, the total outstanding cases of 6,312 are made up of 58 different types of cases. However, 5 cases made up 83% of the 6,312 total outstanding.
- iConnect Leavers (2,540 40%) / Aggregation Type A (1,342 21%) / Retirement (Active) (658 10%) / Interfunds In (419 6%) / Aggregation Type B (375 6%)

## Actions so far

- Target oldest cases first (using MI)
- Simplified processes and removed duplication
- Reduced checking of low value refunds
- Recruitment and training
- Improved internal escalation process

## Next steps & plan

- Automate reminders to members to reply
- Automatically defer a pension if a member doesn't reply after a chaser (not at SPA)
- Process improvement for aggregation (Approx saving 10 mins per case)
- Bulk processing of cases
- Change retirement pack age from 55 to 60
- Adopt system improvements

The Chair commented that officers need to be strict with employers when attempting to obtain this information.

The Digital Services Manager replied that they do intend to be more consistent in their approach and to ask employers to find a way to provide the information required.

The Pensions Operation Manager added that they need to trust the data that is provided to them by employers and said that the Fund has a good employer relationship team in place.

She added that this matter would be reviewed as part of the Administrative Strategy and employers would be advised of the SLA in place. She said that potential fines are being considered.

The Business Change Manager addressed the Board on the subjects of Procurement and Hosting.

## Administration Software Procurement

- New 7- year contract signed with Heywood via the COTS agreement with Softcat 17 April 2025
- New contract covers existing Altair & i-Connect plus new Products & Services
  - Hosting, Dashboard ISP, Data Cleanse, Engage (with SMS & EIDV), Enhanced Admin to Pay
- Reinforced and improved our relationship with Heywood
- Sets foundation for Digital improvement
- Supports regulatory needs for Pensions Dashboard

## Migrating from ‘On-premises’ to ‘Hosted’

- **WHY?** - To support **B&NES Cloud First** programme moving the application software and databases from a B&NES on-premises server to a cloud hosted solution.
- **WHO?** - **Heywood**, our software provider for Altair and associated modules, will provide hosting services via their supplier, Service Express.
- **WHEN?** - In progress now. BANES IT & Financial Systems are supporting us with the move. Aiming to complete move by **end July 2025**.

The Fund Project Manager addressed the Board regarding the Administration Roadmap 2025-26.

## 2025 and beyond, Priorities & Objectives

- Avon Pension Fund’s 2025 vision is driven by people, performance, process, and digital transformation. Supporting and developing teams ensures talent growth, high standards, and alignment with Pensions Dashboards and employer needs.
- Four Pillars: People, Performance, Process, and Digital transformation
- Four Priorities:
  - Pensions Dashboard
  - McCloud
  - Member portal upgrade
  - Transition to hosting solution
- Deliver change whilst retaining the member experience. Recognise that change needs to be flexible.

## Annual Projects

- Year End / Annual Benefit Statements / Pension Savings Statement / Annual Report / PI process / Valuation

## Regulatory & key enablers

- Pension Dashboard / McCloud Remedy / Administrative Strategy Refresh / Unified Comms (Phase 1) / Hosting – Website

## Transformation

- Engage (My Pension Online – upgrade) / Bulk processing / I-Connect Multi-factor authentication / Hybrid Mail Transition

The Pensions Operation Manager said that Hybrid Mail has the potential to save significant officer time and lessen the possibility of any data breaches.

The Project Officer addressed the Board regarding the Pensions Dashboard.

## Avon Pension Fund: Connecting to Pensions Dashboards

- The Avon Pension Fund is preparing to link with the Pensions Dashboard, making it easier for our members to access their pension information. This will be carried out in phases with the aim of being live and connected by 31<sup>st</sup> October 2025.
- **Preparation phase - Getting the data ready:** Checking records to make sure everything is correct and up to date, fixing any errors and making improvements where needed
- **Connecting to the dashboard:** Setting up a secure system so members can view their pension details online whenever they need to.
- **Implementation, Phase 1 & 2.** This includes setting the matching requirements, creating the processes to support member enquiries when engaging with the central dashboard
- **Connection –** Further testing will be required once connected to the live environment.

## Timeline

- Nearly at the end of Phase 1 – System Configuration / Upload member data and resolve errors captured (scenario testing) / Set Matching requirement.
- Phase 2 - Configure live matching rules / Registration with TPR / Test Admin processes for enquiries.

## Preparing for Pension Dashboards

- Work is underway to ensure members have easy access to up-to-date pension information while reducing administrative pressures on our teams.

- Areas of focus have included: Data Accuracy / Tracing Members / Process Automation / Reducing Backlogs / Annual benefit Statements / Ongoing Monitoring.

Helen Ball asked if the consequences were known if the Fund were found to be non-compliant, in terms of connection to the Dashboard by the Pensions Regulator.

The Chair replied that as far as he was aware there was no option to miss the connection deadline.

Councillor Toby Simon stated that preparation was key when applying the matching criteria.

The Project Officer replied that this process was currently ongoing and that she felt that their data was really good. She added that they would act on any issues that are identified.

The Board **RESOLVED** to note the service performance for the period ending 30th April 2025.

## 61 UPDATE ON LEGISLATION

The Governance & Risk Advisor introduced the report to the Board and highlighted the following areas.

### Pensions Review - Pooling / Brunel

The Fund received a letter from the Government in April 2025 that stated that the Brunel pool's proposals did "not meet the Government's vision for the future of the LGPS" and issued an "invite" to the Fund to consider and identify a new pool to work with going forward.

On 12 May 2025, following on from the statement issued in April 2025 in response to the letter issued by the Government regarding the Brunel (and Access) pools and an urgent meeting convened by the Board on 9 May, the Scheme Advisory Board issued a letter to both the Pensions Minister and the Local Government Minister requesting an extension to the pooling deadlines already in place given the "perfect storm" administering authorities are currently facing with McCloud, Pensions Dashboard, General Code, Local Government Reorganisation and also changes emerging from the local elections.

A meeting between LGPS Committee Chairs, SAB and the Local Government Minister took place on 13 May 2025 to discuss the issues raised in the letter.

### New consultation: Local Government Pension Scheme in England and Wales: Access and fairness

The government has published a new consultation around LGPS, concerning access and fairness. The consultation's proposed operational changes will impact LGPS administrators.

The Board **RESOLVED** to note the current position regarding the developments that could affect the administration of the fund.

## **62 RISK MANAGEMENT UPDATE - RISK REGISTER**

The Governance & Risk Advisor introduced the report to the Board and highlighted the following areas.

- The quarterly review of the risk register has taken place and a couple of changes have been made to scores for this quarter. Some amendments have also been made to current impacting factors.
- Risk NR19 - structural reform to LGPS / Pooling has been amended to 'Move to new asset pool'. The score has been updated to reflect the likelihood increasing from likely to almost certain.
- Risk NR07 – Employers Data. Following the successful roll out of I-Connect to all employers and more employer training taking place the likelihood has been reduced from likely to possible.
- Our top 3 risks have been updated to reflect the change of score to the pooling risk:
  - NR06 – the loss of IT including cyber attack and loss of power. The fund is planning to move its admin system to a Heywood hosted solution and appropriate data protection and cyber assessments are being carried out.
  - NR01 – Poor service levels below agreed standards. The current factors impacting this risk are set out in the Pension Fund Administration report. As part of the Business Continuity Plan review a service level plan and crisis communication plan have also been agreed.
  - NR19 – Move to new asset pool. Work and discussions are ongoing with pool and advisors. See full report within June Committee report.

The Board **RESOLVED** to note the report.

## **63 GOVERNANCE UPDATE**

The Governance & Risk Advisor introduced the report to the Board and highlighted the following areas.

### Work Plan

- In developing a work plan the Board should reflect the need to maintain a balance between building the knowledge and understanding of Board Members along with delivery of the statutory obligations of the Board.

## Training

- Board Members should have a breadth of knowledge and understanding that is sufficient to allow them to understand fully any professional advice the Board is given. They should also be able to challenge any information or advice they are given and understand how that information or advice impacts on any decision relating to the Board's duty to assist the Avon Pension Fund.
- As agreed at previous Board meetings individual board members should retain their own training log to evidence how they are fulfilling their responsibilities and update these on a quarterly basis to the Governance Team to aid future training needs analysis.

## Recruitment

- This is the last meeting for Steve Harman (Employer Representative)
- 1 Member Representative and 2 Employer Representatives required
- Interviews planned to take place in August

Councillor Toby Simon asked if the Trade Unions had been directly approached with regard to a Member Representative.

The Governance & Risk Advisor replied that they had not and said that advertisements had been sent to all members and employers and posted on the Fund website and LinkedIn.

The Chair gave thanks to Steve Harman on behalf of the Board for his work and contributions over many years.

The Board **RESOLVED** to:

- i) Note the workplan & training plan for 2025
- ii) Note the dates for future meetings.

The meeting ended at 11.40 am

Chair(person) .....

Date Confirmed and Signed .....

**Prepared by Democratic Services**

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<b>Bath &amp; North East Somerset Council</b>	
MEETING:	<b>LOCAL PENSION BOARD OF AVON PENSION FUND</b>
MEETING DATE:	3 December 2025
TITLE:	<b>1. Investment Update – member survey on Aerospace &amp; Defence</b>
WARD:	<b>ALL</b>
<b>AN OPEN PUBLIC ITEM</b>	
List of attachments to this report:	
Appendix 1 – Member Survey 2025	

## 1 THE ISSUE

- 1.1 During 2024-25, some Fund members expressed deep concern about armed conflicts, especially those in the Middle East, and Avon Pension Fund's indirect association with such conflict through its investments in Aerospace & Defence (A&D) companies.
- 1.2 The Fund already implements a responsible investment policy, aligned with UN Principles on Human Rights. The question was whether the Fund should go further and whether A&D companies should play any role in the Funds' investments.
- 1.3 As A&D divestment would be a non-financial decision, it would require evidence that a 'broad consensus' of members are in favour. Hence the Fund undertook an online survey of a sample of members which was live during 4-22 September 2025.

## 2 RECOMMENDATION

- 2.1 That the committee:
  - 2.1.1 notes the methodology and survey results and that the Pension Committee, as the strategic decision making body of the Fund, will make its final decision on Aerospace & Defence investments at its next meeting on 12 December 2025.

### **3 THE REPORT**

### **4 SURVEY METHODOLOGY**

- 4.1 The survey was conducted online only.
- 4.2 This is a tried & tested methodology – the default method for research surveys. In the case of Avon Pension Fund, there is a close match between the demographic profile<sup>1</sup> of members for whom APF holds email addresses and the total membership.
- 4.3 The survey was designed to be short and simple – taking no more than 5 minutes to complete. Brevity is a critical lever for engagement and maximising survey completion rates.
- 4.4 From c.100,000 unique members, 31,000 members had given permissions to be contacted by email. The Fund contacted 26,360 members via email, from which it received 2,500 responses, a 9.5% response rate which is very high vs similar surveys, yielding a statistically significant confidence level exceeding 98%.

### **5 SURVEY RESULTS**

- 5.1 Members express concern about harm caused to civilians and the environmental impact of the A&D sector.
- 5.2 At the same time members also show majority support for A&D companies contributing to UK defence and local employment.
- 5.3 In aggregate the APF membership is split on the A&D issue.
- 5.4 47% of members express a preference for continuing to invest in A&D, though 42% would prefer the Fund to cease investing in the sector. 11% are unsure.
- 5.5 Interestingly older members and males tend to prefer continuing investment in the sector, whereas females and younger members offer a very different profile and prefer ceasing investment in the sector.

### **6 STATUTORY CONSIDERATIONS**

- 4.1 Bath and North East Somerset Council, in its role as administering authority, has executive responsibility for the Avon Pension Fund. The Council delegates its responsibility for administering the Fund to the Avon Pension Fund Committee which is the formal decision-making body for the Fund.
- 4.2 The Pension Board has an advisory role in assisting the administering authority by making recommendations about compliance, process and governance. The Board does not have a decision-making role.

### **7 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

- 7.1 None for the pension board to consider.

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<sup>1</sup> Specifically gender and age

## **8 RISK MANAGEMENT**

8.1 An effective governance structure, defining clear responsibilities, and ensuring that the decision making body has an adequate level of knowledge and access to expert advice, is a key aspect of the risk management process

## **9 EQUALITIES STATEMENT**

9.1 A proportionate equalities impact assessment has been carried out using corporate guidelines and no significant issues have been identified

## **10 CLIMATE CHANGE**

10.1 The Fund is implementing a digital strategy across all its operations and communications with stakeholders to reduce its internal carbon footprint in line with the Council's Climate Strategy. The Fund acknowledges the financial risk to its assets from climate change and is addressing this through its strategic asset allocation to Paris Aligned Global Equities, Sustainable Equities and renewable energy opportunities. The strategy is regularly monitored and reviewed by the Pensions Committee.

## **11 OTHER OPTIONS CONSIDERED**

11.1 None.

## **12 CONSULTATION**

12.1 The Report and its contents have been discussed with the Head of Pensions representing the Avon Pension Fund and the Director of Financial Services, Assurance & Pensions representing the administering authority.

<b>Contact person</b>	Nick Dixon, Head of Pensions <a href="mailto:nick_dixon@bathnes.gov.uk">nick_dixon@bathnes.gov.uk</a>
<b>Background papers</b>	None

Please contact the report author if you need to access this report in an alternative format.

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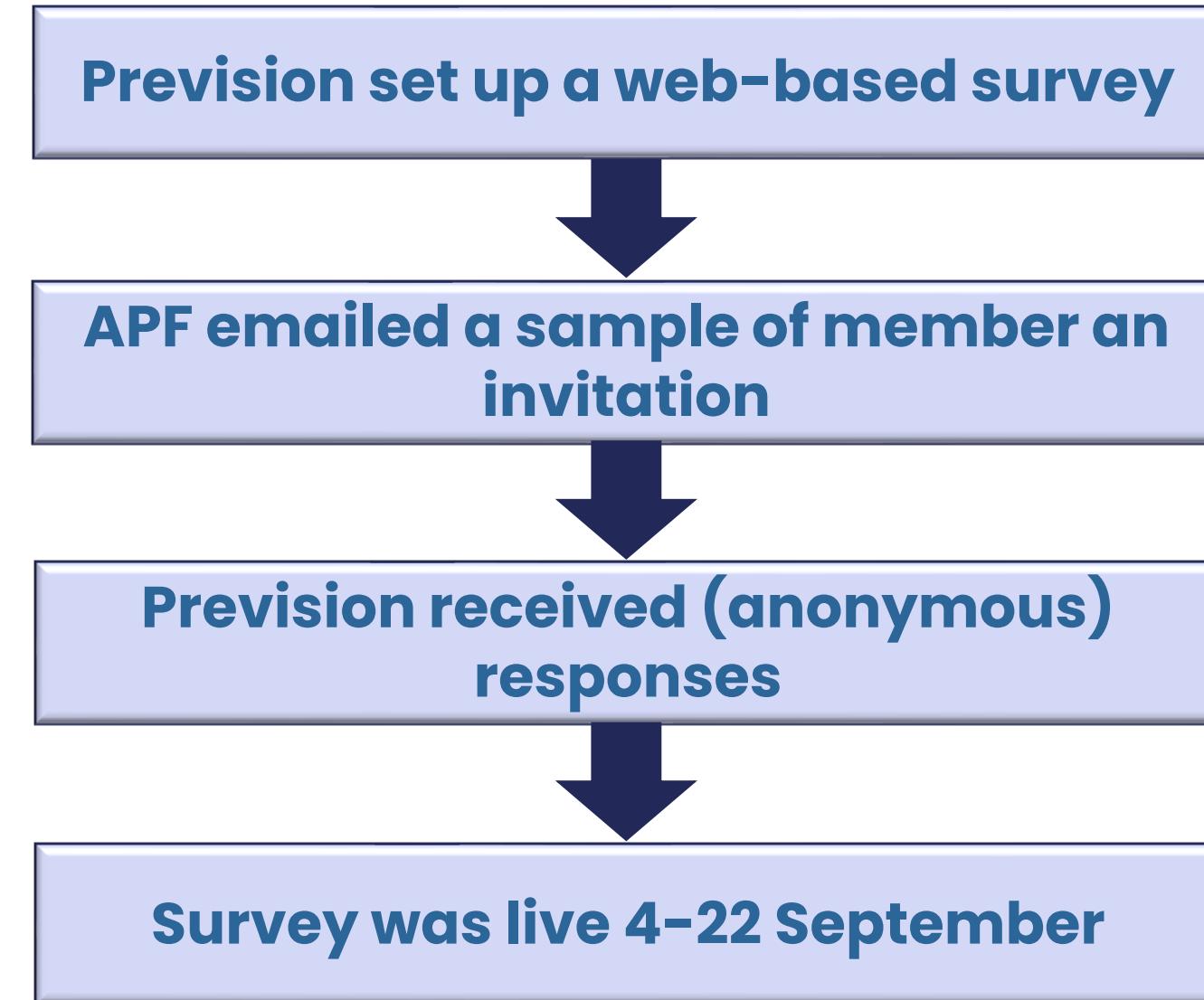


## Avon Pension Fund member survey 2025

### Summary of key findings – 3 December

# INTRODUCTION AND SURVEY METHODOLOGY

# The research methodology – an online survey



# Benefits and features of an online survey

## BENEFITS

- **Tried and tested methodology:** the default method for consumer surveys
- **Representative:** there is a close match between the profile of those members for whom APF holds email addresses and the profile of the total membership
- **Appropriate:** 90% of UK adults have internet access (source: Office for National Statistics).

## FEATURES

- **Transparent objectives:** explained to respondents in the covering email and within the questionnaire.
- **Clear and unambiguous:** clear terminology, questions not leading, response scales balanced.
- **Easy to complete and short:** no more than five minutes.

# Sampling

## Sample:

- A stratified sample by age and gender
- Yields findings that are statistically significant with a margin of error of +/- 1.5%.

## Weighting:

- Prevision weighted the findings to ensure that the demographic profile of responses matches the overall member profile.
- All figures given in the findings section are weighted.

**100,000 unique Fund members \***



**31,000 have previously given permission for APF to approach via email \***



**26,360 emailed invitations \*\***

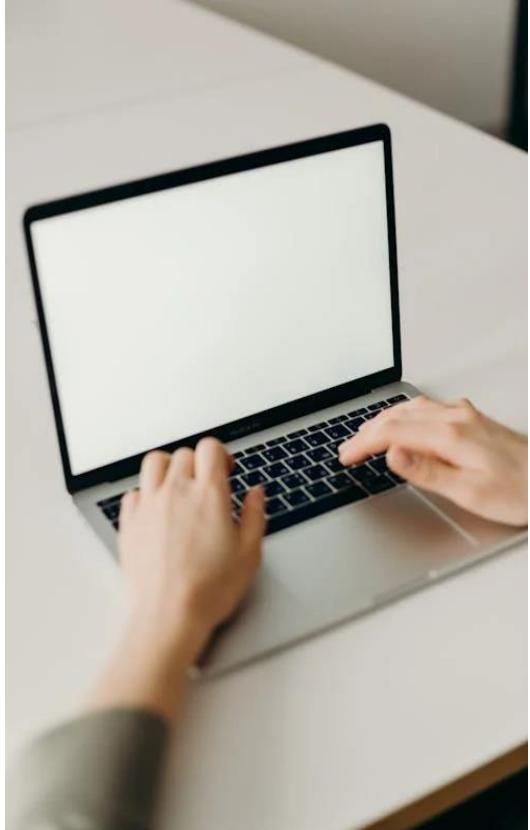


**2,500 completed the survey \*\***

\* Rounded figures

\*\* Exact figures

# Key topics posed in the research



1. How important to members are various Avon Pension Fund objectives?
2. How much do members agree with statements relating to Avon Pension Fund investing in the Aerospace & Defence sector?
3. Overall, how much do members agree or disagree that the Fund should continue / cease investing in the Aerospace & Defence sector?

# **SUMMARY OF RESEARCH FINDINGS**

# How important to members are the Avon Pension Fund objectives?

■ Not at all important ■ Not very important ■ Quite important ■ Very important ■ Unsure

Providing a good and reliable service to members



Helping Fund members to understand their retirement options



Investing the Fund to maximise financial returns



Investing responsibly to improve our region, the wider world and the environment



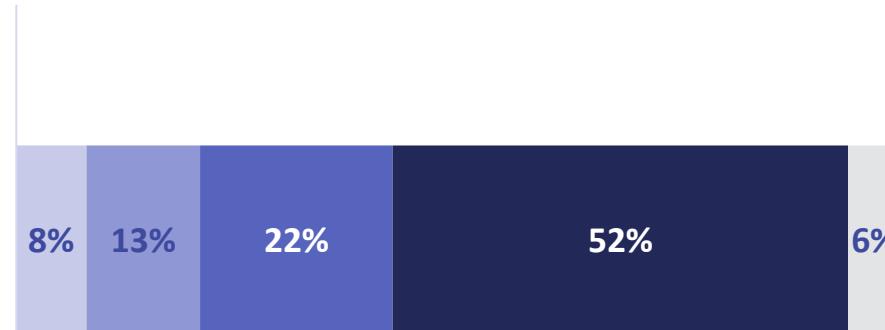
Question: How important is each APF objective?

