

Risk ID	Short Risk Title	Long Description	Nature of Risk	Controls and mitigations in place	Residual Risk			Target Risk			Further actions		Date risk identified
					Impact	Likelihood	Risk Score	Impact	Likelihood	Response Option	Actions	Delivery due date	
PB001	Operational - disaster (Fire / flood etc)	An event occurs that would impact the ability to deliver all / parts of the pension service.	Business Continuity	<p>The administrator has Business Continuity Procedures and Disaster Recover Plans in place.</p> <p>Business Continuity Procedures and Disaster Recovery Plans are subject to annual independent testing - undertaken by KPMG.</p> <p>Capita back-up site is in Elland, Leeds, and is tested annually.</p> <p>Business continuity procedures in place for scheme managers</p> <p>Contracts with all advisers and suppliers in place and stored on a central database.</p>	5	1	5	5	1	Tolerate	KPMG report re: continuity procedures and disaster recovery, for year ended 31 December 2019, to be shared with the Local Pensions Board when complete.	Q1 2020	Aug-17
PB002	Member data incomplete or inaccurate	<p>To fulfil legal obligations, the pension service is dependent on receiving accurate information and data from scheme employers, and for the administrator to maintain member records.</p> <p>Incomplete and / or inaccurate information / data could lead to incorrect benefit calculations. The Pension Regulator requires all pension schemes to maintain accurate data.</p> <p>A large number of unprocessed new joiners and leavers were identified in the 2019 valuation process, along with incorrect pensionable salary and CARE for members who have two job roles.</p> <p>Incomplete and / or inaccurate information / data could lead to incorrect benefit calculations. The Pension Regulator requires all pension schemes to maintain accurate data.</p>	Information Governance	<p>Employer Forums' held twice-annually to support scheme employers with returning the information / data required to populate annual benefit statements.</p> <p>A 'Scheme Return Policy' in place, which will detail how the administrator and Barnet will approach employers to collate the data required for annual benefit statements to be populated. The Scheme Return Policy will include clear timescales, and letter templates. The Scheme Return Policy will include the power to fine employers and report to the Pensions Regulator.</p> <p>Common data analysis completed annually and conditional data analysis report completed in Q4, 2019. The scheme manager acknowledges that this is not a one-off exercise.</p> <p>Hartlink system enforces independent checking / authorisation of any system amendments made to ensure accuracy of</p>	5	4	20	3	2	Treat	<p>Dates for 2020 employer forum to be agreed with the Council in Q1 2020.</p> <p>Common and conditional data analysis completed Q4 2019 - data cleanse plan in place for 2020.</p> <p>Capita to advise the Council when employers are not providing the relevant information - the Council to escalate.</p>	Q1 2020 Q1 2019 Ongoing	Aug-17

PB003	<b>Administration process failure / maladministration</b>	Administration of the pension scheme should be in line with the Local Government Pension Scheme (LGPS) rules.  Issues with the 2019 Annual Benefit Statement process and Pensions Savings Statements from this year as well as previous tax years not issued in line with statutory deadlines.	Statutory Duty	Ongoing dialogue between Barnet and Capita through regular Pension Review Meetings.  Formal agreement in place with administrator, including agreed SLA's.  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  Written reports by administrator to scheme managers.	5	4	20	2	1	Treat	Authority levels embedded within the Hartlink system so based on role can authorise and sanction payments up to 50k, 100k, 250k - these controls are tested annually in the AAF report.  Weekly 'checkpoint' meetings in place.  Scheme Event Calendar in place and reviewed annually.  Independent testing of data quality re: triennial valuation through the Hymans Robertson data portal.	Ongoing  Annually  Ongoing  Ongoing	Aug-17
PB004	<b>Excessive charges by suppliers</b>	The cost of running the pension scheme should not exceed the agreed budget.	Finance	Pension scheme budget agreed annually.  Spend reviewed quarterly to ensure on budget.  Periodic review of suppliers.	2	1	2	2	1	Treat	Budget to be agreed annually.	Annually	Aug-17
PB005	<b>Employer failure to pay contributions to the fund</b>	The fund does not receive the correct amount of contributions from employers to fund employee pension liabilities, leading to a scheme deficit.	Finance	Monthly reconciliation of contribution payments received by the finance and administration teams.  Ongoing dialogue with employer around when contributions are due.  Reconciliation through annual scheme returns. Clear expectations shared with admitted bodies through Scheme Return Policy.	2	4	8	2	1	Treat	Revised monthly reconciliation controls are now in place for 2020. Revised procedures have been implemented to improve the collection of strain cost invoices.	Ongoing - monthly	Aug-17
PB006	<b>Failure of non-public sector employers</b>	Should admitted bodies default on payments, the fund is left with additional pension liabilities.	Finance	LB Barnet Pension Team monitoring of employer covenant and business strength.  Work with actuaries to assess the suitability of the use of bonds and guarantees. There is a backlog of admission agreements	2	2	4	2	2	Treat	<ul style="list-style-type: none"> <li>Review all admitted bodies to ensure an appropriate bond / guarantee is in place and reporting into the Pension Fund Committee.</li> <li>Q3 2019</li> </ul>	Ongoing	Aug-17
PB007	<b>Failure to interpret rules or legislation correctly</b>	The Board does not have the level of pension knowledge to perform their role effectively.	Compliance	Up to date training log in place, showing completion of training material.  Technical advice and updates formally noted on training log.	4	2	8	3	1	Treat	No further actions required; risk has reached its target score and is being tolerated with the existing controls and mitigations in place.	N/A	Aug-17
PB008	<b>Appropriate personnel in place to perform in designated roles</b>	The Board does not comply with 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 experienced and qualified to perform in their roles and have the appropriate authorities to ensure the administration is executed effectively at all times	4	2	8	2	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.  Annual appraisal reviews and setting of	Ongoing	Aug-17

