



	Operational / Financial			Medium Term	<ul style="list-style-type: none"> <li>The addition of sub-groups to the WPP's governance arrangements has create additional forums in which the WPP has more time to challenge and follow up with suppliers</li> </ul>	4	2	8			Q2 2024	
G.12	The WPP's Operator fails to deliver on its contractual obligations or stops providing Operator services due to exiting the market or regulatory restrictions.	<ul style="list-style-type: none"> <li>Operator is not adequately resourced.</li> <li>Operator does not put sufficient performance/risk reporting systems in place.</li> <li>The Operator does not have the resources/ expertise to carry out Manager monitoring, fee negotiations, facilitate vehicles &amp; establishment services.</li> <li>The Operator does not put in place sufficient checks and balances to ensure compliance with all relevant regulations.</li> <li>The Operator lacks the ability or regulatory approval to provide Depository and Custody services (via ACS).</li> <li>Insufficient monitoring of appointed entities for fund administration &amp; transfer agency (Northern Trust).</li> <li>The Operator fails to put in place suitable Risk Management (RM), including: RM policy, procedures and mitigation strategies.</li> <li>The Operator is not adequately resourced to provide adequate relationship management and service delivery.</li> </ul>	The WPP assets held within the Operator ACS are put at risk. A number of the WPP's contracts are broken, as these are currently mandated via the Operator. The WPP is unable to work efficiently, required work is not completed, sub-funds are unable to be managed or launched.	Oversight Advisor/HA/OWG/ Legal Advisor	<ul style="list-style-type: none"> <li>Designated Operator Oversight Advisor in place</li> <li>Intensive engagement protocols with Operator</li> <li>Operator Oversight Framework currently in development</li> <li>Engagement with the wider Operator market (and other suitable suppliers) is built into the WPP business plan</li> <li>The WPP has formulated contracts that have natural break or exit points and minimal exit fees</li> <li>The WPP has put in place an Operator Workplan to monitor the various workstreams relating to Operator Oversight</li> <li>The FCA maintains a list of replacement ACS Operators which could step in if the WPP's Operator were to exit the market <ul style="list-style-type: none"> <li>The process for Operator procurement has commenced</li> </ul> </li> </ul>	Current			👎	The OWG is continuing to monitor any developments in relation to the Link sale, and the FCA penalty/restitution payment in relation to Woodford. The OWG recognises the resource strain these items place on the Operator. The Host Authority, with support from its Oversight Advisor, is continuing to have regular review meetings with the Operator and will provide regular verbal and written updates to Constituent Authorities.	OWG	The OWG receives regular updates on the progress the Link Group sale of Link Fund Solutions and the FCA penalty/restitution payment in relation to Woodford. As at 19 April 2023, the contracts between Link and Waystone have now been signed. Provided the FCA authorise the sale and the transfer of the ACS, this is likely to be completed in late September. Waystone will then become the Operator of the WPP ACS until the end of the current contract (December 2024). Link have reached a settlement with the FCA on redress to be paid to Woodford Investors
	Financial / Operational		Short Term		5	3	15	Target				

Risk Detail				Current Situation	Scoring			Current Status	Action Required	Responsible Party & Review Date	Progress Report/ Comments
Risk & Nature of Risk	Cause of Risk	Implications of Risk	Risk Owner & Impact Period	Current Risk Controls	Severity	Probability	Score				
G.13	The WPP's confidential/ commercially sensitive data is leaked, stolen or misplaced.	<ul style="list-style-type: none"> <li>Lack of adequate procedures.</li> <li>Insufficient knowledge of best practice</li> <li>A lack of suitable systems and IT solutions to facilitate and assist in the storing and maintenance of confidential/ commercially sensitive data</li> <li>Misunderstanding if a piece of information is confidential/ commercially sensitive</li> <li>Not clearly stating which audience can see certain confidential/ commercially sensitive data</li> <li>Failure to clearly label information as being confidential/ commercially sensitive</li> </ul>	The WPP faces financial losses as a result of other external parties act on data which they should not have sight or access too. There is also the risk that this data breach results in a negative reputational impact to the WPP.	<ul style="list-style-type: none"> <li>Ongoing training</li> <li>Appropriate level of expertise in place at Host Authority</li> <li>The WPP asks and check what procedures and security measures the CA have in place a local level</li> <li>The WPP will clearly identify documents/ emails and other materials which contain confidential/ commercially sensitive data</li> <li>When confidential/ commercially sensitive data suitably secure methods of information sharing are used</li> <li>The sharing and distributions of confidential/ commercially sensitive data is limited in all instance and is only done so if absolutely essential</li> <li>External advisors and provider are informed and expected to follow the WPP's own procedures in relation to this matter</li> </ul>	Current			👍	N/A	OWG	N/A
	Financial/ Reputational		Medium Term		5	2	10				
G.14	The WPP's fails to identify and take measures to remedy malpractice	<ul style="list-style-type: none"> <li>Failure to encourage a culture of openness in which personnel feel comfortable to flag any potential cases of malpractice</li> <li>Not having suitable mechanisms in place to protect any member of personnel, who reports a potential issue, from victimisation or unfair prosecution</li> <li>An inability to adhere to an effective Whistleblowing Policy.</li> <li>Lack of adequate procedures</li> <li>Insufficient knowledge of best practice</li> <li>Poor or insufficient communication mechanisms</li> <li>Not allocating enough time or resources to the investigation of potential malpractice</li> </ul>	The WPP is negatively impacted by malpractice which may include fraud, corruption, illegal activities or unethical behaviour. The malpractice may result in financial losses, fines, legal action or negative reputational impacts.	<ul style="list-style-type: none"> <li>The WPP has adopted a governance framework with several checks and balances which are designed to limit the potential for malpractice to occur</li> <li>Multiple means of communication are in place within the WPP with a view to encouraging information sharing and the ability to flag any potential concerns</li> <li>Monitoring officer in place at the Host Authority</li> <li>The WPP has a Conflict or Interest Policy in place</li> </ul>	Current			👍	N/A	OWG	The WPP Whistle Blowing Policy is now in place.
	Financial/ Reputational		Short Term		5	1	5				
G.15	The WPP is not prepared for the outcomes of any consultation or regulatory change	<ul style="list-style-type: none"> <li>Failure to be aware of upcoming consultations or regulatory change</li> <li>Failure to identify possible outcomes and implications</li> <li>Failure to leverage existing relationships to 'lobby' government around proposed changes</li> </ul>	The WPP is negatively impacted by the outcomes of any government consultation or regulatory change	<ul style="list-style-type: none"> <li>Respond to consultations, seeking advice where required</li> <li>Consider possible consultation outcomes and undertake preparatory actions</li> <li>Maintain engagement with key individuals and organisations to ensure early notification of any change</li> <li>Maintain engagement with the Welsh Government, especially around consultations on pooling and associated mechanisms</li> </ul>	Current			👎	Actions will depend on the consultation or regulatory change	OWG	This is a new risk and the current score has been based on the upcoming pooling consultation and the understanding of what that may contain. The rating will be monitored and discussed on a regular basis.
	Financial/ Reputational		Long term		5	2	10				

This page is left intentionally blank