Base: all respondents (n=2,500) - WEIGHTED

# Agreement with statements relating to the Avon Pension Fund investing in the A&D sector (1)

■ Disagree strongly ■ Disagree somewhat ■ Agree somewhat ■ Agree strongly ■ Unsure

I am concerned that products made by A&D companies may be used to harm civilians



I am concerned that A&D companies can harm the environment

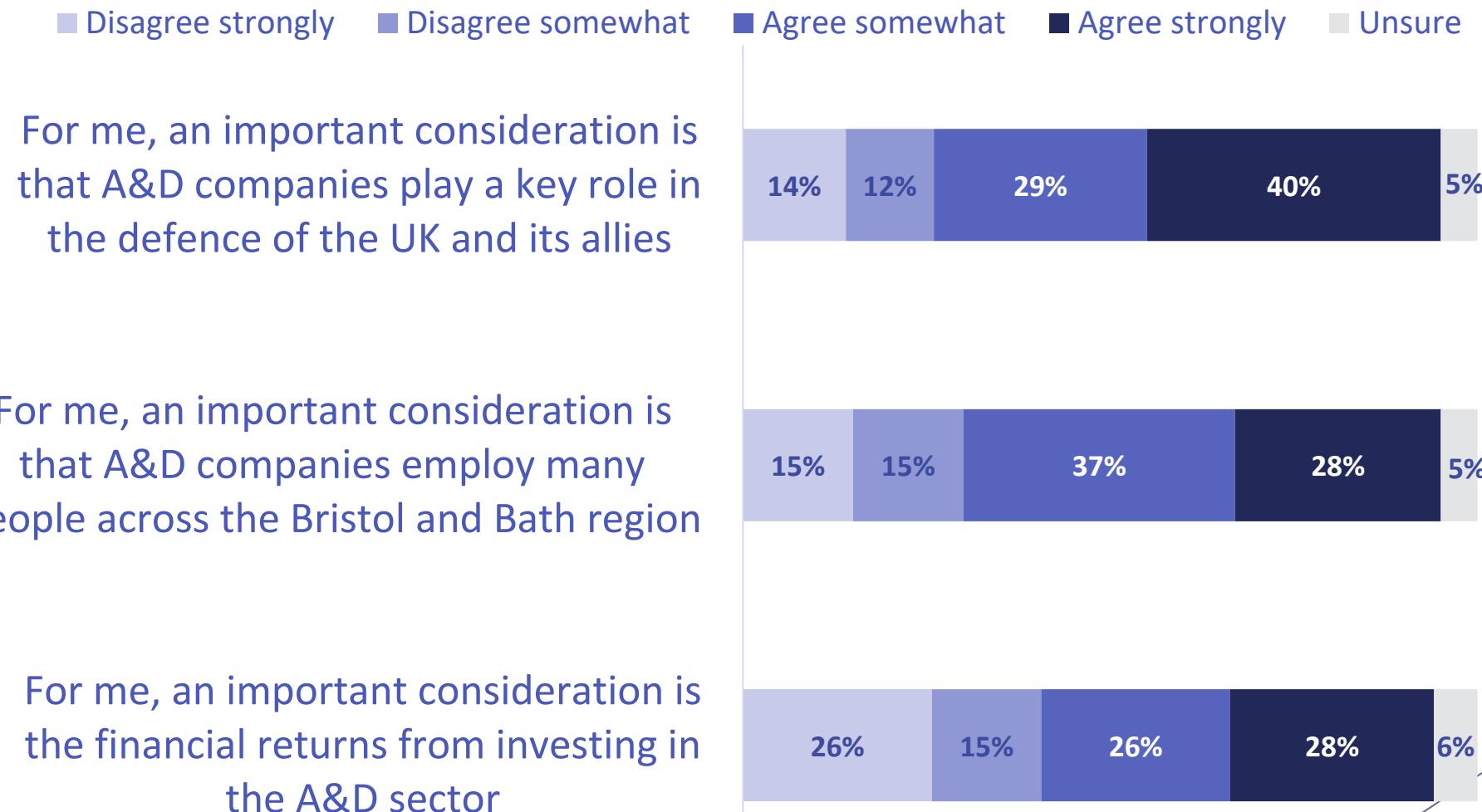


Question: How much do you agree with each statement?

Base: all respondents (n=2,500) - WEIGHTED

# Agreement with statements relating to the Avon Pension Fund investing in the A&D sector (2)

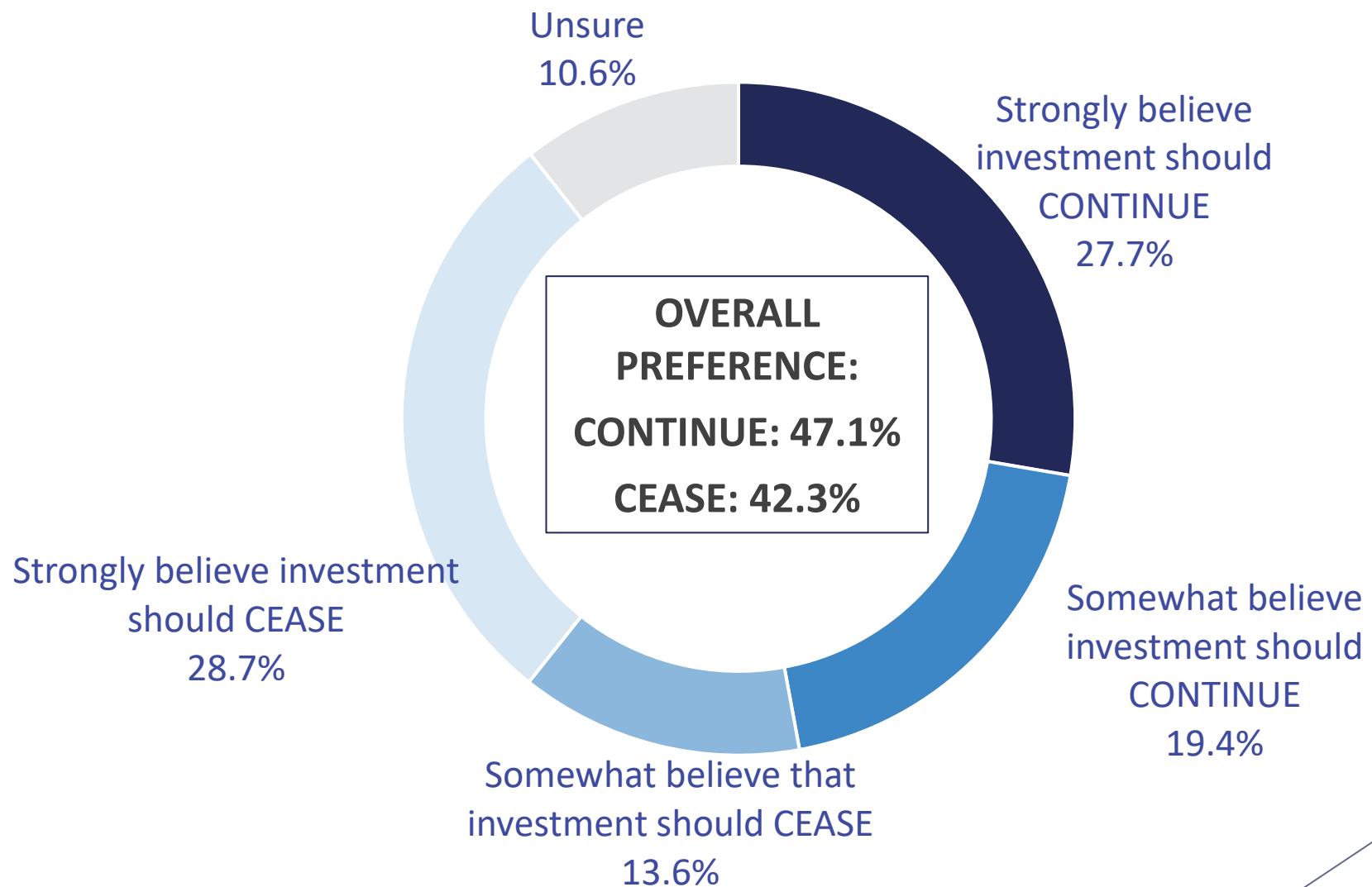
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Question: How much do you agree with each statement?

Base: all respondents (n=2,500) - WEIGHTED

# Overall, should investment in A&D sector continue or cease?



Question: Overall, how much do you agree or disagree that the Avon Pension Fund should continue / cease investing in the A&D sector?

Base: all respondents (n=2,500) - WEIGHTED

# Demographic analysis of whether investment in A&D sector should continue or cease

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## Percentage agreeing that the Fund should CONTINUE investing in A&D sector

All... 47%

Male 62%

Female 41%

Under 35 26%

35-44 28%

45-54 40%

55-64 54%

65+ 67%

## Percentage agreeing that the Fund should CEASE investing in A&D sector

All... 42%

Male 33%

Female 46%

Under 35 65%

35-44 62%

45-54 48%

55-64 34%

65+ 23%

Question: Overall, how much do you agree or disagree that the Avon Pension Fund should continue / cease investing in the A&D sector?

Base: all respondents (n=2,500) - WEIGHTED

## In summary...

- Members expressed concern about the harm caused to civilians and the environmental impact of the Aerospace & Defence sector.
- At the same time, members acknowledged that the sector contributes to UK defence and local employment.
- Members also took into account the financial returns of investment in the sector.
- Weighing up these issues, members expressed a preference for the Fund continuing to invest in the A&D sector, although 42% preferred that the Fund ceased investing in the sector.
- Older members and males tended to prefer continuing investment in the sector, whereas females and younger members tended to prefer ceasing investment in the sector.

# SUPPORTING SLIDES

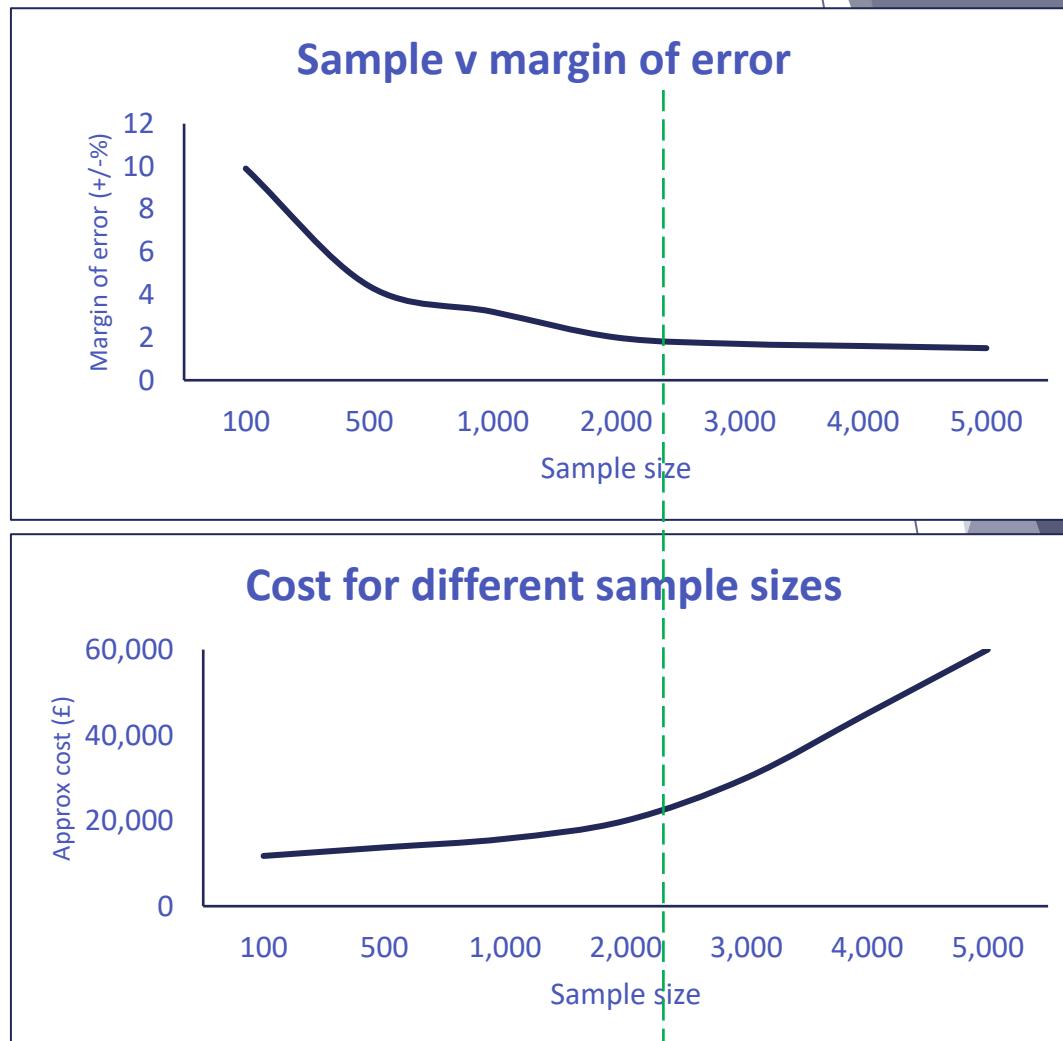
# Introduction to Prevision

- The survey has been conducted by independent market research agency Prevision Research.
- We have extensive experience of conducting research in the public sector e.g. the **Health Dept, NHS** and the **Department of Business, Energy and Industrial Strategy**.
- Clients also include not-for-profit organisations e.g. **Citizens Advice**, the **Energy Saving Trust**, **RNIB**, **Age UK**.
- Prevision Director Trevor Wilkinson and Operations Director Richi Turner each has over 20 years' experience in market research.
- Prevision is a member of the Market Research Society and abides by the **MRS Code of Conduct**.

# Why a sample of members?

A survey of a sample of members yields findings that are statistically robust and representative of the membership.

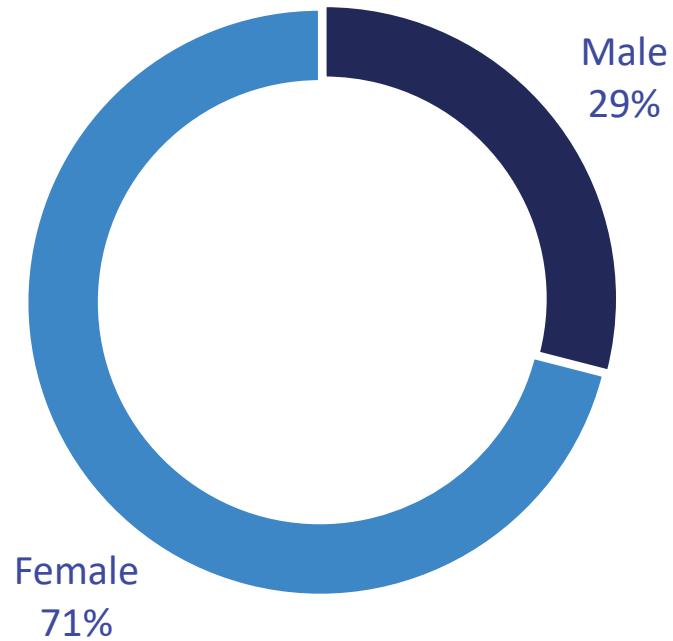
Increasing the sample size yields diminishing returns in terms of a smaller margin of error, in addition to increasing the cost of conducting the survey.



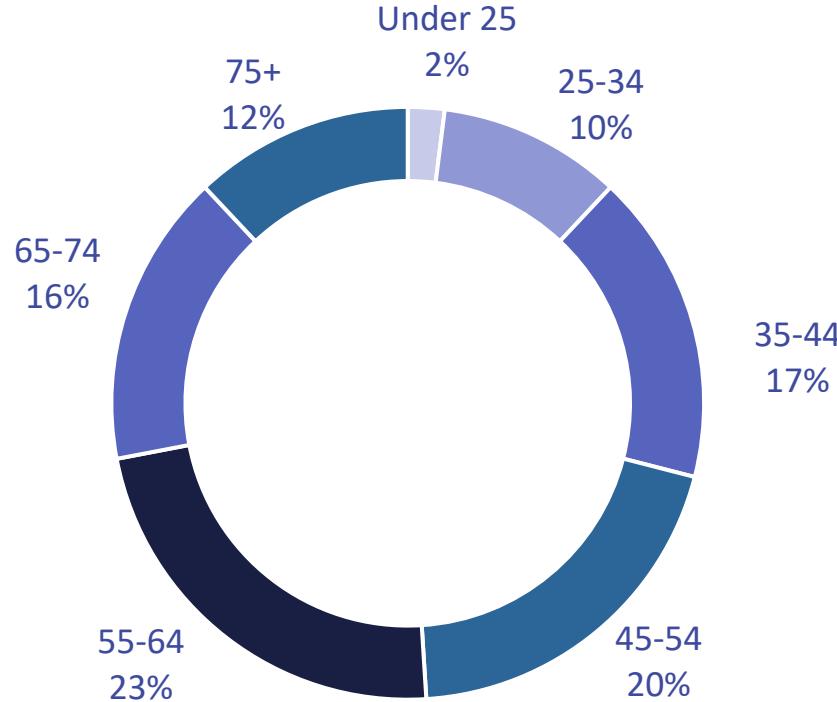
- Costs assume a mix of online and postal questionnaires - emails for the online survey will be sent by APF and the postal survey will be conducted by Revision.
- Approx. 30,000 email addresses available for use, 70,000 postal addresses.

# Profile of all members

## BY GENDER



## BY AGE



As of August 2025, there were just over 100,000 Fund members.

Over 70% were women.

Just over half were aged 55+.

# Sampling and response

The survey employed stratified sampling i.e. invitations were sent to members randomly selected within gender /age groups - to ensure the sample included a good demographic distribution.

Gender	Number of members responding	Percentage of all respondents
Male	1,231	49.2
Female	1,170	46.8
Preferred not to say	99	4.0
<b>Total</b>	<b>2,500</b>	<b>100.0</b>

Age	Number of members responding	Percentage of all respondents
Under 35	178	7.2
35-44	300	12.0
45-54	398	15.9
55-64	662	26.5
65+	909	36.4
Preferred not to say	53	2.0
<b>Total</b>	<b>2,500</b>	<b>100.0</b>

## Respondents were given some context...

The Avon Pension Fund invests approximately £18m in Aerospace & Defence companies (0.3% of its assets) spread across over twenty companies in the sector.

These companies make nearly all their sales to the UK, NATO countries, and Ukraine, and so play an important role in the defence of the UK and its allies.   
P450 37 Some of these companies supply Israel. All conflicts harm civilian populations.

Companies in which the Fund invests align with UN Global Principles on human rights. The Fund also complies with all local laws, such as those of the UK and EU.

Aerospace & Defence companies employ over 4,000 people across the wider region around Bristol and Bath.

# Methodology – weighting (1)

The sample has been weighted to ensure that the demographic profile of those completing the survey matches the actual profile of members.

The weighting ensures that the percentage of respondents in each demographic group matches the actual percentage of members in each group.

Gender	Percentage of survey responses	Weighted percentage
Male	49.2	28.0
Female	46.8	68.0
Preferred not to say	4.0	4.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Age	Percentage of survey responses	Weighted percentage
Under 35	7.2	12.0
35-44	12.0	16.9
45-54	15.9	19.5
55-64	26.5	22.5
65+	36.4	27.1
Preferred not to say	2.0	2.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Methodology – weighting (2)

Examples of the weights are shown opposite.

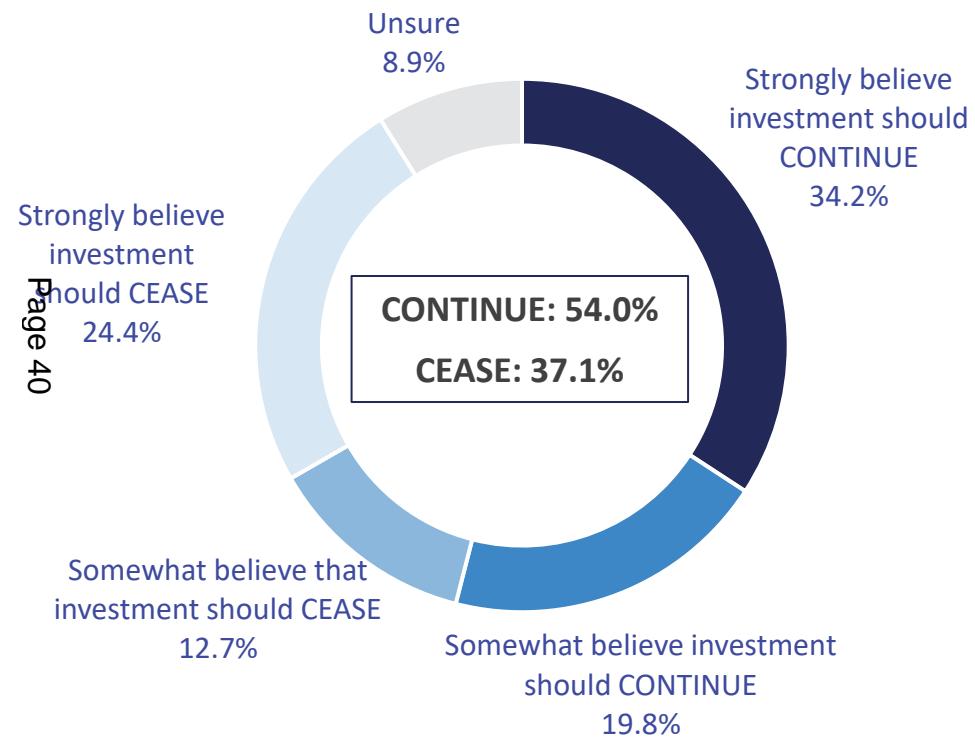
For example, the percentage of males aged 45-54 in the survey was higher than their actual percentage among members.

The findings for survey respondents in this group have therefore been down-weighted by a factor of 0.6.

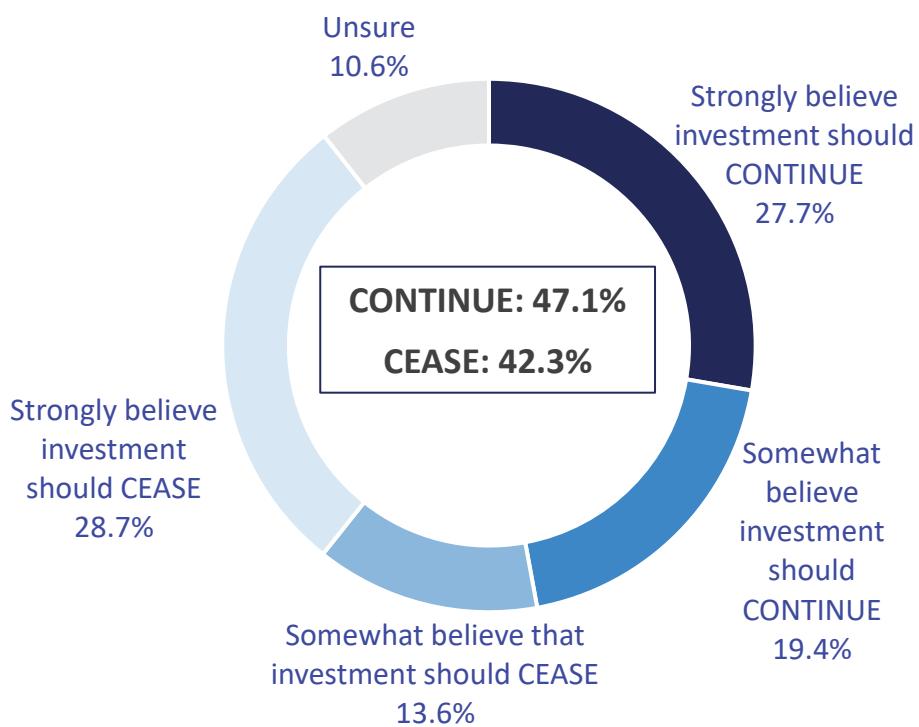
Group	Actual percentage of members	Percentage of completed surveys	Weighting applied to group
Males aged 25-34	3.1%	2.6%	$3.1/2.6 = 1.2$
Females aged 25-34	6.6%	3.5%	$6.6/3.5 = 1.9$
Males aged 45-54	4.8%	8%	$4.8/8 = 0.6$
Females aged 45-54	15%	8%	$15/8 = 1.9$

# Comparing weighted findings with unweighted findings for key question on whether to continue or cease investment in A&D

## UNWEIGHTED RESPONSES



## WEIGHTED RESPONSES



### Key findings:

- When the responses are *not* weighted, there is a strong preference for continuing investment in A&D.
- When weighting is applied, there is still a preference for continuing albeit more modest.

Question: Overall, how much do you agree or disagree that the Avon Pension Fund should continue / cease investing in the A&D sector?  
Base: all respondents (n=2,500)

Bath & North East Somerset Council	
MEETING:	<b>LOCAL PENSION BOARD OF AVON PENSION FUND</b>
MEETING DATE:	3 <sup>rd</sup> December 2025
TITLE:	Review of Regulatory & Data Breaches
WARD:	<b>ALL</b>
<b>AN OPEN PUBLIC ITEM</b>	
List of attachments to this report:	
Appendix 1 - Summary of Breaches Log	
Appendix 2 - Breaches Policy	

## 1 THE ISSUE

- 1.1. The purpose of this report is to update the Pension Board on the Fund's Breaches Policy, procedure for recording & reporting breaches, training carried out for Teams and breaches recorded in the last year.

