

Governance

Risk no:	Risk Overview (this will happen)	Risk Description (if this happens)	Current Impact (see key)	Current Likelihood (see key)	Current Risk Status	Internal controls in place	Target Impact (see key)	Target Likelihood (see key)	Target Risk Status	Meets target?	Date Not Met Target From	Expected Back on Target	Further Action and Owner	Risk Manager	Next review date	Last Updated
G1	The Fund's objectives/legal responsibilities are not met or are compromised - external factors	Externally led influence and change such as scheme change, national reorganisation, cybercrime and asset pooling	Catastrophic	Possible		1 - Continued discussions at PC and PB regarding this risk 2 - Fund's consultants involved at national level/regularly reporting back to PC 3 - Key areas of potential change and expected tasks identified as part of business plan (ensuring ongoing monitoring) 4 - Asset pooling IAA in place 5 - Officers on London CIV Working Group 6 - Ongoing monitoring of cybercrime risk by Officers and PC	Major	Unlikely		K 2	31/03/2021	Mar 2021	1 - Regular ongoing monitoring to consider if any action is necessary around asset pooling, cost cap and McCloud judgement (MA) 2 - Identify further actions to manage Cybercrime risk (MA)	Pension and Investments Manager	30/09/2020	30/06/2020
G3	Services are not being delivered to meet legal and policy objectives	Insufficient staff numbers (e.g. sickness, resignation, retirement, unable to recruit) - current issues include age profile, implementation of asset pools and local authority pay grades. Weak procurement process or failure to review existing contracts leads to poor value, sub-optimal providers. Pension Fund admin contract is managed by LBTH IT leading to the Fund paying for services which are not in place, contracts agreed to without legislative understanding and pensions experience	Major	Possible		1 - Business plan includes workforce matters 2 - Review of administration team structure 3 - Quarterly update reports consider resourcing matters 4 - Additional resources, such as outsourcing, considered as part of business plan 5 - Staff reviews implemented and most vacant positions now recruited to 6 - All procurement carried out in line with the Council's procurement rules and guidance 7 - Contracts reviewed annually (including market testing where applicable) to ensure Fund receives good value 8 - Pension Fund contracts should be agreed and managed by staff with pension fund experience and LGPS Framework used where available	Major	Rare		K 2	31/03/2021	Dec 2020	1 - Recruit to any vacant roles (MA) 2 - Ongoing consideration of succession planning (MA) 3 - Continue training of new and newly promoted staff (MA) 4. Complete team restructuring (MA) 5. Liaise with LBTH IT on Heywood contract	Pension and Investments Manager	30/06/2020	25/02/2020
G4	Appropriate objectives are not agreed or monitored - internal factors	Policies not in place or not being monitored	Moderate	Possible		1- Range of policies in place and all reviewed regularly (work in progress) 2 - Review of policy dates included in business plan 3 - Monitoring of all objectives at least annually (work in progress) 4 - Policies stipulate how monitoring is carried out and frequency 5 - Business plan in place and regularly monitored 6 - PC has approved a mission statement which summarises the overarching objectives of the Fund	Insignificant	Rare		K 1	30/06/2021	Mar 2021	1- Ensure objectives agreed for each policy (MA) 2- Ensure all policies are finalised, approved and regularly reviewed (MA) 3 - Resolution on pensions admin contract (MA)	Pension and Investments Manager	30/06/2020	25/02/2020
G5	Inappropriate or no decisions are made	Governance (particularly at PC) is poor including due to: - turnover of PC members - lack of knowledge and appropriate skills at PC - failure to take appropriate advice - poor engagement /preparation / commitment - poor oversight / lack of officer skills & knowledge - PC members have undisclosed Conflicts of Interest - PC decision making process is too rigid	Major	Possible		1 - Renewed Officer focus on decision-making / governance including considering structure, behaviour and knowledge 2 - Oversight by Local Pension Board 3 - Training Policy, Plan and monitoring in place for PC and PB members. Training needs analysis undertaken annually 4 - Range of professional advisors covering Fund responsibilities guiding the PC, PB and officers in their responsibilities 5 - Induction training in place for new PC members covering CIPFA Knowledge and Skills requirements and TPR toolkit 6 - Training / improvement plans in place for all officers as part of the Council's performance appraisal programme 7 - Declaration of conflict of interest is standing item on agenda. PC members required to complete annual declaration of interest 8 - Process exists to allow urgent decisions outside of PC meetings	Minor	Unlikely		K 1	25/02/2021	Mar 2021	1 - Revise and update Conflicts of Interest Policy (MA) 2 - Board and Pensions Committee to participate in Hymans Knowledge & Skills Assessment Survey (MA)	Pension and Investments Manager	31/03/2021	25/02/2020
G6	Losses or other detrimental impact on the Fund or its stakeholders	Risk is not identified and/or appropriately monitored (recognising that many risks can be identified but not managed to any degree of certainty)	Major	Unlikely		1 - Risk policy in place 2 - Risk register in place and key risks/movements considered quarterly and reported to PC meeting 3 - Attendance at regional / national forums to keep abreast of current issues and their potential impact on the Fund. 4 - Fundamental review of risk register annually 5 - TPR Code Compliance review completed annually 6 - Annual internal and external audit reviews 7 - Breaches procedure also assists in identifying key risks	Moderate	Unlikely		K 2	25/02/2020	Jun 2020	1 - Revise / update Risk Policy (MA) 2 - Revise / update Risk Register (MA) 3 - Ensure Annual Reviews of Risk Register / TPR Compliance (MA) 4 - Revise / update Breaches procedure (MA)	Pension and Investments Manager	30/06/2020	15/09/2020