PB009	<b>Conflicts of interest</b>	Decisions made may be influenced by other factors and may be subject to challenge.	Compliance	Statutory Duty Pension Board awareness of legal responsibility.  All Pension Board members to declare any conflicts and potential conflicts.  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 included with minutes at each meeting.	3	1	3	3	1	Treat	No further actions required; risk has reached	N/A	Aug-17
PB010	<b>Admission agreements / securities (i.e. bonds) not arranged</b>	Should an employer not be admitted to the Fund in a timely manner then employees will not be able to draw their benefits or have access to death in service benefits relating to the LGPS. This could result in intervention from The Pensions Regulator possibly resulting in a financial consequence and reputational damage to the Council.	Compliance	The Council is working with Capita. HB Law and employers to improve the process for arranging for admission agreements and bonds / bond renewals to be put in place and to address the backlog.	4	5	20	4	2	Treat	Scheme Manager in liaison with Capita and Hymans to implement a clear and robust admitted body process.	Q1 2020	Jan-19
PB011	<b>Commercial viability of strategic suppliers</b>	If the commercial viability of a strategic supplier declines this could lead to operational failings resulting in service disruption/reduction, failure to complete statutory duties and financial costs.	Business Continuity	Contract management framework, with policy and procedures for commercial activity.  Contract monitoring takes place monthly with quarterly reporting to Financial Performance and Contracts Committee.  Contract register kept under review with checks on financial status of strategic suppliers.  Contract management arrangements in place, including indicators to identify financial stress.	5	2	10	4	2	Treat	Collate the information that would be required to enable the Council to take over the running of these services should it become necessary.	Ongoing	Mar-19
PB012	<b>Non-compliance with GDPR</b>	Failure to adhere to GDPR may lead to the breach of GDPR regulations (e.g. breach of personal information), which will result in enforcement action from the Pensions Regular and the Information Office, resulting in financial and reputational impact on the Council.	Statutory Duty	Council Officers are required to engage with GDPR eLearning to be trained on GDPR regulations.  Capita staff are required to complete a data protection online training course and test	3	3	9	2	1	Tolerate	Capita staff required to complete data protection online training course and test on the anniversary of their start date.	Ongoing	Mar-19
PN013	<b>Negative media exposure</b>	Negative/Scrutinising media attention may lead to ineffective media management impacting on the reputation of the Council and impacting on staff morale.	Staffing and Culture	Staffing and Culture Communications team to liaise with S151 Officer as and when a media enquiry arises.	4	2	8	3	1	Tolerate	Press releases to be shared with Local Pension Board members prior to publication (if possible).	Ongoing	Mar-19
PN014	<b>Change of administrator</b>	Contract warning have been issued to Capita and officers have been requested to prepare plans for a switch of administrator.  Changing administrator carries risks that data will be lost / corrupted during the transfer and work delayed.	Business Continuity	Should a transfer of responsibility occur, detailed transition plans will be developed, agreed and actively monitored. LBB's Pension team has been enhanced to have the capability of managing a change of administrator.	5	3	15	3	3	Tolerate	Contingency plans have been developed. These will be enhanced should a decision to transfer be made.	Ongoing	Mar-19