## 2 RECOMMENDATIONS

**The Board is asked to;**

- 2.1 Note the summary of the breaches log
- 2.2 Note the changes to the breaches policy

## 3 THE REPORT

### 3.1 REGULATORY BREACHES

3.2 The introduction of the Pensions Act 2013 extended the powers of the Pensions Regulator (TPR) to public sector schemes from 1 April 2014. The Pension Regulator sets out its requirements for identifying and reporting regulatory breaches in its General Code of Practice.

3.3 Regulatory breaches are breaches of the regulations or standards as set out in the Administration Strategy and if Material need to be reported to TPR as set out in the Breaches Policy (Appendix 2). The breaches policy has been updated to reflect TPR's General Code of Practice (GCOP). TPR's expectations have not changed but the policy has been written more inline with the code of practice and in particular sets out more detail about the legal duty to report and assessing material breaches.

3.4 In addition to the requirement to report Material breaches to TPR, the Governance & Risk Advisor will formally report all material breaches to the Avon Pension Fund Committee and the Pension Board on a quarterly basis, notifying

the chairs of both of any significant issues as appropriate. A summary of all other breaches will be reported annually.

3.5 In deciding whether a breach is likely to be of material significance to the Pensions Regulator, the following should be considered:

- cause of the breach;
- effect of the breach;
- reaction to the breach; and
- the wider implications of the breach

3.6 Breaches recorded by the Fund broadly fall into the following categories:

- Employer fines due to late or incorrect year end returns
- Employer fines for disproportionate work
- Employer late payments of contributions
- APF failing to meet statutory requirements eg not issuing ABSs on time
- Non-payment of refunds within 5 years\*

3.7 Breaches are recorded on the breaches log and referred to the Head of Pensions if considered material. If Material TPR's online portal is used to report the breach.

3.8 Outcomes and improvements from breaches are agreed and implemented accordingly with employers or officers as appropriate.

3.9 A summary of regulatory breaches recorded for the period October 2024 to October 2025 can be found in Appendix 1. There were no material breaches reported during the period.

### 3.10 5 Year Refund Cases\*

The 2013 LGPS regulations require schemes to pay a refund of contributions within 5 years. Failure to complete payment is classified as a regulatory breach and is required to be reported to the pensions committee and local pension board. The National Technical Group has previously made a recommendation to the Scheme Advisory Board (SAB) to remove the requirements to pay a refund of contributions within five years under the 2013 regulations. The SAB have agreed to proceed with this regulatory change and are in the process of making recommendations to DLUHC.

## 3.11 DATA PROTECTION BREACHES

3.12 The General Data Protection Regulation (GDPR), originally implemented in the UK via the Data Protection Act 2018, has since been amended by the Data (Use and Access) Act 2025, which introduces significant reforms to data protection and privacy law.

3.13 A personal data breach means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data. This includes breaches that are the result of both accidental and deliberate causes.

3.14 A notifiable breach must be reported to the Information Commissioner's Office (ICO) within 72 hours after becoming aware of it. If it takes longer than this, reasons for the delay must be provided.

3.15 All breaches must be reported to Banes Data Protection Officer (DPO) within 24 hours of the incident using the incident reporting template. The DPO will advise if the incident meets the criteria for reporting to the ICO and also makes recommendations on future preventative actions.

3.16 A summary of data breaches reported to Banes DPO between October 2024 and October 2025 can be found in Appendix 1. No incidents were reported to the ICO during this period. There have been 7 breaches this year, the same as in 2023/24.

3.17 Procedures are in place for staff to follow and regular training takes place to ensure that everyone has a full understanding of data protection and the reporting procedure for breaches. Recent staff training has included:

- GDPR E-Learning Induction & refresher courses
- Cyber Security E-Learning
- Data Protection Induction Session including homeworking tips
- Data Breaches – case studies
- How to recognise a data breach, Subject Access Request & Freedom of Information Request

#### **4 STATUTORY CONSIDERATIONS**

4.1 Bath and North East Somerset Council, in its role as administering authority, has executive responsibility for the Avon Pension Fund. The Council delegates its responsibility for administering the Fund to the Avon Pension Fund Committee which is the formal decision-making body for the Fund.

4.2 The Pension Board has an advisory role in assisting the administering authority by making recommendations about compliance, process and governance. The Board does not have a decision-making role.

#### **5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

5.1 There are no direct implications related to the Pension Board in connection with this report.

#### **6 RISK MANAGEMENT**

6.1 An effective governance structure, defining clear responsibilities, and ensuring that the decision making body has an adequate level of knowledge and access to expert advice, is a key aspect of the risk management process.

#### **7 EQUALITIES STATEMENT**

7.1 A proportionate equalities impact assessment has been carried out using corporate guidelines and no significant issues have been identified.

#### **8 CLIMATE CHANGE**

8.1 The Fund is implementing a digital strategy across all its operations and communications with stakeholders to reduce its internal carbon footprint in line with the Council's Climate Strategy. The Fund acknowledges the financial risk to

its assets from climate change and addresses this through its strategic asset allocation to Paris Aligned Global Equities, Sustainable Equities and renewable energy opportunities. The strategy is monitored and reviewed by the Committee.

## **9 OTHER OPTIONS CONSIDERED**

9.1 None.

## **10 CONSULTATION**

10.1 The Report and its contents have been discussed with the Head of Pensions representing the Avon Pension Fund and the Director of Financial Services, Assurance & Pensions representing the administering authority.

<b>Contact person</b>	Carolyn Morgan, Governance & Risk Advisor 01225 395240
<b>Background papers</b>	None
<b>Please contact the report author if you need to access this report in an alternative format.</b>	

Appendix 1  
Breaches Log - 2024/2025

Type of Breach	Number of Incidents	Summary of Breach	Detail	Outcomes and Improvements
<b>Regulatory Breaches October 2024 to October 2025</b>				
Employer Late Payers <b>(October 2024 - September 2025)</b>	14	Late or non payment of contributions	No employers have missed consecutive months and the majority of late payments have been made. Two payments remain outstanding - one company in liquidation and one new employer with onboarding issues.	Support/training for employers
Employer Year End Data	6	Late or incorrect data submitted	All employers issued fines for late/missing data submissions in October 2025.	
Employer Breaches	4	Leaver process issues	Unauthorised and incorrect refunds issued.	
5 Year Refund Breaches	399	Unable to pay refund within 5 year deadline	Due to no response from members or the inability to trace members.	Member tracing continues
Regulatory KPIs		In some cases regulatory KPIs have not been met in respect of administration processes	See administration report for more details.	See administration report for more details
Material Regulatory Breach	0			
<b>Data Breaches October 2024 to October 2025</b>				
Reported to Information Governance	7	1 x incorrect link sharing 3 x postal breach (wrong address) 2 x postal breach (enveloping) 1 x email breach	An incorrect link to a Secure Share folder containing more than one member's data was shared  Documents intended for one member sent to the wrong address  Two sets of documents for different members contained in one member's envelope  Spreadsheet sent to wrong employer contact	Training and support to team members provided, including refresher training and bespoke training sessions. Internal process reviews being carried out to ensure compliance and necessity. Procedure notes are being reviewed to ensure all consistency across teams. Regular data protection reminders issued to staff.
Reported to ICO	0	No breach met the threshold for reporting to the ICO		

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## Avon Pension Fund – Breaches Policy

### Procedure for the review and reporting of regulatory breaches

Since the introduction of the Pensions Act 2013, The Pensions Regulator (TPR) has overseen public sector schemes. TPR's General Code of Practice, which came into force on 27th March 2025, sets out the requirements for identifying and reporting regulatory breaches. The General Code of Practice replaces the previous Code of Practice 14.

This document deals with the Fund's process of identifying, recording, and determining if breaches of the pension regulations should be reported to TPR.

### Who must report

Designated individuals with a legal duty to report (reporters) are required to notify TPR of breaches of the law when they have a reasonable cause to believe that:

- A legal duty relevant to the administration of a scheme, has not been, or is not being, complied with; or
- The failure to comply is likely to be of material significance to TPR in exercising any of its functions;

### The people with a legal duty to report are:

- The scheme manager or manager of the scheme
- Pension Board members
- Any other person involved in the administration of the scheme (including Committee members)
- Employers
- Professional advisers including auditors, actuaries, legal advisers, investment managers and custodians of scheme assets
- Any other person involved in advising the scheme manager in relation to the scheme

The Fund should be satisfied that those responsible for reporting breaches are aware of the legal requirements and those set out in TPR's General Code of Practice, with training provided where required.

A person's responsibility to report breaches is not limited to those that relate to their specific role. Material breaches should be reported as they are identified.

## Whistleblowing protection and confidentiality

The Pensions Act 2004 makes it clear that the duty to report overrides certain other duties a reporter may have (such as confidentiality), and that any such duty is not breached by making a report.

The duty to report does not override legal privilege. Communications (oral and written) between a professional legal adviser and their client, or a person representing that client, while obtaining legal advice, do not have to be disclosed.

In all cases, reporters should act conscientiously and honestly, and to take account of expert or professional advice where appropriate.

## What is a breach of the law?

A breach of the law is "*an act of breaking or failing to observe a law, agreement, or code of conduct.*" In the context of the Local Government Pension Scheme (LGPS) this can encompass many aspects of the management and administration of the LGPS, including failures such as:

- Not fulfilling requirements set out in the LGPS Regulations.
- Failing to comply with overriding legislation, applicable statutory guidance, or codes of practice.
- Inadequate maintenance of accurate records.
- Not acting upon identified fraudulent acts or omissions.
- Breaching internal policies and procedures (e.g. the Fund's statement of investment principles, funding strategy or discretionary policies).
- Employers failing to pay member and employer contributions on time.
- Inaccurate or delayed payment of member benefits.
- Late issuance of annual benefit statements or non-compliance with the Code.

## Decision to report

There are two key judgements required when deciding to report a breach of the law:

### 1. Reasonable Cause

Is there reasonable cause to believe that there has been a breach of the law?

## 2. Material Significance

Is the breach likely to be of material significance to TPR?

### ‘Reasonable cause to believe’

Having a reasonable cause to believe that a breach has occurred means more than merely having a suspicion that cannot be proved.

Where the reporter does not know the facts or events around the suspected breach, it will usually be appropriate to check with others who are able to confirm what happened. However, it would not be appropriate to alert those implicated in potential serious offences involving dishonesty, such as theft or fraud. In such cases, due to the immediate risk to scheme assets, reporters should bypass the usual checks, making only those they deem necessary and not cause undue delay in reporting to TPR.

### Likely to be of ‘material significance’

By law, any breaches must be reported to TPR if they are likely to be of ‘material significance’. Whether a breach is of ‘material significance’ depends on several factors.

### The cause of the breach

A breach is likely to be considered materially significant when it arises from any of the following:

- Dishonesty, negligence, or reckless behaviour
- Poor governance, ineffective controls resulting in deficient administration, or slow or inappropriate decision-making practices
- Incomplete or inaccurate advice
- A deliberate act or failure to act

### The effect of the breach

TPR considers a breach to be materially significant in the following instances:

- A significant proportion of members, or a significant proportion of members of a particular category of membership, are affected by the breach.
- The breach has a significant effect on the benefits being paid, to be paid, or being notified to members.
- The breach, or series of unrelated breaches, have a pattern of recurrence in relation to participating employers, certain members, or groups of members.

- Committee and Pension Board members do not have the appropriate degree of knowledge and understanding, preventing them from fulfilling their roles and resulting in the scheme not being properly governed and administered and/or breaching other legal requirements.
- Unmanaged conflicts of interest within the committee and pension board, making it prejudiced in the way it carries out the role, ineffective governance and scheme administration, and/or breaches of legal requirements.
- Systems of governance and/or internal controls are not established or operated, meaning the scheme is not run in line with their governing documents and other legal requirements.
- Risks are not properly identified and managed and/or the right money is not being paid to or by the scheme at the right time.
- Accurate information about benefits and scheme administration is not being provided to scheme members and others meaning members are unable to effectively plan or make decisions about their retirement.
- Records are not being maintained, resulting in member benefits being calculated incorrectly and/or not being paid to the right person at the right time.
- Committee and Pension Board members or anyone associated with the scheme misappropriate scheme assets or are likely to do so.

## **Reaction to the breach**

TPR will not normally consider a breach to be materially significant if prompt and effective action is taken to investigate and correct the breach and its underlying causes; and where appropriate, all affected scheme members have been notified.

A breach is likely to be of concern and material significance to TPR if it:

- Does not receive prompt and effective action to remedy, identify and tackle its cause to minimise risk of recurrence
- Is not being given the right priority
- Has not been communicated to affected scheme members where it would have been appropriate to do so
- Forms part of a series of breaches indicating poor governance
- It was caused by dishonesty, even when action has been taken to resolve the matter quickly and effectively

## **The wider implications of the breach**

The broader context of a breach should be considered. A breach may be considered materially significant in situations such as:

- The occurrence of the breach suggests a higher likelihood of further breaches emerging in the future.
- Reporters are aware of other related breaches – whether reported or unreported – that may indicate a pattern or systemic issue.

TPR will not usually regard a breach arising from an isolated incident as materially significant. Examples include:

- Teething problems associated with the implementation of a new system
- Breaches resulting from an unpredictable combination of circumstances.

However, even in such circumstances, reporters should consider other aspects of the breach, such as the severity of the effect it has had that may make it materially significant.

## **Recording of breaches**

The Governance & Risk Advisor is responsible for maintaining a record of all breaches including those which are not reported to TPR.

Given the scope of potential breaches and the complexity of LGPS administration for employers and the Fund, it is necessary to take a pragmatic approach to remediation of non-material breaches based on support, training and guidance, together with remedies available to the Fund through its Administration Strategy.

## **Resolution of non-material employer breaches**

Many non-material breaches may be resolvable through a variety of mechanisms and where necessary, the Fund will support employers to ensure they are fully aware of their responsibilities and have appropriate arrangements in place to comply with them. This may be achieved through training, the issue of guidance notes and or process review to ensure that best practice is implemented. All such arrangements will be implemented according to an agreed plan and timescale. The agreed support will be recorded against the breach and will be formally notified to the employer.

If the employer then fails to improve, a formal notification will be issued with a fine for a persistent breach and if that fails then consideration will be given to formally reporting the failing to TPR.

## **Material breaches by employers**

Where it is considered that there is a material breach by an employer, the Pensions Operations Manager will produce a report for the Head of Pensions, who will consider the breach in line with the Code of Practice, investigate as necessary and obtain legal advice where required in determining the necessity to report. The Chairs of the Committee and the Pension Board will be provided with a copy of the report and notified of the action taken by the Head of Pensions within 10 days of receipt of the report.

Serious breaches identified, such as fraud and misappropriation, will be reported to TPR as soon as practicable and appropriate notification given to auditors and/or the Police for investigation. Arrangements will be made with TPR to support the determination of any action once the investigations have concluded.

## **Non-material breaches by the Fund**

Such breaches will be recorded by the Governance and Risk Advisor and improvement actions agreed with the Pensions Operations Manager and Head of Pensions for inclusion in ongoing Improvement plans, service plans or Administration Strategy as appropriate.

## **Material breaches by the Fund**

These breaches or suspected breaches will be reported to the Director of Financial Services, Assurance and One West for formal investigation and the S151 officer will be notified. The investigation will be carried out by internal audit section or referred to the Police as required, and TPR notified as soon as practicable.

## **Reporting of breaches**

In addition to the requirement to report Material breaches to TPR, the **Governance and Risk Advisor** will formally report all breaches to the Committee and Pension Board on an annual basis, notifying the chairs of both of any significant issues as appropriate.

If at any time the Committee or Board disagree with the actions taken by the Head of Pensions, then escalation will be to the **Director of Financial Services, Assurance and One West** and/or the S151 officer.

Full details of the legal responsibilities and duties in respect of breaches of the law can be found in the [General Code of Practice](#).

Bath & North East Somerset Council	
MEETING:	<b>LOCAL PENSION BOARD OF AVON PENSION FUND</b>
MEETING DATE:	3 <sup>rd</sup> December 2025
TITLE:	Administration Performance report
WARD:	<b>ALL</b>
<b>AN OPEN PUBLIC ITEM</b>	
List of attachments to this report:	
Appendix 1 – Administration Update	
Appendix 2 – draft AFP Data Improvement Plan	
Appendix 3 – TPR data improvement report	

## 1 THE ISSUE

1.1 The purpose of this report is to present the fund administration performance for the period up to and including 31<sup>st</sup> October 2025 v's key performance indicators (KPI's).

1.2 Review the Fund's revised Data Improvement Plan.

## 2 RECOMMENDATIONS

### **The Pension Board is asked to;**

2.1 Note the service performance to the period ending 31<sup>st</sup> October 2025.

2.2 Review the new Data Improvement Plan

## 3 THE REPORT

3.1 Service - Appendix 1 includes details of the Fund's current service levels for KPIs, status 2 backlog and current projects affecting administration. The Fund has seen a predicted peak in work levels in September which is linked to end of term school leavers of non-teaching staff.

3.2 APF Data Improvement Plan - Part of the TPR General Code of Practice requires funds to have a data improvement plan (DIP). Appendix 2 is the new draft DIP which outlines how we maintain both common and scheme specific data. The board is asked to review and comment on the plan.

3.3 Recruitment - Due to staff changes and internal recruitment, the administration have a total of 4 FTE's vacant posts. Recruitment is ongoing.

3.4 Pensions Administration Strategy – Following approval by Committee in September, a consultation with employers began on 7<sup>th</sup> November and will end on 31<sup>st</sup> January 2026. Initial feedback from employers has been positive.

3.5 Supplementary Pensions Increase – has been paid in the November payroll run. 1238 members will receive an additional one off payment, ranging from £0.08 to £2,201.

3.6 Pensions Dashboard - The Fund successfully connect to the Pensions Dashboard along with its two AVC providers and is compliant with current regulations. Work is now ongoing to maintain compliance with the dashboard. An update on next steps will be given to the board at the meeting.

3.7 Access & Protections Consultation – on 13<sup>th</sup> October, the government launched a new consultation. The consultation closes on 22<sup>nd</sup> December and covers the following areas:

- Normal minimum pension age
- Pension access for councillors and mayors
- Academies in the LGPS
- New Fair Deal

3.8 Oasis direction order – on 16<sup>th</sup> October the Fund received notification that MHCLG have approved the original application made by Oasis in 2021. The order approves the consolidation of 53 academies and associated admitted bodies to LPFA. APF have 10 academies and 1 admitted body covering approximately 1500 member including active, deferred and pensioner members. This change will create significant additional workload and expense for the Fund for which we will seek recovery from Oasis and have this agreed in the final direction order.

3.9 Statutory Annual requirements :

- Year end data returns – we saw a marked improvement in the quality of data received from employers with fewer fines being issued. Please see Appendix 1 for further details.
- The annual benefit statement (ABS) exercise saw additional complications this year due to new regulatory requirements to communicate the McCloud underpin to members. A total of 94.5% of active & deferred members were issued an ABS within the regulatory deadline of 31<sup>st</sup> August. Please refer to Appendix 1 for a breakdown of cases.
- 18 members were issued a pension saving statement (PSS) before the regulatory deadline of 6th October, achieving 100% compliance.

## **4 STATUTORY CONSIDERATIONS**

4.1 Bath and North East Somerset Council, in its role as administering authority, has executive responsibility for the Avon Pension Fund. The Council delegates its responsibility for administering the Fund to the Avon Pension Fund Committee which is the formal decision-making body for the Fund.

4.2 The Pension Board has an advisory role in assisting the administering authority by making recommendations about compliance, process and governance. The Board does not have a decision-making role.

## **5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

5.1 People resource could be affected by the Consultation and Oasis direction order.

## **6 RISK MANAGEMENT**

6.1 An effective governance structure, defining clear responsibilities, and ensuring that the decision making body has an adequate level of knowledge and access to expert advice, is a key aspect of the risk management process.

## **7 EQUALITIES STATEMENT**

7.1 A proportionate equalities impact assessment has been carried out using corporate guidelines and no significant issues have been identified.

## **8 CLIMATE CHANGE**

8.1 The Fund is implementing a digital strategy across all its operations and communications with stakeholders to reduce its internal carbon footprint in line with the Council's Climate Strategy. The Fund acknowledges the financial risk to its assets from climate change and addresses this through its strategic asset allocation to Paris Aligned Global Equities, Sustainable Equities and renewable energy opportunities. The strategy is monitored and reviewed by the Committee.

## **9 OTHER OPTIONS CONSIDERED**

9.1 None.

## **10 CONSULTATION**

10.1 The Report and its contents have been discussed with the Head of Pensions representing the Avon Pension Fund and the Director of Financial Services, Assurance & Pensions representing the administering authority.