G7	Legal requirements and/or guidance are not complied with, leading to financial loss and / or reputational damage - internal factors	Those tasked with managing the Fund are not appropriately trained or do not understand their responsibilities (including recording and reporting breaches), or there is a lack of access to appropriate legislation / guidance.	Major	Unlikely		1 - TPR Code Compliance review completed annually 2 - Annual internal and external audit reviews 3 - Breaches procedure also assists in identifying non-compliant areas 4 - Training policy in place (fundamental to understanding legal requirements) 5 - Use of nationally developed administration system 6 - Documented processes and procedures to ensure compliance 7 - Strategies and policies include statements or measures around legal requirements/guidance 8 - Wide range of expert advisers in place 9 - Officers maintain knowledge of legal framework for routine decisions. Council's legal team is involved in reviewing PC papers and other legal documents. 10 - Access to LGA material, use of specialist advisors, membership on national and regional forums and attending training. 11 - Collaborative working with other Funds to assess requirement and impact of new legislation.	Moderate	Rare		K	1	25/02/2020	Jun 2020	1 - Ensure Annual Reviews of Risk Register / TPR Compliance (MA) 2 - Revise / update Breaches procedure (MA)	Pension and Investments Manager	30/06/2020	25/02/2020
G8	Material misstatement of accounts and potentially a qualified audit opinion	Poor internal monitoring and reconciliation process leads to incorrect financing / assets recorded in the Statement of Accounts	Catastrophic	Unlikely		1 - Qualified Accountant produces accounts using most recent SORP, Accounting Code of Practice, Disclosure Checklist and other relevant CIPFA training materials/publications. Attendance at Pensions Officers Group Meetings 2 - Draft Statement of Accounts and working papers reviewed by the Investment & Treasury Manager and the Chief Accountant. 3 - Reconciliation undertaken between the book cost and market values to the custodians book of records received quarterly. Further reconciliation undertaken between the custodian and investment managers' records. 4 - A checklist of all daily, weekly, monthly and quarterly reconciliations is maintained. Full reconciliation and interim accounts are prepared on a quarterly basis. 5 - All reconciliations are independently reviewed and signed off by a second officer. 6 - All adjustments (including unrealised profits) posted into the general ledger so that accounts can be reported created directly from AGGRESSO.	Catastrophic	Unlikely		J	1	25/02/2020	Jun 2020	1 - Consider controls and whether further actions are required (MA)	Pension and Investments Manager	30/06/2020	25/02/2020

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G9	Pensions administration contract agreed and managed by non pensions and non finance staff	Several key risks on data. Services paid for which the Fund had not implemented. Lack of Pensions regulatory and legislative knowledge of staff agreeing contract	Moderate	Possible		1.) Raise concerns with appropriate LBTH IT staff and resolve	Moderate	Possible		⊕	2	01/04/2020	Dec-20	Contract management reassigned to pensions current for the duration of the Interim Pensions & Investment managers stay with LBTH . Negotiate possibility of moving current contract to LGPS Framework terms and conditions	Pension and Investments Manager	31/05/2021	15/09/2020
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Funding & Investment Risks (includes accounting and audit)

