

A	D	E	H	I	K	L	N	O	P	Q	R	S	T
Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk	Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Further actions	Date risk identified
P8001	Operational - Disaster (Fire / Flood etc)	An event occurs that would impact the ability to deliver the pension service or aspects of the pension service	Business Continuity	Business continuity procedures in place for administrator DR plans in place and subject to testing by the Administrator i.e. in the event of power failure / data centre outage Business continuity procedures in place for scheme managers Contracts with all advisers and suppliers in place and stored on a central database	5	1	5	5	1	Tolerate	Formal BCP plan in place and details of latest test to be shared with Pension Board with issue resolution deadlines, as appropriate Formal DR plans in place and subject to annual testing. Details of latest test shared with Pension Board with issue resolution deadlines, as appropriate Formal BCP plan in place and details of latest test to be shared with Pension Board with issue resolution deadlines, as appropriate All contracts to be held centrally and all contractual obligations to be evidenced and reviewed	Q4 2017 Q4 2017 Q4 2017 Q4 2017	Aug-17
P8002	Member data incomplete or inaccurate	The pension service is dependent on the receipt and effective maintenance of member data. Incomplete and / or inaccurate data could lead to incorrect benefits and calculation results. The Pension Regulator requires all pension schemes to maintain accurate data	Information Governance	Annual report from administrator used as basis for rectification plan "Not known at this address" returns accurately identified and proactively followed up through tracing agency Communication and engagement strategy deployed to educate and inform employees of data requirements Scheme data regularly tested against actuarial data portal to check data quality with results feeding into record keeping plan	4	3	12	3	1	Treat	Initial Common data analysis to undertake Q3 2017. Conditional data tests to be completed in Q2 2018. Regular data validations against actuarial portal to be undertaken twice yearly with results fed into data rectification plan. May 2018 Update: Common data analysis completed and data cleanse project underway due to complete to IPR data standards 95% for legacy data, 100% current data by August 2018. Conditional data analysis completed. Conditional data cleanse proposals under review. Record keeping plan embedded into monthly performance monitoring. Communications Strategy submitted to Local Pension Board for approval 19 June 2018.	Q1 2018 Ongoing Q3 2018 Ongoing	Aug-17
P8003	Administration process failure / misadministration	The pension scheme is not administered in accordance with scheme rules and overriding legislation and performance is not monitored to ensure delivery against these requirements	Statutory Duty	Formal agreement in place with administrator, including agreed SLAs Authority level clearly agreed and kept up to date, including clear definition of delegated authorities and individual approval authorities Scheme Event calendar in place to ensure legislative / regulatory deadlines are achieved i.e. ABS, Scheme Return, etc Staff training and formal plans in place to ensure processing in accordance with LGPS requirements Review independent audit reports of administrator's processes, including review of the administrator's internal system and process controls Ongoing dialogue and meetings with administrator Written reports and quarterly presentations by administrator to scheme managers	3	2	6	3	1	Treat	LAs to be agreed in Q3 2017 and formalised in contract change by end of 2017. Formal review in Q1 each year. Scheme Events are captured and presented to quarterly governance meetings to ensure core oversight of activities. Captured in Service Improvement Plan. AAF/OIG to be provided annually. Monthly reports submitted to LROB and quarterly meetings scheduled ahead of Pension Board meetings with agreed actions. Administration reports produced and presented to quarterly Pension Board meetings. May 2018 Update: Performance review meetings stepped up to monthly with agreed terms of reference and minutes. All scheme event activity and projects captured in one consolidated plan, including audit actions. Additional improvement metrics agreed for monthly reporting, revised performance reports now include breaches of law reporting, employer compliance reporting. Additional resource being secured to provide oversight of administration performance improvement on behalf of scheme manager and to ensure no single point of failure within current arrangements.	Ongoing	Aug-17
P8004	Excessive charges by suppliers	The cost of running the Pension Fund exceeds agreed budget	Finance	Annual review of scheme budget, quarterly review of costs incurred against budget Periodic review of suppliers, with industry / sector benchmarking as supporting evidence	2	1	2	2	1	Treat	Budget to be agreed annually	Annually Q3	Aug-17
P8005	Fraud / Fraudulent behaviour	The systematic and procedural controls operated in the management of the Fund are inadequate	Finance	Conduct a monthly fraud monitoring process of incoming contribution payments against the formal schedule of contributions Check that the administrator operates robust anti fraud controls through effective segregation of duties and logical access controls that are aligned to agreed authority levels Check incoming and outgoing scheme funds against scheme forecast - reconciling all funds	2	1	2	2	1	Treat	Administration reports produced and GRAB contributions to be accounted for and paid in line with schedule of contributions submitted to quarterly Pension AAFOIG to be provided annually and internal audit plan reviews by LROB. Board meetings Accounts forecast against actuals checked and balanced	Q3 2017 Q1 2018 Q3 2018	Aug-17
P8006	Employer failure to pay contributions to the Fund	The Fund does not receive the correct amount of contributions from Employers to fund employee pension liabilities, leading to a deficit	Finance	Monthly reconciliation of contribution payments received by Finance and administration teams Ongoing dialogue with employer over willingness and ability to pay Annual audit	2	1	2	2	1	Treat	All contributions received checked against schedule of contributions Finance to evidence efforts to recover unpaid contributions Scheme accounts as at 31 March Y1 to be signed off by auditors without qualification. Planning for next audit set start Q3/Q4	Q3 2017 Q4 2017 Q3 2018	Aug-17
P8007	Failure of non-public sector employers	The Fund is left with additional pension liabilities, without guarantee of funding from employers	Finance	Scheme manager monitoring of employer covenant and business strength Work with actuaries to assess the suitability of the use of bonds and guarantees	2	2	4	2	1	Treat	Statement from Scheme Finance on financial strength of major employers and the levels of guarantees that are in place Guarantees are in place and still effective	Q4 2018 Q4 2018	Aug-17
P8008	Failure to interpret Rules or legislation correctly	The Board does not have the level of knowledge and relevant guidance to perform effectively	Compliance	Up to date and documented training log, showing completion of scheme specific and the Pension's Regulator's educational material Technical advice and updates formally noted and actions recorded as required	4	2	8	4	1	Treat	All relevant people have completed all educational training or are in the process of completing within agreed timeframes Updates received from all appropriate bodies have been acted upon. Q4 each year.	Q4 2017 Q3 2018	Aug-17
P8009	Appropriate personnel in place to perform designated roles	The Board does not comply with all statutory obligations and is unable to evidence appropriate governance	Compliance	Ensure that the personnel in key roles in relation to the administration of the Fund are suitably qualified and experienced to perform in their roles and have the appropriate authorities to ensure the administration is executed effectively at all times	4	2	8	4	1	Treat	Review of roles and responsibilities of relevant individuals to ensure individuals hold appropriate authorities or there is clear escalation of issues requiring decisions. In particular, role of Pensions Manager.	Q3 2017	Aug-17
P8010	Conflicts of interest	Decisions made may be influenced by other factors and may be subject to challenge	Compliance	Pension Board awareness of legal responsibility All Pension Board members to declare any conflicts and potential conflicts	3	1	3	3	1	Treat	All pension board members have completed relevant educational material All conflict of interest documentation signed by all board members and recorded in conflict of interest register Any changes to be minuted at each meeting	Ongoing	Aug-17