<b>Contact person</b>	Claire Newbery Pensions Operations Manager 01225 394701
<b>Background papers</b>	none
<b>Please contact the report author if you need to access this report in an alternative format.</b>	

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# Administration Update

## 3 December 2025

Claire Newbery  
Pensions Operations Manager



# Agenda

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## Topics

### Administration Updates

- Performance and KPIs
- Status 2's
- Data Improvement Plan
- Statutory Annual Requirements

### Project updates:

- Pensions Dashboard
- My Pension Online upgrade

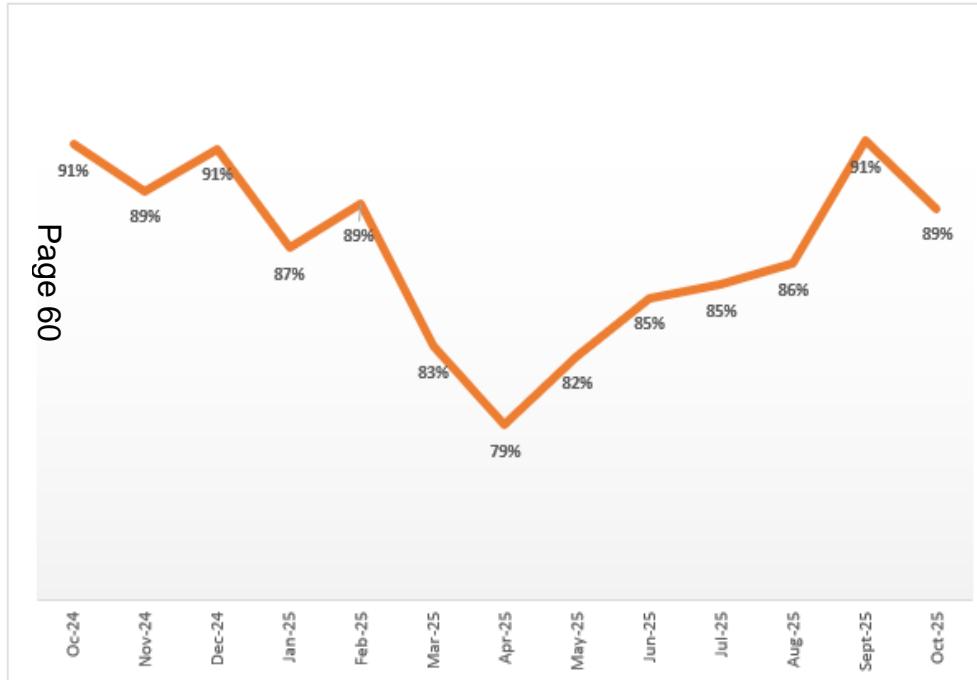
# KPI's

# SLA monthly performance average October 2024 to October 2025

Page 69

## Average SLA Performance

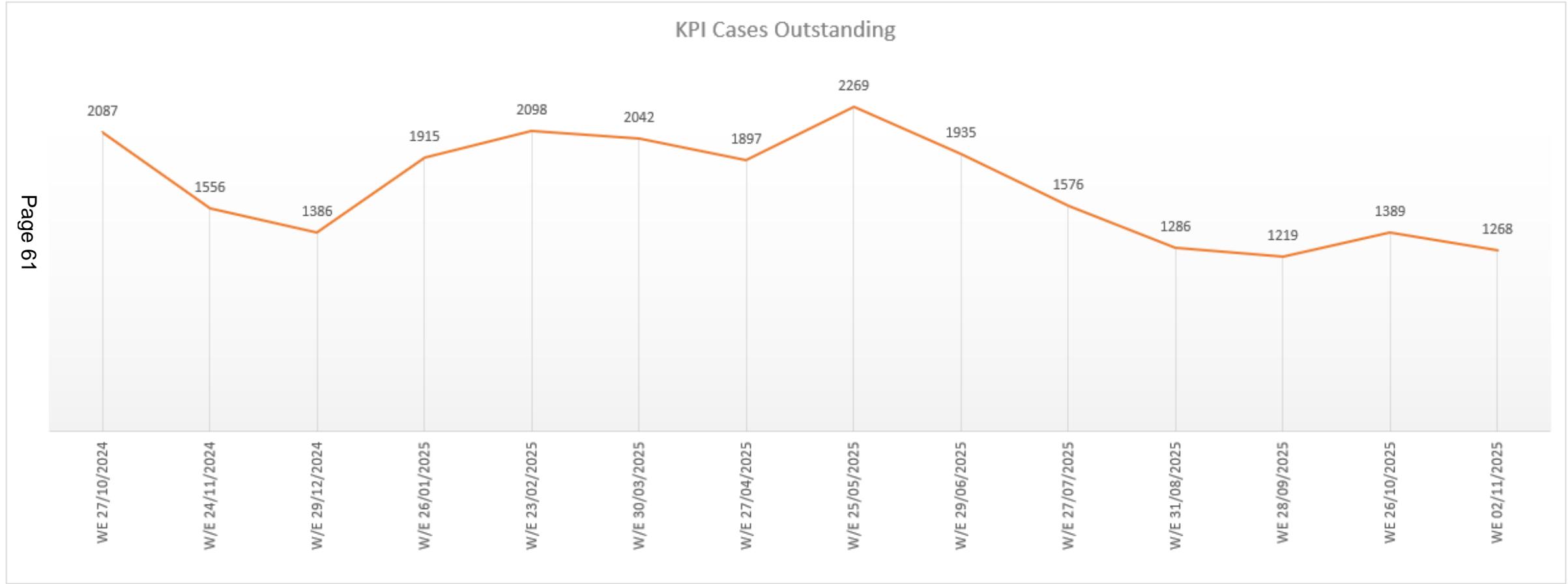
\*Based on weekly KPI data



KPI Category	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sept-25	Oct-25	Cases Created Oct-23 to Oct-25
Death Notification	94.4%	94.0%	87.6%	100.0%	93.8%	63.8%	71.0%	76.7%	90.6%	97.0%	98.2%	94.8%	98.7%	1,259
Death - Act/Def/Pen - Payment	67.5%	94.4%	67.7%	81.6%	65.3%	59.9%	49.2%	60.3%	52.6%	70.4%	70.9%	51.4%	55.6%	951
Retirement (Active) - Quote	84.1%	60.0%	86.3%	45.5%	83.5%	77.7%	80.4%	69.7%	61.7%	76.8%	89.9%	85.0%	79.9%	3,112
Retirement (Active) - Actual	99.1%	96.7%	96.7%	94.4%	90.1%	83.5%	69.4%	78.5%	80.8%	97.0%	92.1%	90.6%	93.5%	2,132
Retirement (Deferred) - Quote	88.2%	98.2%	96.2%	73.8%	71.3%	57.0%	25.5%	72.3%	80.7%	68.7%	81.0%	93.5%	91.0%	4,989
Retirement (Deferred) - Actual	90.7%	98.8%	99.1%	99.0%	98.7%	77.0%	85.5%	77.4%	76.1%	88.5%	90.6%	90.9%	86.9%	3,340
Divorce - Quote	91.7%	100.0%	100.0%	100.0%	100.0%	100.0%	86.3%	95.5%	100.0%	96.4%	100.0%	96.9%	100.0%	573
Divorce - Actual	100.0%	33.3%	0.0%	N/A	N/A	18								
Refund - Quotes	75.1%	87.9%	66.4%	73.4%	93.3%	72.5%	52.5%	64.1%	67.3%	52.1%	36.1%	85.5%	84.2%	5,630
Refund - Actual	95.2%	85.3%	81.7%	66.7%	68.6%	61.1%	77.7%	39.3%	70.3%	94.8%	98.6%	100.0%	94.6%	2,140
Deferred Benefits	95.7%	76.9%	95.1%	92.6%	87.8%	86.0%	83.8%	84.6%	87.9%	97.8%	90.0%	90.8%	86.7%	6,355
Transfer In (Active) - Quote	91.8%	59.4%	56.6%	97.4%	93.9%	77.1%	60.0%	42.2%	64.9%	58.9%	44.7%	33.3%	95.5%	794
Transfer In (Active) - Actual	48.0%	51.4%	79.2%	0.0%	56.4%	50.0%	100.0%	63.9%	47.7%	78.6%	72.2%	83.3%	50.0%	387
Transfer Out (Active/Deferred) - Quote	42.5%	12.1%	46.6%	35.9%	2.8%	9.8%	30.4%	34.8%	27.2%	43.5%	46.4%	52.0%	8.8%	2,352
Transfer Out (Active/Deferred) - Actual	100.0%	100.0%	100.0%	100.0%	83.3%	100.0%	33.3%	100.0%	85.4%	100.0%	62.5%	77.8%	20.8%	239
Employer Estimate - Quote	94.4%	91.7%	80.8%	94.5%	100.0%	97.5%	92.0%	76.4%	86.4%	90.2%	91.7%	100.0%	91.7%	483
Member Estimate - Quote	86.9%	98.7%	100.0%	91.9%	97.5%	94.3%	96.3%	87.1%	100.0%	90.9%	77.2%	76.7%	60.8%	1,499
Joiner	100.0%	100.0%	100.0%	99.6%	100.0%	99.6%	99.8%	99.8%	100.0%	95.4%	100.0%	100.0%	100.0%	26,003
Weighted Average	91%	89%	91%	87%	89%	83%	79%	82%	85%	85%	86%	91%	89%	

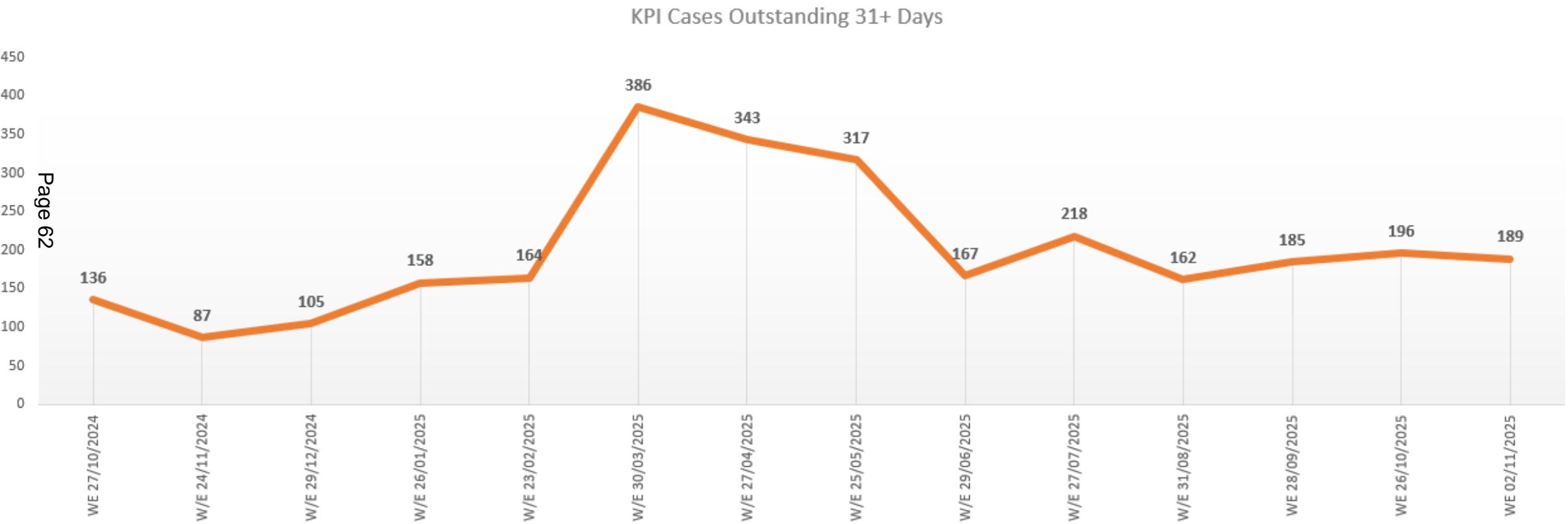
# Total KPI's outstanding – Oct 2024 to Oct 2025

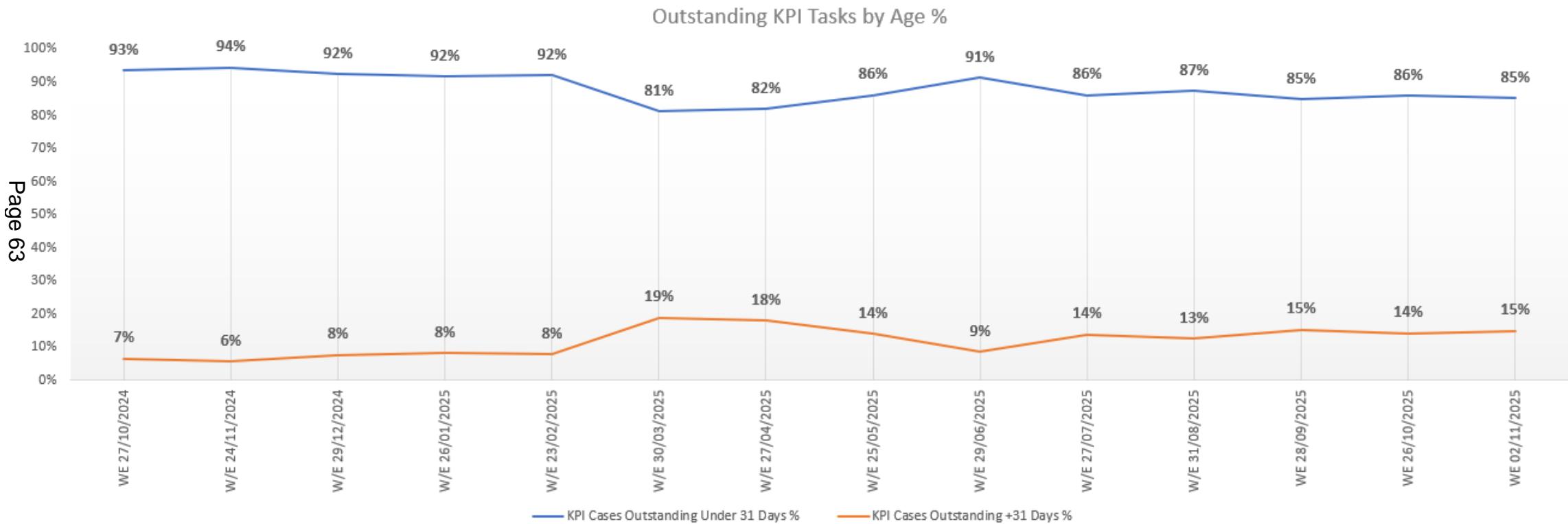


# KPI's outstanding over 31 days – Oct 2024 to Oct 2025

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# KPI's case by age % - Oct 2024 to Oct 2025



# KPI cases completed period ending Oct 2025

(cases numbers v target – cumulative % processed)

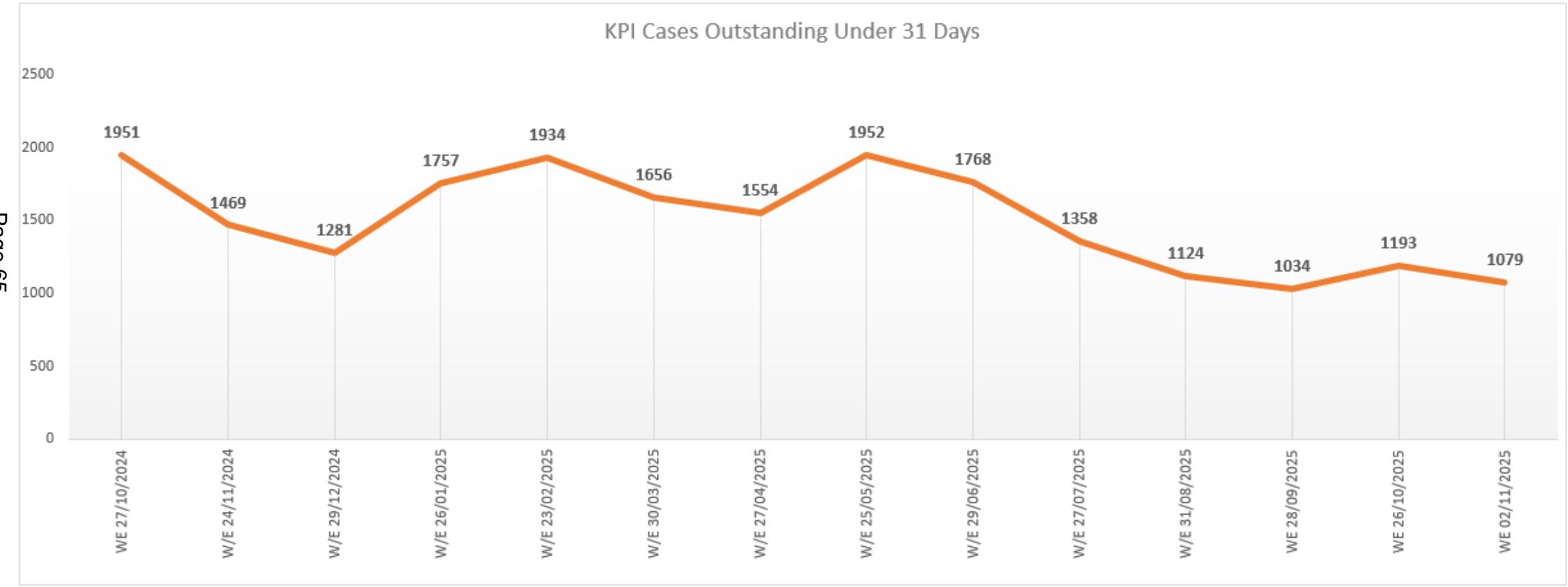
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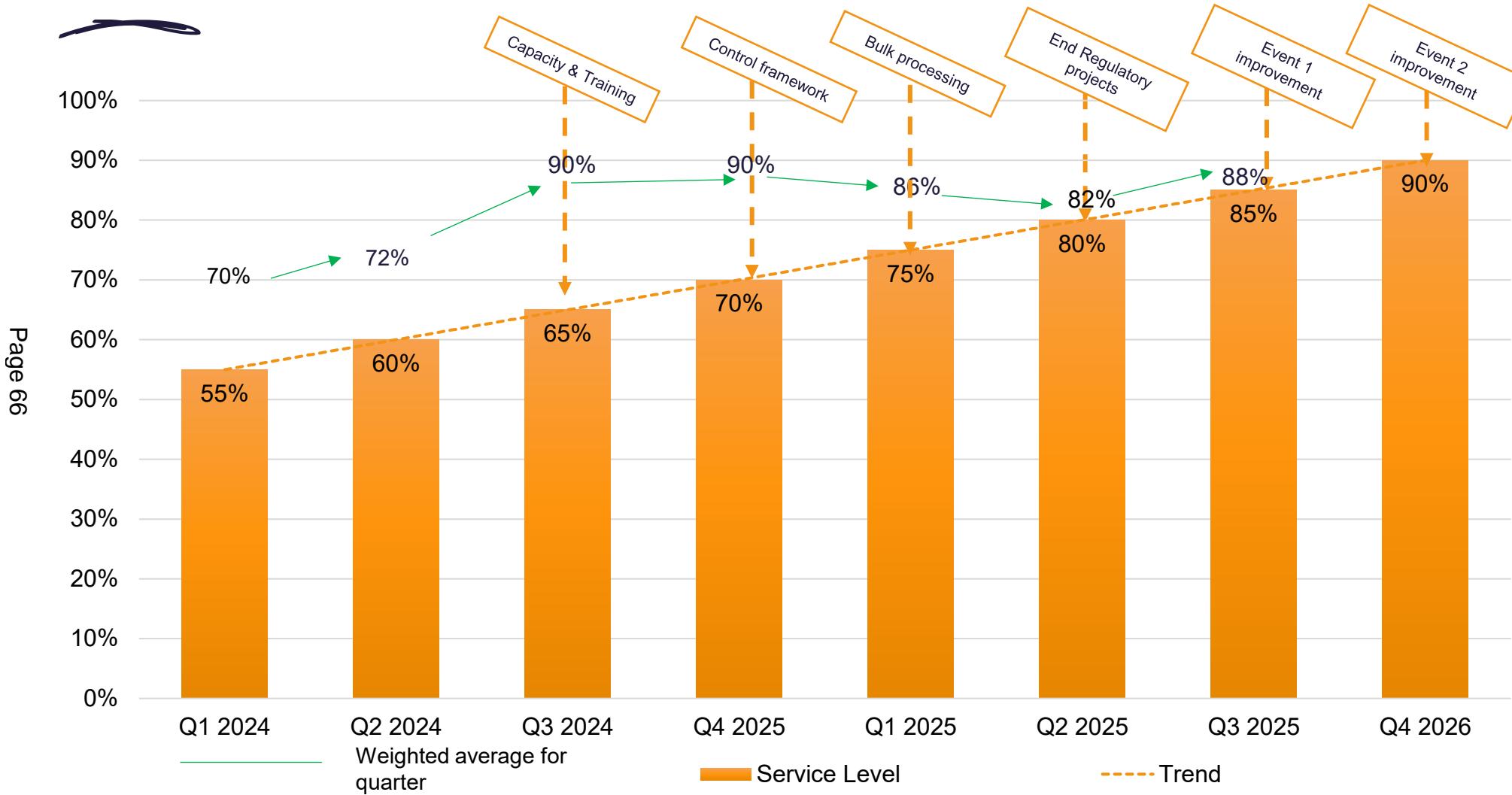
		Tasks Current Quarter									
		Actual Days to Process									
		0 to 5	6 to 10	11 to 15	16 to 20	21 to 25	26 to 30	31 to 40	41 to 45	46 to 59	60+
<b>Death Notification</b>	<b>5 Days</b>	98%	100%								
<b>Death - Act/Def/Pen - Payment</b>	<b>10 Days</b>	25%	56%	69%	72%	78%	83%	83%	83%	89%	100%
<b>Retirement (Active) - Quote</b>	<b>15 Days</b>	38%	54%	79%	89%	92%	94%	98%	98%	100%	
<b>Retirement (Active) - Actual</b>	<b>15 Days</b>	72%	83%	94%	96%	96%	96%	96%	97%	99%	100%
<b>Retirement (Deferred) - Quote</b>	<b>30 Days</b>	12%	30%	49%	68%	81%	87%	93%	93%	95%	100%
<b>Retirement (Deferred) - Actual</b>	<b>15 Days</b>	55%	82%	87%	95%	96%	97%	98%	99%	99%	100%
<b>Divorce - Quote</b>	<b>45 Days</b>	36%	67%	74%	79%	90%	95%	97%	100%		
<b>Divorce - Actual</b>	<b>15 Days</b>										
<b>Refund - Quotes</b>	<b>10 Days</b>	66%	78%	82%	86%	89%	91%	96%	98%	100%	
<b>Refund - Actual</b>	<b>10 Days</b>	88%	96%	98%	99%	99%					
<b>Deferred Benefits</b>	<b>30 Days</b>	24%	54%	67%	76%	81%	86%	91%	96%	99%	100%
<b>Transfer In (Active) - Quote</b>	<b>10 Days</b>	73%	91%	100%							
<b>Transfer In (Active) - Actual</b>	<b>10 Days</b>	33%	67%	100%							
<b>Transfer Out (Active/Deferred) - Quote</b>	<b>10 Days</b>	3%	12%	43%	71%	83%	84%	97%	97%	100%	
<b>Transfer Out (Active/Deferred) - Actual</b>	<b>10 Days</b>	25%	25%	38%	63%	75%	88%	100%			
<b>Employer Estimate - Quote</b>	<b>15 Days</b>	68%	76%	92%	100%						
<b>Member Estimate - Quote</b>	<b>15 Days</b>	45%	56%	61%	85%	88%	95%	98%	98%	100%	
<b>Joiner</b>	<b>40 Days</b>	39%	91%	100%							

# KPI cases outstanding under 31 days – Oct 2024 – Oct 2025



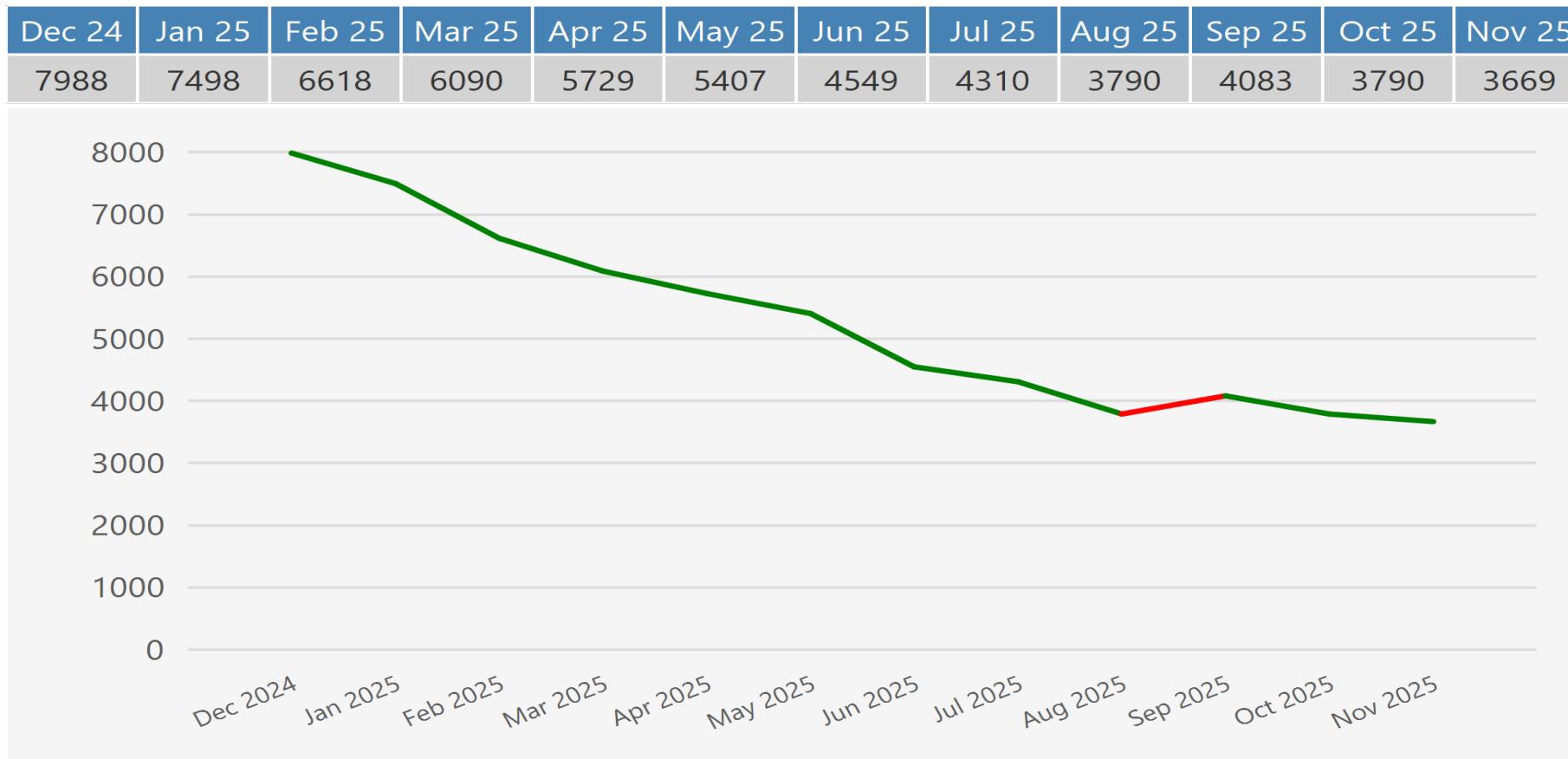
# Service performance – plan v's actual – Oct 2025



# Status 2 Records

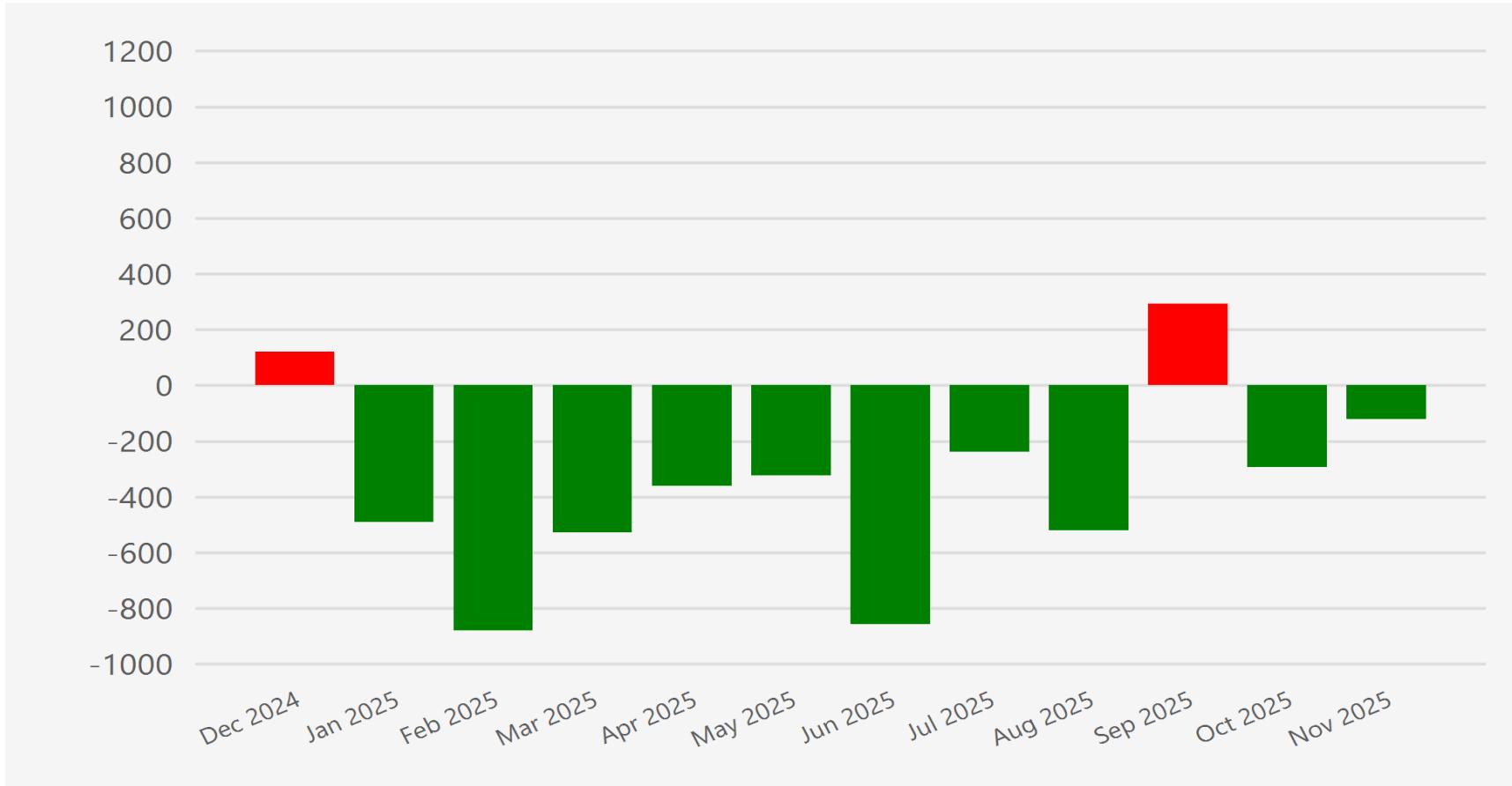
# Status 2 Records

During the last year, the number of status 2 records we held on our system peaked at 8,307 during September 2024. Compared with 3,790 status 2 records as at the end of October 2025, this is a 55% reduction. This coincides with the peak number of outstanding leaver cases, which is broken down in future slides.



# Status 2 Members Month on Month Reduction

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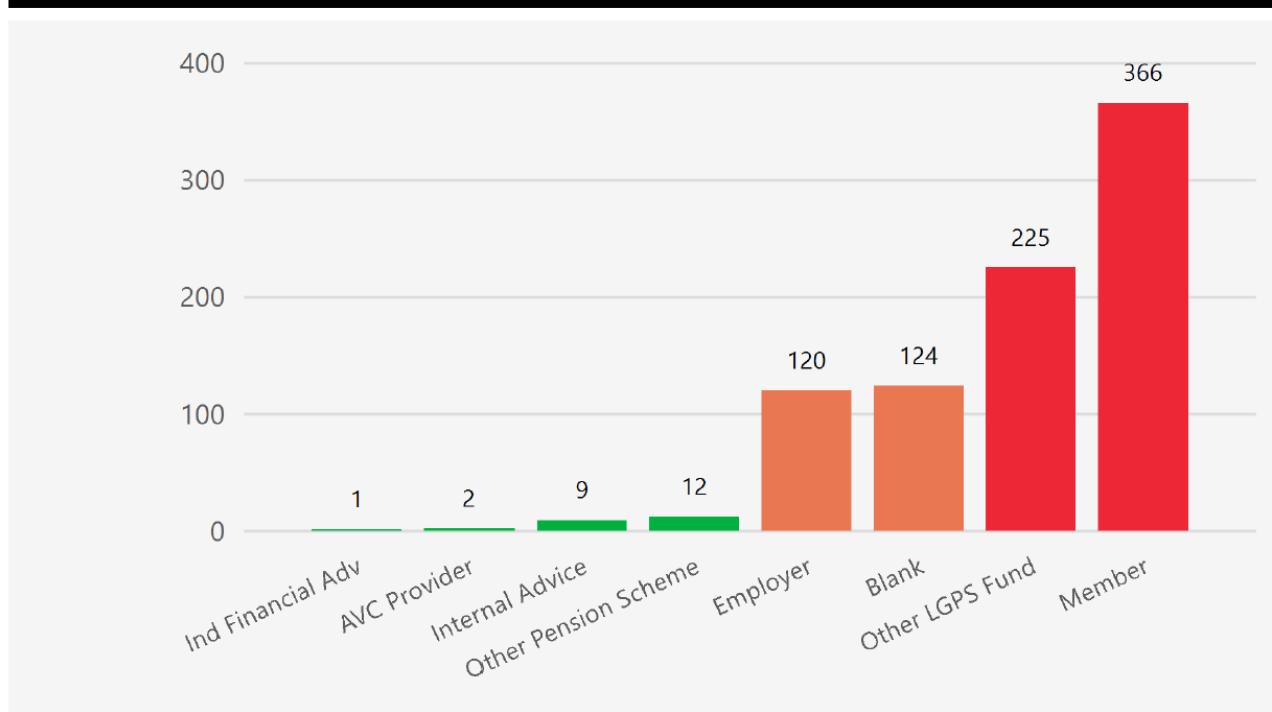
# Status 2 Members Aged Analysis as at 06.11.2025

Time Period	
Post dated leave Date	24
0 – 3 Months	1847
4 – 12 Months	893
1 – 2 Years	299
2 Years +	463
Grand Total	3526

# Type of Cases Outstanding on Status 2 Records

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Status 2 Tasks - by Reply Due Type

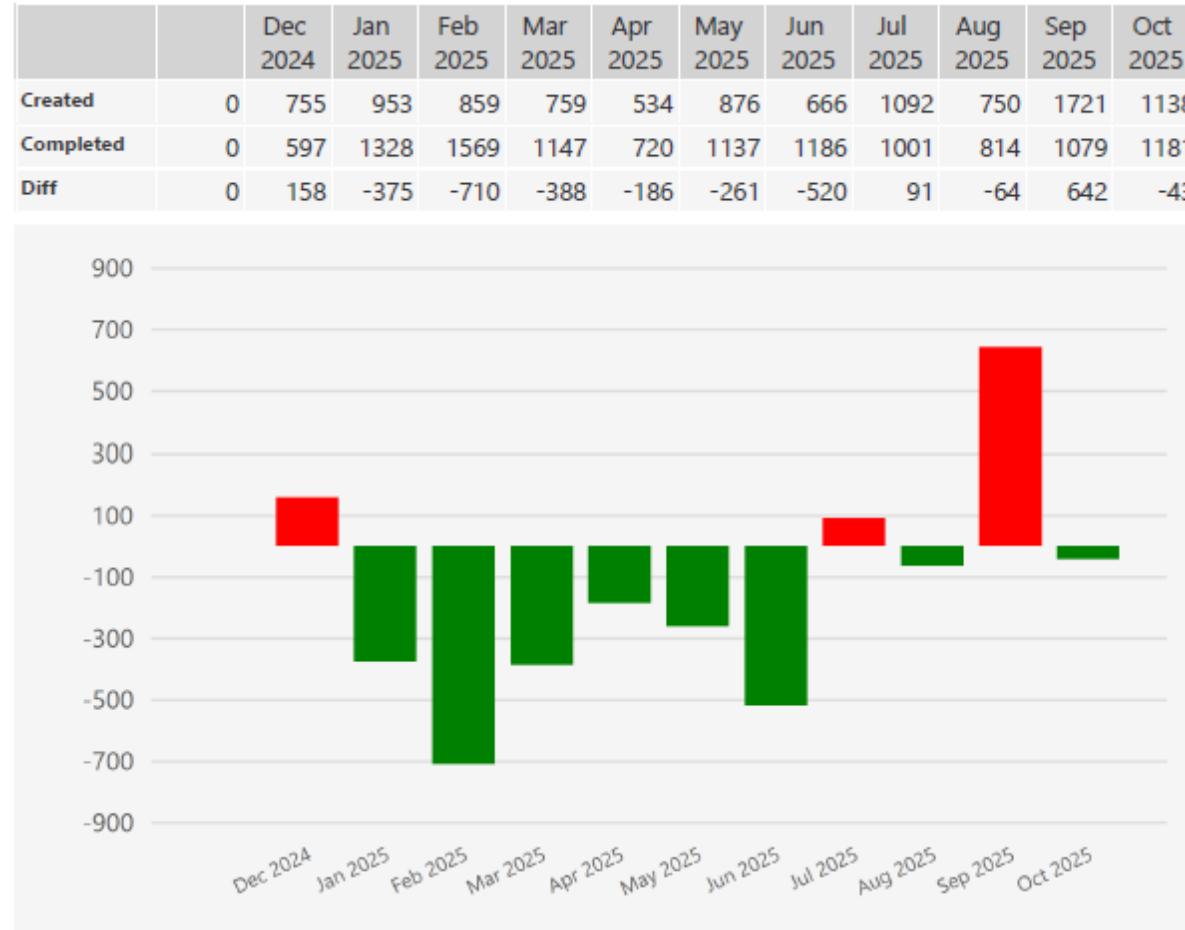


As at the end of October 2025, the total outstanding cases sat at 3669, of these, 859 are awaiting replies to enable processing.

366 are awaiting a response from the member and 225 are awaiting a response from another LGPS Fund

# Status 2 - iConnect Leaver Cases

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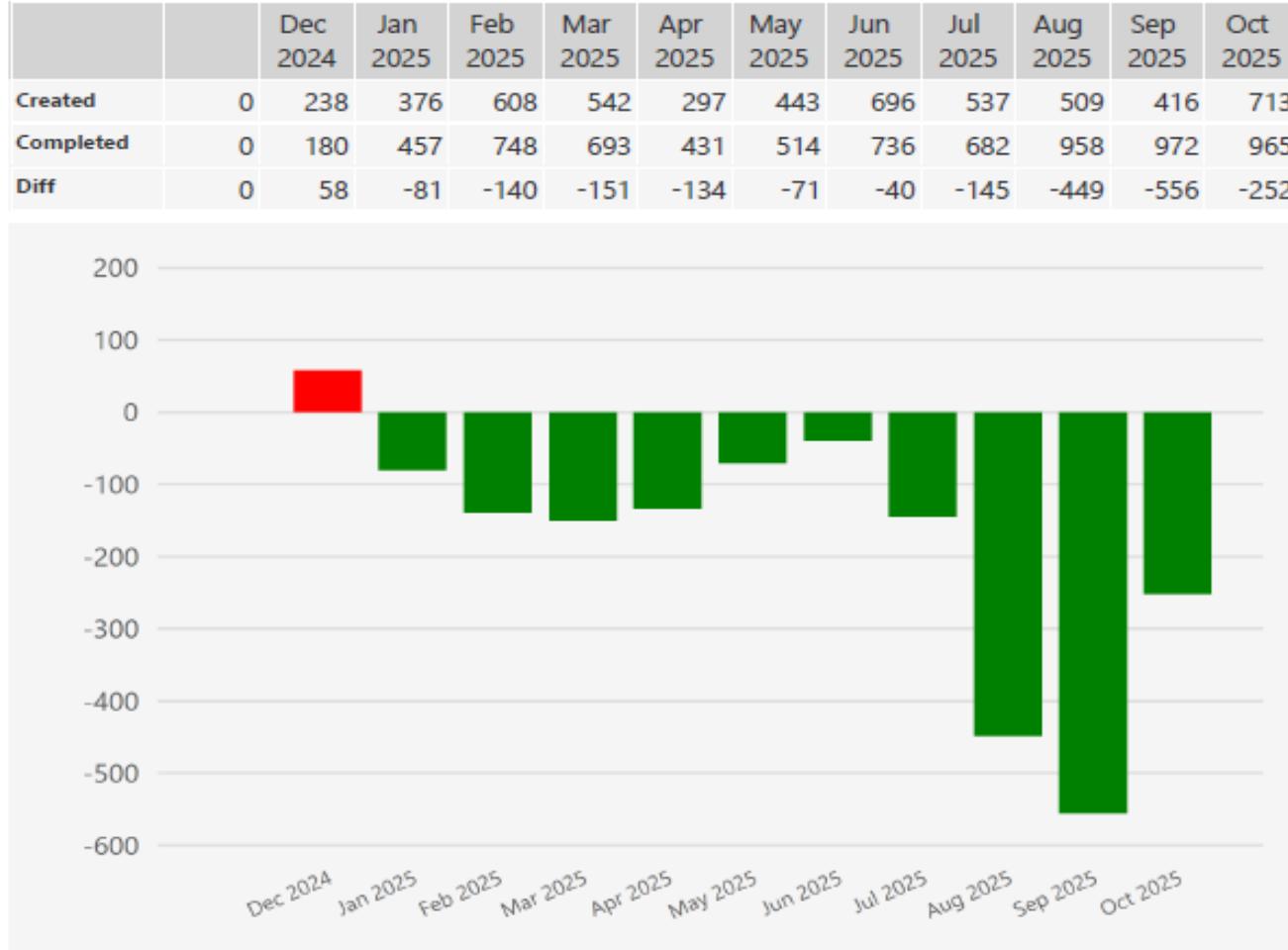
## IC Leavers Created/Completed

This chart shows the amount of ICLEAVER tasks that have been created and completed between December 24 and October 25.

Spikes are experienced in both December and September on a yearly basis, with the highest number of created cases being in September 2025 with a figure of 1721

## Status 2 – Aggregations (BAGGA)



The table shows Aggregations that have been created and completed from December 24 to October 25

An aggregation project was carried out between August and October to reduce the number of aggregations remaining in the fund

# Statutory Annual requirements



# Year End Overview

## Data Return outcomes

- **504 employers** submitted year-end data returns, covering 41,709 members.
- **2 employers** (0.4%) were fined for late returns.
- **3 employers** (0.6%) were fined for excessive data queries (\*less than 2% query rate).
- **8 employers** (1.6%) received a data improvement plan (\*\*reduced from 21 in 2024).
- **Employer participation** increased by 4% compared to the previous year.

## Process Improvements supporting improved outcomes

- **New APP Data Spreadsheet:** Introduced a structured spreadsheet for employers to submit additional APP data. Feedback was overwhelmingly positive, with many noting improved clarity and efficiency.
- **Online Declaration:** Successfully launched an online declaration tool, which was well-received by employers.
- **Enhanced Data Checks:** The Data Control Team's proactive checks throughout the year led to a smoother year-end, reducing queries and enabling completion by the fund two weeks earlier than in 2024.

# Annual Benefit Statements 2025

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Active ABS 2025				Deferred ABS 2025		
	Postal	Email	Total	Postal	Email	Total
<b>Group 1 - McCloud protected with underpin</b>	274	328	602	223	120	343
<b>Group 2 - McCloud protected with £0.00 underpin</b>	3294	4061	7355	3524	2511	6035
<b>Group 3 - McCloud protected but cannot quote underpin value</b>	13	33	46	8	13	21
<b>Group 4 - No McCloud protection - non qualifying</b>	19595	10982	30577	23579	11292	34871
<b>Totals</b>			38580			41270
<b>Starting Population</b>	39087 inc errors			45392 inc errors		
<b>Active errors (for review and correction)</b>	14			62		
<b>Removed Gone Aways</b>	43			3827		
<b>Removed £0.00 Pension</b>	440			171		
<b>Removed Other queries</b>	10			62		
<b>Starting population less errors / removed cases =</b>	38580			41270		
<b>Percentage of populaion issued</b>	98.70%			90.92%		
<b>October re-run - Number issued</b>	35			66		

# Project Updates

**Richard Hopkins**  
**Project Manager**

# My Pension online

## Overview

What it is ?	<ul style="list-style-type: none"> <li>Provides secure, 24/7 access to pension information</li> <li>Enable lifestyle-based retirement planning</li> <li>Getting to members pension details quicker</li> <li>Support digital-first member engagement</li> </ul>
Benefits	<ul style="list-style-type: none"> <li>SMS two-factor authentication for enhanced security</li> <li>Accessible, user-friendly design</li> <li>Clear retirement planning tools</li> <li>Fast, easy access to pension details</li> </ul>
What and how the project delivered	<ul style="list-style-type: none"> <li>DPIA for governance and compliance</li> <li>Platform build and workflow setup</li> <li>User testing across Fund teams</li> <li>Registration campaign and stakeholder engagement</li> <li>Staff training and rollout support</li> </ul>
Future Developments	<ul style="list-style-type: none"> <li>Boost member registrations – developing communication opportunities</li> <li>Online P60s and payslips</li> <li>Digitised workflows and processing</li> </ul>



Welcome, Richard

Manage your pension



Retirement planner

Use our retirement planner to set or edit calculations based on your expenditure vs income to help ensure your retirement matches your lifestyle.



Annual Benefit Statements

View and compare all of your previous Annual Benefit Statements in one location.



Manage beneficiaries

Manage who should receive your pension benefits if you pass away.



Benefit calculators

Our online retirement calculators will help you work out what you're likely to receive when you retire.

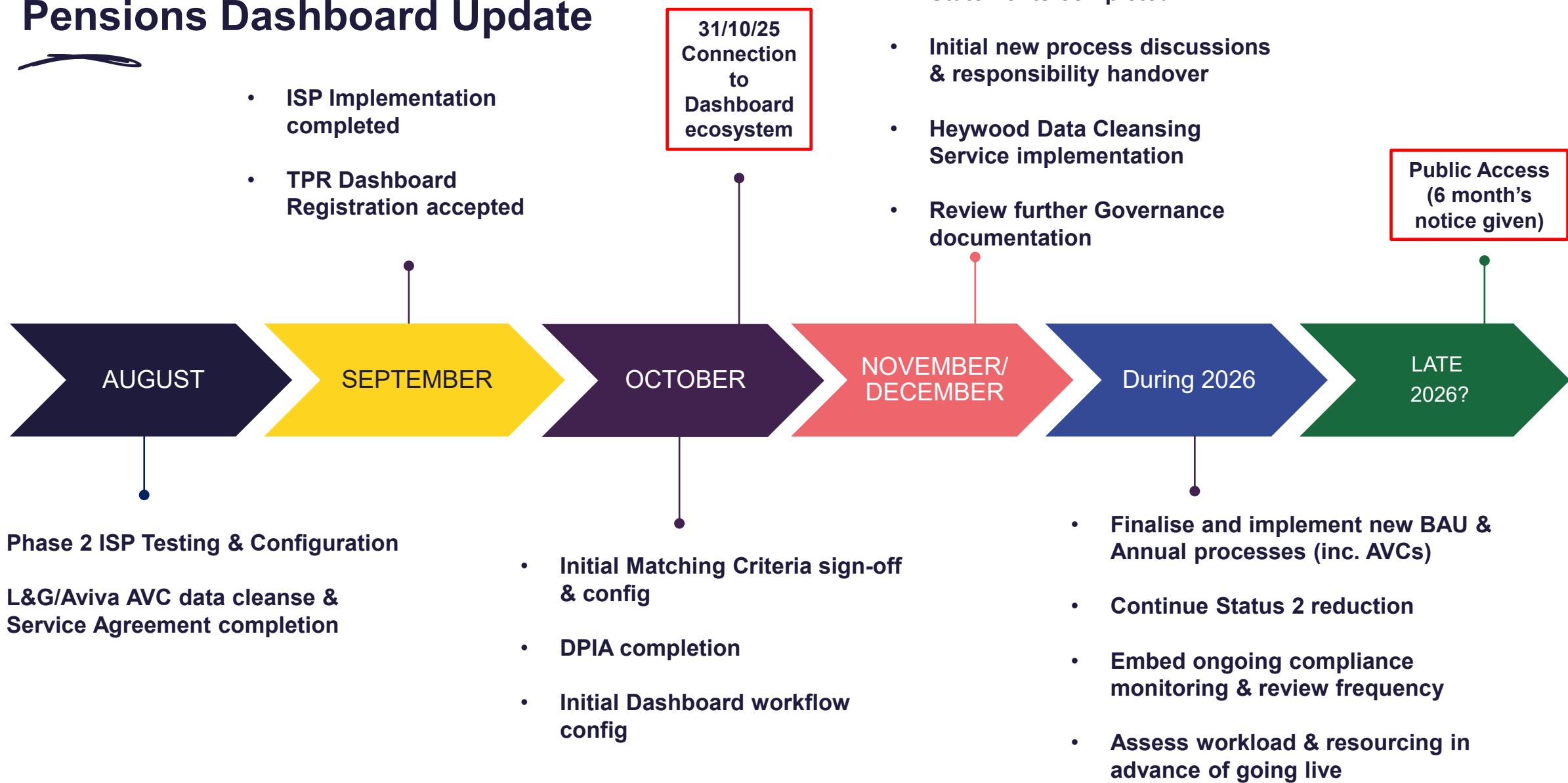


Latest valuation

View the most recent valuation of your pension and a detailed breakdown of your pension benefits.

# Pensions Dashboard Update

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Your pension, your future

# **Avon Pension Fund Data Improvement Plan (DIP)**

2025

## Contents

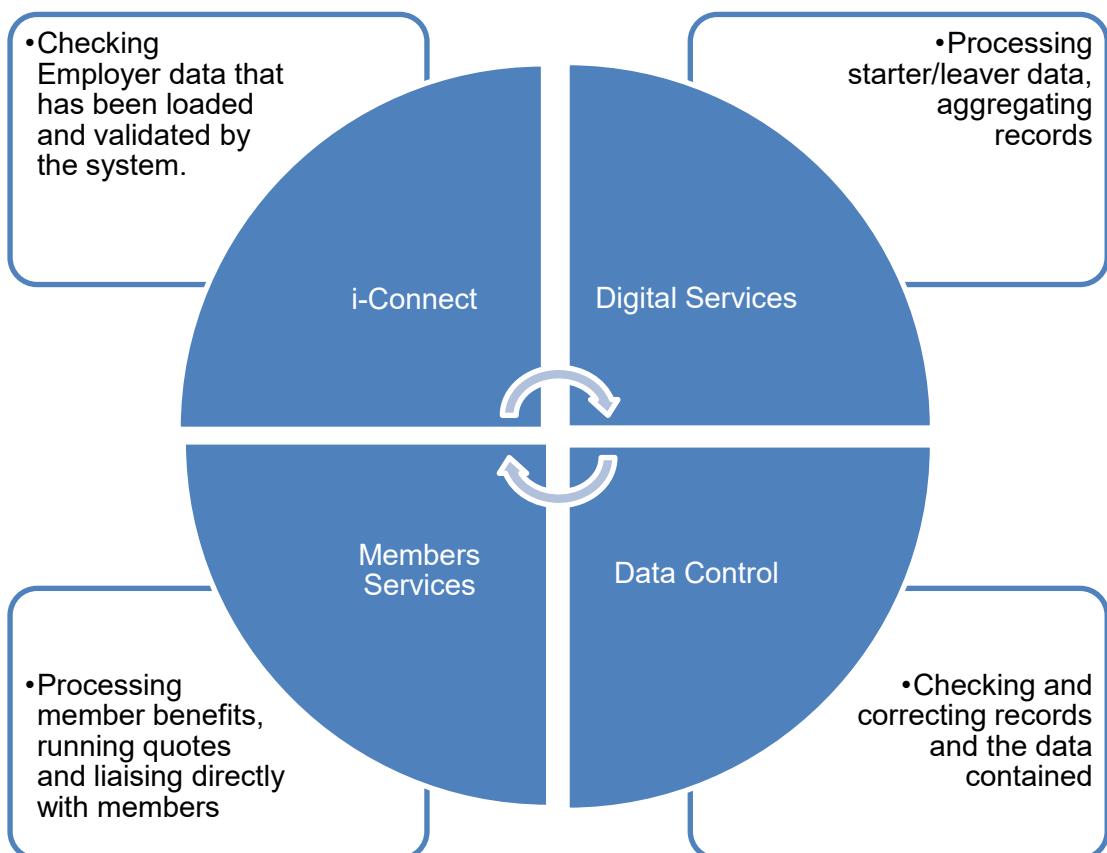
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## Introduction

Avon Pension Fund's Data improvement plan (DIP) is a document that outlines the steps taken to assess and improve the quality of data held within the current Pension System Software (PSS). This document lists the key objectives to achieve better data, and how the Fund will implement changes or projects to cleanse data. As per The Pensions Regulator's (TPR) definition of data, data is classed as either *Common data* or *Scheme Specific data*. Common data is data that is held across all pension schemes, Scheme data is specific to a scheme, so may differ between funds.

i-Connect is a portal that allows employers to upload their data directly to our PSS. Information supplied by the employer regarding members, is validated by the employer at joining as part of their employment checks. Avon Pension Fund (APF) will verify data again upon payment of benefit.

With the implementation of the Pensions Dashboard and our requirement to connect in October 2025, there is an increased need for the Fund to cleanse and check the data held on the PSS. The Fund is continuously reviewing its core data for completeness and accuracy. The data that is received from employers goes through a cycle of teams to ensure its accuracy. The below illustrates the cycle of data.



## Common data

Common data is mandatory as per TPR guidance; it is information that is consistent throughout all pension funds and is required for the everyday running of a fund. The Fund's approach to Common data is as follows:

Type of data	Information supplied by the employer
<b>National Insurance number (NINO)</b>	<ul style="list-style-type: none"><li>• A NINO is a unique identifier allocated by HMRC</li><li>• Records require a NINO, in some instances a temporary number is supplied, the Fund requests corrections of any temp NINOs from the employer</li></ul>
<b>Surname and either forename or initials</b>	<ul style="list-style-type: none"><li>• When an employee changes their name, for example through marriage, a copy of the marriage certificate is required</li></ul>
<b>Sex</b>	<ul style="list-style-type: none"><li>• A monthly consistency report is run to identify any name, title or sex are mismatched</li></ul>
<b>Date of Birth (DoB)</b>	<ul style="list-style-type: none"><li>• A monthly consistency report is run to identify anyone under 16 or over 75 and not in payment</li></ul>
<b>Address including post code</b>	<ul style="list-style-type: none"><li>• Active members – a member may update personal details via a member portal. As we also receive data via i-Connect, members are also advised to contact their employer to update their address.</li><li>• Where a member's address is not known (marked as gone away), the Fund uses tracing services to locate the member's new address. A generic letter is sent asking the member to contact the Fund to confirm their identity and update their address.</li></ul>
<b>Date pensionable service started, membership/policy start date or first contribution date</b>	<ul style="list-style-type: none"><li>• This is the date that the member joins the Fund</li><li>• Monthly consistency reports are run to identify inconsistencies between date commenced current employment and date joined Fund</li></ul>

Type of Data	Information generated by PSS
<b>Expected retirement/maturity date (target retirement age)</b>	<ul style="list-style-type: none"> <li>Automatically generated by the PSS based on date of birth.</li> </ul>
<b>Membership Status/ Last status event</b>	<ul style="list-style-type: none"> <li>Membership status is a designation that provides additional information about a member.</li> <li>The date of status change is auto generated the status options within the PSS are as follows: <ul style="list-style-type: none"> <li>1: Active</li> <li>2: Undecided Leaver</li> <li>3: Exit no liability</li> <li>4. Deferred</li> <li>5. Pensioner</li> <li>6. Widow/Dependant</li> <li>7. Death</li> <li>8. Awaiting Entry</li> <li>9. Frozen Refund</li> <li>O: Optant Out</li> <li>T: Third Tier Cessation</li> <li>A: Non-Protected</li> <li>Z: Aggregation</li> </ul> </li> </ul>

## Scheme specific data

Scheme specific data is data that has been determined by the Scheme Advisory Board (SAB) for LGPS, it is deemed as necessary by the Avon Pension Fund to have the below information to provide accurate information to the member. The list below is not exhaustive but are the main areas of data cleansing.

Type of Data	Reaction to Issue
Members Salary	<ul style="list-style-type: none"><li>• This is broken down into two categories:</li><li>• CARE Career Average Revalued Earnings, this is the actual pay a member received</li><li>• Final salary, this is the full time equivalent of a member's salary without reduction (see exclusions on our website) applicable to members with pre-2014 service</li><li>• Monthly comparisons are carried out by the i-Connect team and queried at Year End</li></ul>
Employer and Employee contributions	<ul style="list-style-type: none"><li>• Provided by the employer on i-Connect monthly returns</li><li>• Data returns are checked monthly by the i-Connect team and reconciled by the Fund's Accounts team</li><li>• Additional checks are carried out at Year End</li></ul>
Employment Records	<ul style="list-style-type: none"><li>• Records of a member's employment, dependent on service a member may have multiple records at different statuses</li><li>• Monthly control reports are run by Digital Services team to identify duplicate records that can be aggregated</li></ul>

## The Fund approach

The Fund continually reviews its data, and has the following safeguards for members:

- **Active members:** As these members are still contributing to the Fund, their data is submitted monthly by the employer. The Fund carry out regular checks for completeness and accuracy. At Year End the Fund carries out further checks that can only be done after end of the financial scheme year. Active members are issued an Annual Benefit Statement (ABS) every year and any missing addresses are dealt with via the employer.
- **Deferred members:** These members are no longer contributing to the Fund; their data remains static, except for retrospective legislation changes. Pension Increase (PI) is applied to their pension account annually and an ABS is issued. In instances where the member has their correspondence returned as gone away, they are traced via tracing services.

Regular control reports are run to identify and resolve any data issues, as detailed above.

## Data validations for active members

Requested Data	
<b>LGPS Eligibility issue – Age 75 Exceeded</b>	<ul style="list-style-type: none"> <li>Members are only permitted to contribute to the scheme until they are 74 years and 363 days old</li> <li>If a member's age exceeds this, it is queried with the employer, as they are unable to remain an active member in the scheme</li> <li>It is recommended that the date of birth of a member is checked to make sure it is correct</li> </ul>
<b>CARE pay required</b>	<ul style="list-style-type: none"> <li>CARE pay is required for every member to calculate their pension</li> <li>Queried with employer if data is missing or appears incorrect</li> </ul>
<b>Correct Address Required</b>	<ul style="list-style-type: none"> <li>Active members with gone away addresses are queried with the employer</li> <li>Members of any other status are traced via tracing services</li> <li>Required format for addresses is as follows to ensure matching for the Pensions Dashboard:</li> </ul> <p><b><i>House name/number, Street name, Town/city, Post code</i></b></p>
<b>Correct NI Number required</b>	<ul style="list-style-type: none"> <li>This is a key member identifier</li> <li>Temporary NI's are given to people that do not yet have an NI/ non-UK resident</li> </ul>
<b>Date joined fund required</b>	<ul style="list-style-type: none"> <li>Should reconcile with a member's service record</li> <li>Issues can arise when a backdated DJF is provided, due to late starter notifications or re-enrolment into the scheme.</li> </ul>
<b>Leaver form required</b>	<ul style="list-style-type: none"> <li>A leaver form is required for any member over 55 leaving the scheme or death or ill health case</li> <li>Regular checks are undertaken to ensure the Fund receives a form for all relevant leavers</li> </ul>
<b>Full Time Equivalent (FTE) (and for the McCloud underpin)</b>	<ul style="list-style-type: none"> <li>Full Time Equivalent is the amount a member earns over a 365-day period without reduction</li> <li>It is used for members that have pre-2014 service and the McCloud underpin</li> <li>This information is checked for variances with the employer at year end and any corrections are made manually</li> </ul>
<b>Correction of Forename/Surname/DOB</b>	<ul style="list-style-type: none"> <li>Forename, surnames and DOB are important for member identification</li> <li>This data is validated at the point of benefits payable</li> </ul>

## Reporting Employer non-compliance and escalation

The Fund will act and potentially issue penalty fines, if data is not submitted by an employer to the Fund in line with the Pensions Administration Strategy and service level agreement for employers.

For a more detailed breakdown of our process and penalty fines, please refer to the [Pensions Admin Strategy](#). (insert link once complete)

## Other data cleansing projects

APF will carry out ad-hoc data cleansing as and when issues arise or regulations change. The following are not an exhaustive list of all projects:

### McCloud

In 2018 the Court of Appeal implemented a remedy to remove discrimination and ensure equal rights to those whose pensions were affected by the change to Career Average Revalued Earnings scheme regulations as of the 1st of April 2014. This meant that members with qualifying service prior to 1st April 2012 with no gap in service greater than 5 years are entitled to have the service accrued between 1st of April 2014 to 31st March 2022 revalued under the final salary scheme, if found to be of higher value this forms an underpin that will be paid to the member upon retirement. A data exercise was required to ensure APF had complete service records for members for the underpin period.

### Casual hour project

Casual hour data projects are carried out to record service hours of casual members that were not previously held.

### Age 65 project

Under the McCloud ruling, it is required that any member that has qualifying service will have a Pensionable remuneration figure calculated to the day before their 65th birthday. The Fund carries out underpin checks using information already provided, and an FTE is requested where an underpin applies. For Active members, once they reach age 65 the Fund will contact the employers to confirm the pensionable remuneration figure.

### Address tracing project

Outstanding address data queries for non-active members are reviewed on a regular basis. Within the PSS, monthly data checks are run to identify changes in member

data using various external data sources. Once traced a mailing is sent to the member to validate their new data/address.

## **Pensions into payment**

When a member has reached pensionable age, their pension must be put into payment according to regulations. However, if a member address that is held is incorrect, the fund must take necessary steps to trace these members.

## **Actuary data tool**

The data tool is provided by the scheme actuary following an annual data return and consists of prioritised data that could have a material financial impact to an employer's liability in the Fund, this is dependent on the size of employer. Once received by the actuary, the data is reviewed per employer and actioned where necessary.

## **AVC reconciliation**

Members can elect to pay additional voluntary contributions (AVC) which are set up by the Fund with a third party, the current AVC provider is Legal and General. As contributions are not paid directly to the Fund, the Fund carries out additional reconciliation back to the member data held within the Fund's PSS.

## **Other ways we receive information**

Tell us once, is a government service that a member of the public can use to notify multiple government departments about a person's death. This data is received through the Fund's pension payroll department. Death certificates are not required if this service is used.

## **NI database**

The National insurance database is used for the following events:

- New Starters
- Refunds
- Deferreds
- Transfer Outs
- Interfunds
- Retirements
- Ill Health
- Deaths

Where a member has a match for qualifying service, the other LGPS is contacted for service details.

## Annex 1 – TPR Errors by Member Numbers

	Jun-25				Sep-25				*Trend
	Member Records	TPR Errors	% Errors	Data Score	Member Records	TPR Errors	% Errors	Data Score	
ACTIVE	41,196	87	0.21%	99.79	40,056	81	0.20%	99.80	▼ 6
UNDECIDED	4,549	65	1.43%	98.57	4,080	44	1.08%	98.92	▼ 21
DEFERRED	45,666	3,617	7.92%	92.08	45,667	3,595	7.87%	92.13	▼ 22
PENSIONERS	37,782	381	1.01%	98.99	38,260	355	0.93%	99.07	▼ 26
DEPENDANTS	5,190	165	3.18%	96.82	5,250	164	3.12%	96.88	▼ 1
FROZEN	8,895	1,935	21.75%	78.25	8,994	1,917	21.31%	78.69	▼ 18
<b>TOTALS</b>	<b>143,278</b>	<b>6,250</b>	<b>4.36%</b>	<b>95.64</b>	<b>142,307</b>	<b>6,156</b>	<b>4.33%</b>	<b>95.67</b>	<b>▼ 94</b>

## Annex 2 – Outstanding Queries by Type (there may be multiple queries per member)

	Jun-25		Sep-25		*Trend
	TPR Errors	%	TPR Errors	%	
Age 75 Exceeded Lgps Eligibility Issue	122	1.94%	120	1.94%	▼ 2
CARE pay for 2014-2015 required	0	0.00%	0	0.00%	▲ 0
CARE pay for 2023-2024 required	2	0.03%	0	0.00%	▼ 2
CARE Pay Req (add dates in task comment)	34	0.54%	11	0.18%	▼ 23
Casual Hours Data Required	0	0.00%	0	0.00%	▲ 0
Correct Address Required	5,366	85.24%	5,259	84.89%	▼ 107
Correct Forenames Required	8	0.13%	8	0.13%	▲ 0
Next of kin address Required?	62	0.98%	109	1.76%	▲ 47
Correct date of birth required	7	0.11%	5	0.08%	▼ 2
Correct Nino Required	176	2.80%	171	2.76%	▼ 5
Correct Title Required ie Miss Or Mr	0	0.00%	1	0.02%	▲ 1
Data Required From A Previous Employer	1	0.02%	0	0.00%	▼ 1
Date Joined Fund Required	1	0.02%	0	0.00%	▼ 1
Historic Refund Case	443	7.04%	440	7.10%	▼ 3
Leaver Form Required	20	0.32%	14	0.23%	▼ 6
Pay Ref Required	14	0.22%	5	0.08%	▼ 9
Correct Surname Required	39	0.62%	52	0.84%	▲ 13
<b>Grand total</b>	<b>6,295</b>	<b>100%</b>	<b>6,195</b>	<b>100%</b>	

\*Trend is influenced by number of errors

### Outstanding TPR Cases by Error Type



<b>Bath &amp; North East Somerset Council</b>	
MEETING:	<b>LOCAL PENSION BOARD OF AVON PENSION FUND</b>
MEETING DATE:	<b>03/12/2025</b>
TITLE:	<b>Update of Legislation</b>
WARD:	<b>ALL</b>
<b>AN OPEN PUBLIC ITEM</b>	
List of attachments to this report:	
<b>Appendix 1 - Latest position of regulatory changes</b>	

## **1 THE ISSUE**

1.1 The purpose of this report is to update the Pension Board on the latest position concerning the Local Government Pension Scheme [LGPS] and any proposed regulatory matters that could affect scheme administration.

## **2 RECOMMENDATIONS**

**The Pension Board is asked to;**

2.1 Note the current position regarding the developments that could affect the administration of the fund.

## **3 THE REPORT**

3.1 The table attached provides a summary of the main regulatory updates since the last meeting, including brief comment on what the implications are for the Fund and what the next steps will be.

## **4 STATUTORY CONSIDERATIONS**

4.1 Bath and North East Somerset Council, in its role as administering authority, has executive responsibility for the Avon Pension Fund. The Council delegates its responsibility for administering the Fund to the Avon Pension Fund Committee which is the formal decision-making body for the Fund.

4.2 The Pension Board has an advisory role in assisting the administering authority by making recommendations about compliance, process and governance. The Board does not have a decision-making role.

## **5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

5.1 Any changes to regulations will likely impact both procedure and calculation. Calculation changes must be developed by software providers, and the Fund will need to redesign procedure, all resulting in increased resourcing, testing and cost.

## **6 RISK MANAGEMENT**

6.1 An effective governance structure, defining clear responsibilities, and ensuring that the decision-making body has an adequate level of knowledge and access to expert advice, is a key aspect of the risk management process.

## **7 EQUALITIES STATEMENT**

7.1 A proportionate equalities impact assessment has been carried out using corporate guidelines and no significant issues have been identified.

## **8 CLIMATE CHANGE**

8.1 The Fund is implementing a digital strategy across all its operations and communications with stakeholders to reduce its internal carbon footprint in line with the Council's Climate Strategy. The Fund acknowledges the financial risk to its assets from climate change and addresses this through its strategic asset allocation to Paris Aligned Global Equities, Sustainable Equities and renewable energy opportunities. The strategy is monitored and reviewed by the Committee.

## **9 OTHER OPTIONS CONSIDERED**

9.1 None.

## **10 CONSULTATION**

10.1 The Report and its contents have been discussed with the Head of Pensions representing the Avon Pension Fund and the Director of Financial Services, Assurance & Pensions representing the administering authority.

<b>Contact person</b>	Nicky Russell – Technical and Compliance Manager; Tel 01225 395389
<b>Background papers</b>	LGA Bulletins SAB Meeting Minutes National Technical Group Meeting Minutes
<b>Please contact the report author if you need to access this report in an alternative format.</b>	

## APPENDIX 1 – REGULATORY UPDATE

Item	Latest Position	Relevant Links	Action by Fund / Next Steps
<b>Ministerial Appointments</b>	<p><b>Steve Reed MP</b> – new Secretary of State for the Ministry of Housing Communities and Local Government.</p> <p><b>Alison McGovern MP</b> – taken over responsibility for the LGPS in England and Wales</p> <p><b>Pat McFadden MP</b> – new Secretary of State for the Department of Work and Pensions</p>		
<b>Pensions Review / General Governance</b>	<p><b>LPPI</b> The Fund has announced its move to Local Pension Partnership Investments (LPPI) from Brunel.</p> <p><b>Pool Governance</b> SAB have published advice from Burges Salmon <b>in August</b> around how funds can manage conflicts of interest with the pools as the Fit for the Future consultation proposals are implemented. A roundtable on Pool Governance is to take place on 27 November.</p> <p><b>Reform</b> <b>In September</b>, SAB issued a statement in response to claims made by Reform UK on how the LGPS is managed.</p> <p><b>TPR Enforcement Strategy Consultation</b> <b>In September</b>, TPR released a consultation on its enforcement strategy with the aim of modernising how they approach enforcement in a changing landscape. The consultation introduces a more focused, agile and outcomes driven model. Both SAB and LGA have submitted responses to the consultation and whilst supportive, have requested that the new enforcement strategy must reflect the unique characteristics of the LGPS.</p>	<a href="https://lgpsboard.org/images/LegalAdviceandSummaries/20250815_DGillions_Burges_Salmon_Pooling_Advice.pdf">https://lgpsboard.org/images/LegalAdviceandSummaries/20250815_DGillions_Burges_Salmon_Pooling_Advice.pdf</a> <a href="https://lgpsboard.org/images/Other/20250901_Board_Summary_of_the_LGPS_statement.pdf">https://lgpsboard.org/images/Other/20250901_Board_Summary_of_the_LGPS_statement.pdf</a> <a href="https://www.thepensionsregulator.gov.uk/en/document-library/consultations/enforcement-strategy-consultation">https://www.thepensionsregulator.gov.uk/en/document-library/consultations/enforcement-strategy-consultation</a> <a href="https://lgpsboard.org/images/Consultations/TPR%20enforcement%20strategy%20consultation%20November%202025.pdf">https://lgpsboard.org/images/Consultations/TPR%20enforcement%20strategy%20consultation%20November%202025.pdf</a> <a href="https://lgpslibrary.org/assets/cons/nonscheme/20251111%20TPR%20enforcement%20strategy.pdf">https://lgpslibrary.org/assets/cons/nonscheme/20251111%20TPR%20enforcement%20strategy.pdf</a>	<p>The latest position around the transition to LPPI and other updates on pooling will be considered further by the investment team alongside advisors and reported separately.</p> <p>The final recommendations emerging from the consultation relating to governance are being considered further by the governance team alongside ongoing work associated with ensuring compliance with the TPR General Code. For all changes emerging from the consultation and the pooling process, the pace of change and the central support and guidance will be crucial.</p> <p>Any changes around TPR enforcement to emerge from the consultation will need to be considered further once known and any processes updated alongside where necessary.</p>
<b>Pension Schemes Bill</b>	<p>The Pension Schemes Bill 2025 continues to make its way through parliament and is now at the Report Stage in the House of Commons. A number of amendments have already been made to the Bill that will impact the LGPS and the Fund in particular with regard to:</p> <ul style="list-style-type: none"> <li>• Changes in relation to how the responsible authority (e.g. the Secretary of State) can give directions to the asset pool companies or scheme managers in relation to compliance and potential changes in the asset pool company.</li> <li>• Removal of powers for the Government to intervene on specific management decisions.</li> <li>• Remedy the problems caused by the Virgin Media judgment.</li> <li>• Amend the Pensions Act 2008 to give Secretary of State regulatory making powers about provision of information by employers about jobholders who are active members.</li> </ul>	<a href="https://bills.parliament.uk/bills/3982">https://bills.parliament.uk/bills/3982</a>	<p>The Bill will have implications for how the outcomes of the Fit for the Future consultation are implemented and so will impact the investment and governance teams, in particular. Developments will be monitored and the impact considered further should any changes be made and/or further details are released.</p> <p>Aside from the Fit for the Future implications, the Fund will monitor how the approach to remedying the problems caused by the Virgin Media judgment will be implemented.</p>

<b>Access and Protection Consultation</b>	<p>On 13 October 2025, MHCLG published a new consultation titled “Scheme improvement (access and protections)”. The main areas covered in the consultation (for which 37 questions have been asked with a further two questions in relation to public sector equality duty) are summarised as follows.</p> <p><b>Normal Minimum Pension Age (3 questions)</b></p> <ul style="list-style-type: none"> <li>- 4 Different categories of members are proposed, with different protections in place.</li> </ul> <p><b>Access for councillors and mayors (4 questions)</b></p> <ul style="list-style-type: none"> <li>- Proposals to grant access to the main scheme (not a modified version) albeit will be some changes to Scheme rules in some benefit areas.</li> </ul> <p><b>Academies (10 questions)</b></p> <ul style="list-style-type: none"> <li>- Proposals to introduce conditions that will remove the requirement for employers to apply to the Secretary of State for a Direction to substitute a different administering authority and transfer Funds (see Oasis comment below).</li> </ul> <p><b>New Fair Deal (20 questions)</b></p> <ul style="list-style-type: none"> <li>- A number of proposals that build on those from the 2019 consultation that will impact compulsory staff transfers from the public sector to service providers with a focus on <b>Access, Post-outsourcing staff, Protections of accrued rights and Continued responsibility</b>.</li> </ul> <p><b>The Consultation closes on 22 December 2025.</b></p> <p>Linked to the above proposals on Academies, in October, the Fund received a letter from MHCLG confirming that the Secretary of State has now reflected on the evidence provided on application by Oasis Community Learning to substitute LPFA as the administering authority for the Oasis Community Learning academies and decided to proceed with the application. Discussions will now take place with the parties involved to agree details of how the transfers will work so a final Direction can be published.</p>	<a href="https://www.gov.uk/government/consultations/local-government-pension-scheme-in-england-and-wales-scheme-improvements-access-and-protections/local-government-pension-scheme-in-england-and-wales-scheme-improvements-access-and-protections">https://www.gov.uk/government/consultations/local-government-pension-scheme-in-england-and-wales-scheme-improvements-access-and-protections/local-government-pension-scheme-in-england-and-wales-scheme-improvements-access-and-protections</a>	<p>The proposals in the consultation will have implications for the Fund in a number of areas given the impact on members, employers, administration and governance. As with the Access and Fairness proposals (see below), as changes emerge in 2026 it will be important to factor these into business planning and budget considerations for the year ahead.</p> <p>A response to the consultation is currently being considered alongside input from advisors and peer groups in the sector.</p>
<b>Access and Fairness Consultation</b>	<p>A response to the Access and Fairness Consultation that closed on 7 August 2025 is still awaited. To recap, the consultation covers the following areas:</p> <ul style="list-style-type: none"> <li>• Survivor benefits and death grants</li> <li>• Gender pensions gap benefits</li> <li>• Gender pensions gap reporting</li> <li>• Opt-outs</li> <li>• Forfeiture</li> <li>• McCloud remedy</li> <li>• Abolition of LTA changes</li> <li>• Other miscellaneous changes</li> </ul>	<a href="https://www.gov.uk/government/consultations/local-government-pension-scheme-in-england-and-wales-access-and-fairness">https://www.gov.uk/government/consultations/local-government-pension-scheme-in-england-and-wales-access-and-fairness</a>	<p>Once a response to the consultation is received from Government, the final outcomes will need to be considered further by the administration team, in particular around rectification of survivor benefits. The timescales for implementation and the availability of central support and guidance will be critical.</p> <p>With regard to gender pension gap reporting, through the valuation results process, some employers will be made aware of their current gender pay/pension statistics to begin to promote awareness of the subject.</p>
<b>Pensions Dashboard</b>	<p>31 October 2025 marked the scheduled connect by date for Pension Dashboards for public service pension schemes.</p>	<a href="https://statics.teams.cdn.office.net/evergreen-assets/safelinks/2/atp-safelinks.html">https://statics.teams.cdn.office.net/evergreen-assets/safelinks/2/atp-safelinks.html</a> <a href="https://lgpslibrary.org/assets/gas/ew/Dashboards%20AVCs%20MOU%20">https://lgpslibrary.org/assets/gas/ew/Dashboards%20AVCs%20MOU%20</a>	<p>The Fund joined the Pensions Dashboard ecosystem by 31 October 2025, with contracts having been signed by all parties including our AVC providers</p>

	<p>Various publications/updates relating to Pension Dashboards including updated support for LGPS Funds to comply with the necessary requirements have been released and are summarised below.</p> <p><b>LGA</b></p> <ul style="list-style-type: none"> <li>- A template Memorandum of Understanding with AVC Providers together with confirmation sought from TPR around compliance/breaches.</li> <li>- An update on the need to align Illustration Dates and what the implications are where this isn't possible.</li> </ul> <p><b>TPR</b></p> <ul style="list-style-type: none"> <li>- Launch of a new campaign focusing on Data, Teamwork, Connection and getting dashboard ready, alongside a content toolkit.</li> </ul> <p><b>PDP</b></p> <ul style="list-style-type: none"> <li>- Blogs and videos around testing, progress to date, final connection setup and marking one year to go.</li> <li>- Updated guidance around Public Key Infrastructure and Data Management.</li> </ul> <p><b>PASA</b></p> <ul style="list-style-type: none"> <li>- Publication of a new dashboards toolkit to help schemes prepare for connection and compliance.</li> </ul>	<p><a href="#">%20Explanatory%20Notes%207%20November%202025.pdf</a></p> <p><a href="https://regulator.sharepoint.com/sites/media/AE%20Partnership%20Assets/Forms/All%20DocumentsTiles.aspx?id=%2Fsites%2Fmedia%2FAE%20Partnership%20Assets%2FPensions%20Dashboards%2FContent%20toolkit%20%236%20%2D%20August%20to%20November%202025&amp;p=true&amp;ga=1">https://regulator.sharepoint.com/sites/media/AE%20Partnership%20Assets/Forms/All%20DocumentsTiles.aspx?id=%2Fsites%2Fmedia%2FAE%20Partnership%20Assets%2FPensions%20Dashboards%2FContent%20toolkit%20%236%20%2D%20August%20to%20November%202025&amp;p=true&amp;ga=1</a></p> <p><a href="https://www.pensionsdashboardsprogramme.org.uk/publications">https://www.pensionsdashboardsprogramme.org.uk/publications</a></p> <p><a href="https://www.pasa-uk.com/press-release-pasa-publishes-new-dashboards-toolkit-on-warnings-and-unavailable-code/">https://www.pasa-uk.com/press-release-pasa-publishes-new-dashboards-toolkit-on-warnings-and-unavailable-code/</a></p>	<p>Work continues on developing internal procedures and to improve the quality of the Funds data.</p>
<p><b>Pension Taxation 2026/27</b></p>	<p>Speculation continues that the <b>26 November 2025</b> budget will potentially include changes to pension taxation.</p>		<p>The technical team will be monitoring the outcomes of the budget closely given the potential implications for changes to systems/calculation routines and a need for member/employer communications should changes to pension taxation emerge.</p>
<p><b>Annual Report and Accounts</b></p>	<p>In <b>October</b>, SAB published its response to the CIPFA consultation on the 2026/27 Code of Practice on Local Authority Financial Reporting in the UK, which impacts accounting periods from 1 April 2026 onwards. The comments in SAB's response focus on the proposals in the consultation linked to the separation of pension fund accounts from those of the host administering authority in England, something the Board is fully supportive of and has lobbied for.</p> <p>In <b>October</b>, MHCLG published the 2024/25 LGPS statistics for England and Wales which set out commentary on levels of income and expenditure, employer and employee contributions, asset values and membership changes, including relative changes to 2023/24.</p>	<p><a href="https://lgpsboard.org/images/Responses/10102025_Audit_Consultation_SAB_response.pdf">https://lgpsboard.org/images/Responses/10102025_Audit_Consultation_SAB_response.pdf</a></p> <p><a href="https://www.cipfa.org/policy-and-guidance/consultations/consultation-on-2026-27-code-of-practice-on-local-authority-financial-reporting-uk">https://www.cipfa.org/policy-and-guidance/consultations/consultation-on-2026-27-code-of-practice-on-local-authority-financial-reporting-uk</a></p> <p><a href="https://www.gov.uk/government/statistics/local-government-pension-scheme-funds-for-england-and-wales-2024-to-2025">https://www.gov.uk/government/statistics/local-government-pension-scheme-funds-for-england-and-wales-2024-to-2025</a></p>	<p>The Fund will monitor the outcomes of the CIPFA consultation given the potential for the Fund's accounts to be separated in order that processes can be established in advance of the 2026/27 financial year.</p>

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<b>Bath &amp; North East Somerset Council</b>	
MEETING:	<b>LOCAL PENSION BOARD OF AVON PENSION FUND</b>
MEETING DATE:	<b>3rd December 2025</b>
TITLE:	<b>Risk Management Review</b>
WARD:	<b>ALL</b>
<b>AN OPEN PUBLIC ITEM</b>	
List of attachments to this report:	
Appendix 1 – Risk Register	
Appendix 2 – Risk framework	

## **1 THE ISSUE**

1.1 The purpose of this report is to update the Pension Board with the quarterly review of the risk register.

## **2 RECOMMENDATION**

**The Pension Board is asked to;**

2.1 Note the report

## **3 THE REPORT**

3.1 The Fund has in place a documented risk management policy setting out the Fund's approach to risk, process for review and update of the risk register. It also sets out the roles and responsibilities of all those involved in the management of risk within the Fund including the role of the Pension Board and Pension Committee.

3.2 The risk framework introduced to assist risk owners to assess the risk and score is attached as appendix 2.

3.3 The complete risk register is attached as appendix 1.

- The risk register identifies risks which could have material impact on the APF in terms of service, value, reputation, or compliance. It also sets out mitigating actions.
- The risk register is reviewed quarterly by APF management and reported to the Pension Committee and Pension Board every quarter.
- All risks are also reviewed quarterly or when there has been a material change to the risk.

3.4 Risks fall into the following categories, owned by the relevant member of the APF management team:

Category of Risk	Risk Owner
Administration	Pensions Manager
Regulatory	Technical & Compliance Advisor
Governance	Governance & Risk Advisor
Employers (Funding)	Funding & Valuation Manager
Employers (Data)	Employer Services Manager
Investments	Investments Manager
Finance	Finance & Systems Manager

#### 4 QUARTERLY REVIEW OF RISK REGISTER

- 4.1 The quarterly review of the risk register has taken place and a couple of changes have been made to scores for this quarter. Some amendments have also been made to current impacting factors.
- 4.2 NR04 – Governance and internal controls – the likelihood has been increased from possible to likely to reflect the fact that the Fund has not received full audit scrutiny. Internal Audit are behind with the audit plan for 2025/26 due to resource issues within the department.
- 4.3 NR06 – Loss of IT including cyber attack – the Fund has successfully connected to the Pensions Dashboard. While the Fund has carried out a Data Protection Impact Assessment (DPIA) and the Pensions Dashboard Programme has designed and implemented a robust security framework, the launch of Pensions Dashboard could present a fresh opportunity for scammers to target pension scheme members. Additional communications to members planned.
- 4.4 NR02 – Regulatory Changes – Access and Protections Consultation currently ongoing until December 2025. If implemented the changes could have significant implications to resources.
- 4.5 NR19 – Move to new asset pool – the already challenging timelines have been made harder by the fact partner funds have agreed to work with 3 different pooling providers which are at different stages of readiness. LPPI as our chosen pool have set out credible transition options for the group to consider. Lawyers have been appointed to help with the orderly wind up of Brunel and draft a new shareholder agreement with LPPI. The partner funds have also reached consensus on the target corporate structure, granting shareholder status to all partner funds. A Memorandum of Understanding has been signed by all parties.
- 4.6 NR12 – Failure to meet decarbonisation targets – tougher policy backdrop (eg. UK Govt consulting on change of renewable subsidies for operators, which will make the UK a far less attractive investment destination for renewable infrastructure). The support from policymakers for Net Zero seems to be waning. Combined with the fact the Fund has taken decarbonisation as far as possible through asset allocation means there is a risk that medium term targets could be missed.

4.7 Our top 4 risks are:

4.8 NR06 – the loss of IT including cyber attack and loss of power.

4.9 NR01 – Poor service levels below agreed standards.

4.10 NR02 – Regulatory Changes

4.11 NR19 – Move to new asset pool

## **5 STATUTORY CONSIDERATIONS**

5.1 Bath and North East Somerset Council, in its role as administering authority, has executive responsibility for the Avon Pension Fund. The Council delegates its responsibility for administering the Fund to the Avon Pension Fund Committee which is the formal decision-making body for the Fund.

5.2 The Pension Board has an advisory role in assisting the administering authority by making recommendations about compliance, process and governance. The Board does not have a decision-making role

## **6 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

6.1 There are no direct implications related to the pension board in connection with this report.

## **7 RISK MANAGEMENT**

7.1 An effective governance structure, defining clear responsibilities, and ensuring that the decision making body has an adequate level of knowledge and access to expert advice, is a key aspect of the risk management process.

## **8 EQUALITIES STATEMENT**

8.1 A proportionate equalities impact assessment has been carried out using corporate guidelines and no significant issues have been identified.

## **9 CLIMATE CHANGE**

9.1 The Fund is implementing a digital strategy across all its operations and communications with stakeholders to reduce its internal carbon footprint in line with the Council's Climate Strategy. The Fund acknowledges the financial risk to its assets from climate change and addresses this through its strategic asset allocation to Paris Aligned Global Equities, Sustainable Equities and renewable energy opportunities. The strategy is monitored and reviewed by the Committee.

## **10 OTHER OPTIONS CONSIDERED**

10.1 None.

## **11 CONSULTATION**

11.1 The Report and its contents have been discussed with the Head of Pensions representing the Avon Pension Fund and the Director of Financial Services, Assurance & Pensions representing the administering authority.

<b>Contact person</b>	Carolyn Morgan, Governance & Risk Advisor 01225 395240
<b>Background papers</b>	None
<b>Please contact the report author if you need to access this report in an alternative format.</b>	

## Appendix 1 - Risk Register

Number	Function	Risk	Impact	Pre Mitigants			Mitigating Actions / Control Framework	Current Impacting Factors	Post Mitigants				
				Impact	Likelihood	Score			Impact	Likelihood	Score	Previous score	Trend
NR06	Governance	Loss of IT, including cyber attack & loss of power	Fund is unable to operate Members do not receive pension payment on time	Critical	Almost Certain	25	- Business continuity plan reviewed and tested - B&NES cyber security policy and system defence - Implementation of internal cyber audit findings - Heywood Business Continuity plan in place - Pensions Dashboards security framework in place	Hosted server arrangement with Heywood Implementation of General Code of Practice Requirements Emerging risk that pension dashboard will increase potential scamming activity	Critical	Likely	20	20	→
NR01	Admin	Poor service levels below agreed standards	Service standards not met Poor member outcomes Breach of regulations	Critical	Almost Certain	25	- KPIs and complaints monitored and acted on - Plan to digitise will improve self-serve and operations efficiency - Actions to improve staff recruitment and retention - Process improvements being identified and implemented - Review of Top 10 Process Controls - Plan to minimise effects of key people/resources - Business Continuity and Crisis Communications Plan in place	Digital transformation project Recruitment, skills and experience of staff McCloud Remedy Implementation of internal controls following review Pensions Dashboard Resource implications due to upcoming regulatory change or direction orders	High	Likely	16	16	→
NR02	Regs	Regulatory changes	Breach of regulations Poor member outcomes Increased workloads for officers	High	Likely	16	- Regulatory changes monitored via LGA and professional advisors - Officers attend SWAPOG/Tech Group/working groups - Regulatory projects included in service plans - Officers respond to consultations - Software providers are more responsive to regulatory change	McCloud Remedy Pensions Dashboard Resource implications of access and fairness regulations Active Access and Protections Consultation ending in December	Medium	Almost certain	15	15	→
NR19	Investments	Move to new asset pool	Challenging timelines Significant increase in workload Risk to staff retention in pool Potential impact to investment strategy Government driven change removes control for the Fund Increased costs due to transition of assets plus possible wind down of Brunel Ltd	High	Almost Certain	20	- LPPI chosen pool - Legal advice sought for Brunel wind-up and new shareholder agreement - All partner funds granted shareholder status - Memorandum of Understanding in place and signed by all parties	Project team set up in Brunel Working with LPPI and partner funds on transition options Have strategic advisor and will get legal advice regarding implications of dismantling Brunel pool	Medium	Almost certain	15	15	→
NR05	Governance	Failure to manage personal data per regulations	Personal data corrupted or illegally shared Member detriment Fines and reputational damage	Critical	Almost Certain	25	- One West is Data Protection Officer for Fund and advises on data protection matters - Record of processing and privacy notice set out how data is managed - Processes reviewed and updated following minor breaches - Regular officer training - Data sharing/transfer agreements and DPIAs implemented for all relevant projects	Skills and experience of staff Electronically submitted data Introduce bulk processes Potential updates to telephone system	High	Possible	12	12	→
NR12	Investments	Failure to achieve decarbonisation targets	Government climate policies not moving fast enough or sufficiently enforced Significant reputational and financial risks to value of investments	Critical	Almost Certain	25	- Climate exposure assessed annually - climate risk analysis embedded into strategic decisions - Net Zero target of 2045 - by 2030 will divest from high emission companies that are not aligning to NZ - targets to reduce emissions by 2025 and 2030 - programme to engage with companies and policymakers - Brunel's comprehensive climate change policy and approach to investing underpins each portfolio	Tougher policy backdrop Waning support from policy makers Unable to do more with asset allocation therefore decarbonisation targets could be missed	Medium	Likely	12	12	→
NR10	Investments	Failure to earn investment returns as per Funding Strategy	Employer contributions need to rise	Critical	Likely	20	- Diversified asset allocation - Professional and independent investment advice - Risk management strategy supports funding strategy - FRMG & Investment Panel monitor performance and risk - Periodic strategic investment review	Heightened geo political risk Lower global growth and higher inflation/interest rates	High	Possible	12	12	→
NR11	Investments	Brunel fails to deliver client objectives regarding service delivery	Affects Fund's ability to achieve investment objectives	Critical	Possible	15	- Brunel governance framework for strategic and operational decision making - Robust performance reporting - Avon-Brunel working group (internal)	Future of pooling is strategic challenge for pool, focus needs to be on BAU	High	Possible	12	12	→
NR04	Governance	Governance of Fund not in accordance with APP policies Controls not adequate	Member detriment Additional costs for Fund Fines for non-compliance Disciplinary issues and reputational risk	High	Almost Certain	20	- Internal Audit plan in place - Fund policies regularly reviewed - Media enquiries dealt with per B&NES policy - Contracts in place with legal advisors and PR professionals - Media monitoring undertaken - Action plan in place for TPR GCOP - Partial implementation of SAB Good Governance requirements	SAB Good Governance Review TPR General Code of Practice Review of internal controls Internal audit plan behind due to availability of resources within internal audit team	Medium	Likely	12	9	↓
NR07	Employers Data	Employers do not comply with regulatory responsibilities, LGPS regulations or the Funding Strategy Statement	Poor member data Fines and greater scrutiny by TPR Employer liabilities incorrect if data is incorrect Non-compliance with the FSS and funding policies Reputational risk of litigation	Critical	Likely	20	- Management of employers set out in admin strategy/MOU - Employer KPIs recorded and monitored vs TPR standards - Employer training - Reconciliation of Income and Accounts in regards to contributions and data provided - Specialist legal and actuarial advice needed to resolve employer issues - Clear policies in FSS set out process and employer obligations	TPR General Code of Practice Administration Strategy currently out for consultation	Medium	Possible	9	9	→
NR08	Employers Funding	Employers unable to meet financial obligations to Fund	Financial cost to other employers in the Fund	High	Likely	16	- Policies on employer financial stability set out in FSS and ISS - Strong covenant management and information gathering processes - Quarterly review and mitigating action	Challenging public sector funding environment Valuation in progress	Medium	Possible	9	9	→

NR09	Investments	Operational risks of investment managers, custodian and other investment suppliers	Loss of assets Inability to trade as assets inaccessible	High	Possible	12	<ul style="list-style-type: none"> <li>- Due diligence and audits of service providers, managers</li> <li>- Controls embedded in investment management agreements</li> <li>- Diversification across different asset managers</li> <li>- Quarterly service &amp; risk review with Brunel and suppliers</li> </ul>	Data management and cyber risk	Medium	Possible	9	9	→
NR16	Finance	Cashflow profile is maturing	Not enough cash in bank to meet pension payments	Critical	Almost Certain	25	<ul style="list-style-type: none"> <li>- Monthly monitoring &amp; forecast of cashflow</li> <li>- Increased the cash buffer from £20m to £25m to meet increasing monthly outflows</li> <li>- Tradeable assets can be swiftly sold</li> <li>- Strict limits on illiquid assets</li> <li>- Post-triennial valuation, contributions expected to fall from April 2026, increasing cash needs</li> </ul>	Increased the cash balance that can be held in money market funds	High	Unlikely	8	8	→
NR14	Investments	An increase in leverage materially reduces capital value leading to an unplanned and significant deviation in strategic asset allocation	LDI strategy may have to be unwound if insufficient collateral Inability to raise hedge ratio	High	Likely	16	<ul style="list-style-type: none"> <li>- Maintain collateral at prudent level with material buffer vs risks</li> <li>- Set hedge ratio at level that can be adequately collateralised</li> <li>- Auto pause when LDI hedge ratio hits 40%</li> <li>- Offsetting nature of synthetic equity and equity protection strategies dampens leverage requirements</li> <li>- Simplification of LDI programme post 2025 ISR makes monitoring leverage and collateral easier</li> </ul>	UK gilt market environment Currently have high collateral buffer	High	Unlikely	8	8	→
NR03	Governance	Pension Committee and Pension Board cannot operate effectively	Delays in decision making by the Pension Committee Limited oversight from the Pension Board Failure to meet MiFID & TPR regulations	Medium	Almost Certain	15	<ul style="list-style-type: none"> <li>- Representation set out in Fund's representation policy</li> <li>- Knowledge requirements in Training policy</li> <li>- Compliance vs regulations defined in Compliance Statement</li> <li>- Decisions responsibilities set out in decision matrix</li> <li>- Terms of Reference set out governance framework</li> </ul>	Recruitment for Pension Board	Medium	Unlikely	6	6	→
NR13	Investments	Treasury investments	Loss of capital or income on cash Delayed return of principle or investment income	Medium	Possible	9	<ul style="list-style-type: none"> <li>- Adopt B&amp;NES Treasury management policy</li> <li>- Due diligence on banks</li> <li>- Diversification across multiple suppliers</li> <li>- Consultation with treasury management advisors</li> </ul>	Increased number of money market funds to invest in	Medium	Unlikely	6	6	→
NR17	Finance	Late / incorrect contributions from employers	Cashflow shortfalls Employer funding Deficits / Default TPR breach	Medium	Possible	9	<ul style="list-style-type: none"> <li>- Monthly reconciliations of contributions</li> <li>- Management reviews and action</li> <li>- Mercer funding monitor tool</li> <li>- Larger employers pre-pay contributions</li> <li>- More employers in surplus heightens the risk of incorrect contributions</li> </ul>	Employer budgets stretched by insufficient funding Increased reconciliations and additional checks Issue updated guidance to employers on surplus deductions	Low	Possible	6	6	→

## Appendix 2 - Risk Framework

### Assessment of Likelihood

1	Rare	0 – 5% probability
2	Unlikely	6 – 20% probability
3	Possible	21 – 50%
4	Likely	51 – 80% probability
5	Almost Certain	81 – 100% probability

### Assessment of Impact

		Service/Operational	Assets	Legal Obligations	Project	Duty of Care – Clients & Staff
1	Negligible	Minimal disruption not impacting on an important service which can be resolved	Capital loss potential up to 1% of assets	Litigation, claims or fines Services up to £10k Corporate £25k	Minimal impact on APF delay < 1 month	Minimal or no impact on Services Duty of Care requirements.
2	Low	Brief disruption of important service /service area	Capital loss potential up to 5% of assets	Litigation, claims or fines Services up to £25k Corporate £50k	Some impact on APF delay < 3 months	Consideration required re. Duty of Care unlikely to have adverse impact meeting overall requirements.
3	Medium	Major effect to an important service area	Capital loss potential up to 15% of assets	Litigation, claims or fines Services up to £50k Corporate £100k	Adverse impact on APF significant slippage > 3 months	Duty of Care issues may have impact meeting requirements.
4	High	Complete loss of an important service area	Capital loss potential up to 25% of assets	Litigation, claims or fines Services up to £125k Corporate £250k	Significant impact on APF major delay of 6+ months	Significant impact on meeting Duty of Care responsibilities.
5	Critical	Major loss of whole service	Capital loss potential > 25% of assets	Litigation, claims or fines Services up to £250k Corporate £500k	Complete failure of project extreme delay > 12 months	Not meeting legal responsibilities placing individuals at risk.

### Overall Score

	1	2	3	4	5
	Rare	Unlikely	Possible	Likely	Almost Certain
5	Critical	5	10	15	20
4	High	4	8	12	16
3	Medium	3	6	9	12
2	Low	2	4	6	8
1	Negligible	1	2	3	4
					5

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Bath & North East Somerset Council	
MEETING:	<b>LOCAL PENSION BOARD OF AVON PENSION FUND</b>
MEETING DATE:	3 <sup>rd</sup> December 2025
TITLE:	Governance Update
WARD:	<b>ALL</b>
<b>AN OPEN PUBLIC ITEM</b>	
List of attachments to this report:	
Appendix 1 – Pension Board Workplan 2025	
Appendix 2 – Pension Board Training Plan 2025	
Appendix 3 – TPR’s General Code of Practice Action Plan	

## 1 THE ISSUE

- 1.1 The purpose of this report is to set out the workplan and training plan for pension board members plus provide governance updates as necessary.

## 2 RECOMMENDATIONS

**The Committee is asked to;**

- 2.1 Notes the workplan & training plan for 2025
- 2.2 Notes the action plan to meet compliance with TPR GCOP
- 2.3 Notes the dates for future meetings

## 3 THE REPORT

### 3.1 Workplan

- 3.2 The workplan is agreed annually with the Chair of the pension board and includes the delivery of all statutory obligations of the Board.
- 3.3 The workplan is attached at Appendix 1. It will be presented and discussed at each meeting as the year progresses using the comments and feedback of the Board, Officers and other stakeholders such as the Pension Fund Committee to inform its contents.

### 3.4 Modern Gov

- 3.5 All Pension Board members have been asked to access meeting papers via Modern Gov.
- 3.6 If any member requires assistance with access to Modern Gov, the Governance Team ([APF\\_Governance@bathnes.gov.uk](mailto:APF_Governance@bathnes.gov.uk)) is able to provide support & training.

### 3.7 Future Meeting Dates

Meeting dates for 2025/26 are as follows:

2025	2026
4 <sup>th</sup> March	11 <sup>th</sup> March
3 <sup>rd</sup> June	10 <sup>th</sup> June
9 <sup>th</sup> September	9 <sup>th</sup> September
3 <sup>rd</sup> December	2 <sup>nd</sup> December

### 3.9 Training

3.10 Board Members should have a breadth of knowledge and understanding that is sufficient to allow them to understand fully any professional advice the Board is given. They should also be able to challenge any information or advice they are given and understand how that information or advice impacts on any decision relating to the Board's duty to assist the Avon Pension Fund.

3.11 Appendix 2 contains the proposed training programme for the year ahead. The workshops will be held jointly with the APF Pension Committee.

3.12 Members are asked to consider any other training needs through the rest of 2025 to fit into the working cycle of the Board.

### 3.13 Hyman's LGPS Online Learning Academy (LOLA)

3.14 The SAB's Good Governance Review & TPR's General Code of Practice include additional knowledge and skills requirements for Committee, Pension Board and Officers. Hymans Robertson have been working with the SAB to develop these requirements and have produced an LGPS Online Learning Academy (LOLA).

3.15 The training is split into a number of modules covering the CIPFA Knowledge & Skills Framework.

3.16 The modules are set out below:

1. Committee Role & Pensions Legislation
2. Pensions Governance
3. Pensions Administration
4. Pensions Accounting and Audit Standards
5. Procurement & relationship Management
6. Investment Performance & Risk Management
7. Financial Markets & Products
8. Actuarial Methods, Standards & Practices
9. Current Issues

3.17 The full timetable for completion of all modules is contained in Appendix 2.

### **3.18 The Pension Regulator's General Code of Practice – Action Plan**

3.19 In March 2024 The Pensions Regulator combined various codes of practice into a single General Code of Practice which is applicable to most public and private occupational pension schemes, including the LGPS

3.20 The Fund conducted an assessment against the requirements of the code and presented an action plan to the Board in March 2025, with the aim of reaching compliance with the code over the next year.

3.21 Appendix 3 sets out the updated action plan with current progress towards meeting compliance.

## **4 STATUTORY CONSIDERATIONS**

4.1 Bath and North East Somerset Council, in its role as administering authority, has executive responsibility for the Avon Pension Fund. The Council delegates its responsibility for administering the Fund to the Avon Pension Fund Committee which is the formal decision-making body for the Fund.

4.2 The Pension Board has an advisory role in assisting the administering authority by making recommendations about compliance, process and governance. The Board does not have a decision-making role.

## **5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)**

5.1 Within the planned budget for the operation of the pension board.

## **6 RISK MANAGEMENT**

6.1 An effective governance structure, defining clear responsibilities, and ensuring that the decision making body has an adequate level of knowledge and access to expert advice, is a key aspect of the risk management process.

## **7 EQUALITIES STATEMENT**

7.1 A proportionate equalities impact assessment has been carried out using corporate guidelines and no significant issues have been identified.

## **8 CLIMATE CHANGE**

8.1 The Fund is implementing a digital strategy across all its operations and communications with stakeholders to reduce its internal carbon footprint in line with the Council's Climate Strategy. The Fund acknowledges the financial risk to its assets from climate change and addresses this through its strategic asset allocation to Paris Aligned Global Equities, Sustainable Equities and renewable energy opportunities. The strategy is monitored and reviewed by the Committee.

## **9 OTHER OPTIONS CONSIDERED**

9.1 None.

## **10 CONSULTATION**

10.1 The Report and its contents have been discussed with the Head of Pensions representing the Avon Pension Fund and the Director of Financial Services, Assurance & Pensions representing the administering authority.

<b>Contact person</b>	Carolyn Morgan, Governance & Risk Advisor 01225 395240
<b>Background papers</b>	None
<b>Please contact the report author if you need to access this report in an alternative format.</b>	

**Appendix 1**

Pension Board Workplan	March	June	September	December
Investment Strategy Statement				
Administration & service plan update (include KPIs)				
Workplan & training plan				
Investment update				
Regulatory Update				
Risk Register review				
Annual review of committee & PB governance arrangements				
Pension Board's annual report				
Benchmarking				
Breaches Log - review of regulatory & data Breaches				
Statutory annual requirements (year end/ABS/PSS)				
Review of Audit reports				
Audit Plan				
Pension Fund annual report & statement of accounts				
Review of TPR's General Code of Practice compliance				
Update on Service Plan - Projects/Change Programme				

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Hymans Learning Academy	Title of Module	Date to be completed	Time Commitment
<b>Introduction</b>	• An Introduction to LGPS Online Learning Academy	Apr-25	2 minutes
<b>Module 1 – Committee Role and Pensions Legislation</b>	• An Introduction to Pensions Legislation • An introduction to Pensions Legislation - The Role of a Councillor	Apr-25	27 minutes
<b>Module 2 – Pensions Governance</b>	• LGPS Oversight Bodies – DLUHC & GAD • LGPS Oversight Bodies – TPR • Business Planning • LGPS Governance	Nov-25	50 minutes
<b>Module 3 – Pensions Administration</b>	• Introduction to Administration • Additional Voluntary Contributions • Policies and Procedures	Sep-25	51 minutes
<b>Module 4 – Pensions Accounting and Audit Standards</b>	• Pensions Accounting and Audit Standards	Jan-26	11 minutes
<b>Module 5 – Procurement and Relationship Management</b>	• Public Procurement	Feb-26	11 minutes
<b>Module 6 – Investment Performance and Risk Management</b>	• Introduction to Investment Strategy • LGPS Investment Pooling • Performance Monitoring • Responsible Investment	Jun-25	48 minutes
<b>Module 7 – Financial Markets and Product Knowledge</b>	• Introduction to Financial Markets and Product Knowledge • Investment – MiFID II	Mar-26	33 minutes
<b>Module 8 – Actuarial Methods, Standards and Practices</b>	• Introduction to Funding Strategy • LGPS Actuarial Valuations – Process • LGPS Valuation – Technical • Employers	May-25	53 minutes
<b>Current Issues</b>	• Understanding McCloud • Pensions Dashboards • Understanding Goodwin • Introduction to Cyber Risk • GAD Section 13 • Climate Change and TCFD • McCloud Consultation • SAB and HM Treasury Cost Cap Mechanisms • Next Steps on Investment (England & Wales) Consultation Overview • Next Steps on Investment (England & Wales) Consultation Response • A Brief Introduction to Taskforce on Nature-related Financial Disclosures	Ongoing	

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## Appendix 4 - APF Action Plan

### Avon Pension Fund

The following gives an overview of the current compliance position against the General Code of Practice, and a note of the immediate actions.

All requirements on this scorecard are currently rated as 'Partially met'.

Requirements	Current Status	Actions	Responsibility	Timescale	Comments
<b>The Governing Body: Board Structure and Activities</b>					
Members of governing bodies to display the characteristics shown in <b>Appendix 1</b> .	In Progress	Mandatory training required for several members.	Governance and Risk Advisor	Dec-25	
<b>The Governing Body: Knowledge and Understanding</b>					
The governing body should regularly carry out an audit of its members' skills and experience to identify gaps and imbalances.	In Progress	Mandatory training required for several members.	Governance and Risk Advisor	Dec-25	
Members of the pension board can work towards completing TPR public service toolkit or equivalent learning programmes.					
To enable the pension board to ensure their knowledge and understanding is established and maintained, members of a governing body should comply with the points laid out in <b>Appendix 6</b> .					
<b>The Governing Body: Advisers and Service Providers</b>					
Follow the processes set out for appointing advisers and service providers. (see <b>Appendix 8</b> for more detail)	In Progress	Check SLAs agreed for all new contracts.	Fund officers	Mar-26	
Follow the processes set out for managing advisers and service providers. (see <b>Appendix 9</b> for more detail)	In Progress	Review process for monitoring performance of service providers and engaging advisors and service providers, embedded Q2 2026 onwards.			
Follow the processes set out for replacing advisers and service providers. (see <b>Appendix 10</b> for more detail)	In Progress	Internal procurement process to be reviewed to ensure contracts in place for all services via a compliant procurement route.			
<b>The Governing Body: Risk Management</b>					
The scheme manager should have in place internal controls, including: - The arrangements and procedures to be followed in the administration and management of the scheme - The systems and arrangements for monitoring that administration and management, and - Arrangements and procedures to be followed for the safe custody and security of the assets of the scheme.	In Progress	Embed 12 process improvements agreed with Simplify.  Check other key processes and embed new controls if required	Head of Pensions	Mar-26	
When designing internal controls governing bodies should consider TPR expectations. (see <b>Appendix 12</b> for more detail)	Complete	New projects and associated documents to be reviewed to include all TPR expectations.  Go/No-Go checklist updated to cover internal controls.	Business Change Manager	Mar-26	
To maintain internal controls governing bodies should consider TPR expectations. (see <b>Appendix 13</b> for more detail)	In Progress	Assurance reports required from Heywood.	Head of Pensions	Mar-26	Heywood assurance reports in place
The governing body should read and understand assurance reports provided by service providers to establish if the controls used by the organisations that they outsource various functions to are adequate. This will also include assurance reports produced by the scheme's investment manager and custodian.  They should consider the scope of such reports and the degree to which these are applicable. For example, whether the reports cover the specific team or office providing services to the scheme.					
Governing bodies should consider having a continuity plan that meets the requirements of <b>Appendix 14</b> .	Complete	New Business Continuity Plan to be completed and tested.	Governance and Risk Advisor	Apr-25	

Governing bodies should consider seeking independent legal advice, to help decide whether an actual or potential conflict of interest can be eliminated (and if so, the best way of achieving it).	Complete	Add requirement to conflicts of interest policy, applied only if a relevant case arises	Governance and Risk Advisor	Jun-25	
<b>Administration: Scheme Administration</b>					
Every scheme must operate internal controls which should include administration.	In Progress	Embed 12 process improvements agreed with Simplify.  Check other key processes and embed new controls if required	Pensions Operations Manager	Mar-26	
To maintain proper administration, governing bodies should comply with the requirements set out in <b>Appendix 22</b> .	In Progress	Complete new Business Continuity Plan and carry out test. Complete consistency review of procedure notes for all processes.	Pensions Operations Manager	Mar-26	Live test for BCP needed and review of BCP since going hosted in July 25. Target date moved to April 2026.
<b>Administration: Information Handling</b>					
The scheme manager is required to establish and operate internal controls, which are adequate for the purpose of securing that the scheme is administered and managed in accordance with the scheme rules, and with the requirements of the law.  Governing bodies should make sure financial transactions are managed as part of their internal controls.	In Progress	Finish review of Payroll audit actions including Altair admin-payroll reconciliation and Altair admin to Agresso. And embed improvements into live process	Pensions Operations Manager	Mar-26	Move target date to April/May 26 due to new audit.
Governing bodies should meet the record keeping requirements set out in <b>Appendix 26</b> .	In Progress	Review data improvement plan and record of Processing Activities. And embed required improvements.	Pensions Operations Manager	Mar-26	Moved target date to March 2026 to complete DIP and ROPA
Governing bodies may consider the record keeping requirements set out in <b>Appendix 27</b> as best practice. [can we link to an appendix listing page 106 para 7]					
Governing bodies should retain records for as long as they are needed.	In Progress	Data Retention Policy to be reviewed. Deletion of Altair records to be reviewed. Employer data retention template to be rolled out again to employers.	Governance and Risk Advisor	Mar-26	Review in progress
Governing bodies should have appropriate processes in place for monitoring scheme data. (see <b>Appendix 29</b> for full details)	Complete	Reporting capabilities are improving and we will therefore review the reporting of scheme specific data.	Pensions Operations Manager	Oct-25	Incorporated in new DIP. Tracing project for 2025 done and Data cleanse tool now live in Altair.
Governing bodies should have appropriate processes in place for reviewing scheme data. (see <b>Appendix 30</b> for full details)					
<b>Administration: IT &amp; Cyber Security</b>					
Governing bodies should take steps to make sure their service providers can prove they meet our expectations for maintaining IT systems as listed in <b>Appendix 32</b> .	Complete	Finish the review of the business continuity plan and carry out a test. Finalise the reprocurement of the software contract.	Governance and Risk Advisor	Apr-25	
When assessing cyber risk governing bodies should follow the procedures set out in <b>Appendix 33</b> .					
When managing cyber risk governing bodies should follow the procedures set out in <b>Appendix 34</b> .					
<b>Administration: Contributions</b>					

Governing bodies should develop and maintain records for monitoring contribution payments to the scheme. This should include: contribution rates, date contributions are due, interest on late payments. (see <b>Appendix 35</b> for full details)	In Progress	Review process for charging and recording interest for late payers.	Group Manager, Funding, Investment & Risk	Mar-26	Contribution rates are monitored and dates due + late payments are recorded on breaches spreadsheet. Admin Strategy has been updated to separately identify interest due on late payments and repeated late or inaccurate submission of contributions data. Hourly rate calculation spreadsheet has been devised for Accounts team use.  Late payment interest policy still needs updating and to be formalised.
The governing body should review current processes to detect situations where fraud may be more likely to occur and where additional checks may be needed.	In Progress	Review process of new reconciliation data with iConnect team.	Group Manager, Funding, Investment & Risk	Mar-26	Employee contribution rates are checked for reasonableness compared to pensionable pay. Employer contribution rates paid are reconciled to the rates and adjustments certificate. Late payment of contributions are followed up with employers.  Where the iConnect reconciliation doesn't match the payment, this is followed up promptly with the employer who is required to provide a separate reconciliation form. The success of this has been limited so we are investigating other routes for securing this information.
<b>Communications and Disclosure: Information to Members</b>					
The scheme manager should comply with the requirements of the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013.	In Planning	Review the Disclosure of Information Regs to check compliance in all areas.	Technical and Compliance Advisor	Dec-25	
The governing body should follow the principles set out in the section entitled "General Principles for Member Communications". TPR expectations are listed in <b>Appendix 37</b>	In Progress	Individual letters to members will be reviewed as part of process reviews, starting with the new member letter.	Pensions Operations Manager	Mar-26	Date moved to March 2026 as letter review is delayed
Scheme managers should follow the principles set out in the section entitled "General Principles for Member Communications" when drafting benefit information statements. (see <b>Appendix 38</b> for more detail)	Complete	Review of statements required to include McCloud data for 2025, plus Business Change Team to look at alternative ways to support members' understanding.	Technical and Compliance Advisor	Dec-25	
The term "reasonable period" in the phrase above should be construed as 3 months from leaving. Governing bodies should advise members where it is likely to take more than 3 months to provide the information.	In Progress	Double check KPIs to ensure all cases actioned within the three month period.	Pensions Operations Manager	Mar-26	Moved target date to March 2026 as S2's project ongoing
The governing body should give members 3 months to confirm if they wish to transfer their cash transfer sum and can extend this deadline at their discretion. If the member does not respond, the governing body may arrange to pay a contribution refund after a further month.	Complete	Check timescales and automatic refund.	Pensions Operations Manager	Dec-25	
Where a member elects for a cash transfer sum the governing body should pay it within 3 months but can extend in exceptional circumstances.	Complete	Tighter controls to be implemented for the process/potential review of process.	Pensions Operations Manager	Dec-25	
<b>Communications and Disclosure: Public Information</b>					
Scheme managers may consider how best to publish information, making use of the principles outlined in General principles for member communications. (See <b>appendix 37</b> )	Complete	TPR General Principles reviewed and incorporated into APF's updated Comms Policy.	Business Change Manager	Dec-25	

Scheme managers may also publish: - the employment and job title (where relevant) and any other relevant position each board members holds - details of the pension board recruitment process - who each pension board member represents - the full terms of reference for the pension board, including details of how it will operate - any specific roles and responsibilities of individual pension board members	Complete	As part of governance review check all correct	Governance and Risk Advisor	Jun-25	
Scheme managers should: - Have policies and processes to monitor all published data on an ongoing basis to ensure it is accurate and complete - Ensure any out-of-date or incorrect information identified is updated as soon as possible and in any event, within one month	In Progress	APF Comms Policy reviewed and updated. Process development to monitor all published data in progress.	Business Change Manager	Mar-26	
There are further considerations the governing body should make in relation to the dispute resolution process. (see <b>Appendix 40</b> for further details).	Complete	Review internal procedures & set out requirements in greater detail. Eg when a review is carried out and when advice is taken.	Technical and Compliance Advisor	Dec-25	
<b>Reporting to TPR: Reporting Breaches</b>					
Breaches of the law must be reported as soon as reasonably practicable.	Complete	Review breaches policy and process and add additional requirements	Governance and Risk Advisor	Dec-25	
There are other requirements placed on those running pension schemes to report to other bodies. Where the duty to report to another body coincides with the duty to report to TPR, the report to us should include details of the other bodies the matter has been reported to.					
If a scheme or an individual is at risk, for example where there has been dishonesty, the reporter should not take any actions that may alert those implicated that a report has been made. Similarly, reporters should not delay their report to TPR, to check whether any proposed solutions will be effective.					
Reports of late contribution payments should be made to us within 14 days of the trustees having reasonable cause to believe that a material payment failure exists. Members should be notified within 30 days of the report to TPR. When reporting to members, governing bodies should provide payment information that will enable them to understand what has been paid to the scheme and by whom.	In Planning			Mar-26	

Regulatory Requirement

TPR Requirement

Best Practice