Risk no:	Risk Overview (this will happen)	Risk Description (if this happens)	Current impact (see key)	Current likelihood (see key)	Current Risk Status	Internal controls in place	Target Impact (see key)	Target Likelihood (see key)	Target Risk Status	Meets target?	Date Not Met Target From	Expected Back on Target	Further Action and Owner	Risk Manager	Next review date	Last Updated	
AI 1	Investment and/or funding objectives and/or strategies are inappropriate, inconsistent or otherwise no longer fit for purpose such that asset values fall/liabilities rise and funding levels fall and/or employer costs rise unexpectedly	Investment and funding strategies are considered in isolation or without proper advice or without considering legislative changes such as LGPS regulations (e.g. asset pooling), external factors (e.g. McCloud) and other funding and investment related requirements	Catastrophic	Unlikely		1 - ISS / FSS are set in line with legislation /guidance, approved by PC, reviewed regularly and contain links to each other 2 - Close liaison between the Fund's actuary and strategic investment adviser 3 - Fund commissions stochastic modelling from the actuary to test the likelihood of success of achieving required returns 4 - The Fund uses Strategic Investment consultant, but has also engaged an independent adviser to challenge/confirm investment/investment strategy decisions 5 - The Investment Consultant / Independent Adviser along with officers have regular meetings to review the investment strategy and present options to the Committee for approval. 6 - The Fund subscribes to a number of organisations that assist officers to keep abreast of development / changes to the LGPS which may affect funding	Minor	Unlikely		⊕	2	25/02/2020	Jun 2020	1 - Ensure strategies reviewed in response to external changes (MA) 2 - Consider whether any controls set out in this point are not currently done, and consider implementing (MA)	Pension and Investments Manager	30/06/2020	25/02/2020

FI 2	Employer contributions are insufficient and/or inappropriate relative to the employer's risk profile, potentially leading to other employers having to meet their liabilities	- Funding and/or investment strategy doesn't take into account changes to employer risk characteristics or the strength of employers' covenant. - Employer contributions not in line with Rates and Adjustments Certificate from actuarial valuation - Fund fails to recover other Employer income adding to the deficit.	Major	Unlikely		1 - Ensuring appropriately prudent assumptions on ongoing basis 2 - Employer covenant analyses undertaken by the actuary, along with employer profiling to help understand employer specifics. This is carried out on admission and periodically and the actuary uses this information when contribution rates are being set triennially. 3 - Employer monitoring database developed / updated quarterly to capture key metrics that drive an employer's liabilities. 4 - Regular profiling of employers' characteristics to ensure that assumptions are still relevant and the FSS is fit for purpose. 5 - Employer contribution payment is monitored against expected payment quarterly and late payers reported to PC. 6 - All employer expenditure incurred by the fund is recharged to the relevant employer via itemised invoices. All income recoverable is itemised in the custodian reports. 7 - Recovery / timing of invoices is regularly monitored. 8 - Actuarial / Investment advice provided by qualified professionals and subject to peer review to ensure that it is fit for purpose.	Moderate	Unlikely		⊖ 1	25/02/2020	Jun 2020	1 - Ensure employer covenant monitoring remains fit for purpose (MA) 2 - Consider whether any controls set out in this point are not currently done, and consider implementing (MA)	Pension and Investments Manager	30/06/2020	25/02/2020
FI 3	Investment targets are not achieved therefore materially reducing solvency / increasing contributions	- Markets perform below actuarial assumptions - Fund managers and/or in-house investments don't meet their targets - Market opportunities are not identified and/or implemented.	Major	Possible		1 - Use of a diversified portfolio (regularly monitored) 2 - Annual formal reviews of the continued appropriateness of the funding/investment strategies by the PC 3 - On going monitoring of appointed managers (including in house investments) managed through regular updates and meetings with key personnel 4 - Officers regularly meet with Fund Managers, attend seminars and conferences to continually gain knowledge of investment opportunities available 5 - Consideration / understanding of potential Brexit implications 6 - Equity Protection and Currency Hedging Strategy in place to protect equity gains and potentially reduce volatility of contributions.	Moderate	Unlikely		⊖ Current impact 1 too high	25/02/2020	Jun 2020	1 - Consider whether any actions set out in this point are not currently done, and consider implementing (MA)	Pension and Investments Manager	30/06/2020	25/02/2020
FI 4	Value of liabilities increase due to market yields/inflation moving out of line from actuarial assumptions	Market factors impact on inflation and interest rates	Moderate	Possible		1 - Use of a diversified portfolio which is regularly monitored. 2 - Monthly monitoring of funding and hedge ratio position versus targets. 3 - Annual formal reviews of the continued appropriateness of the funding/investment strategies by the PC. 4 - Consideration / understanding of potential Brexit implications.	Moderate	Unlikely		⊖ 1	25/02/2020	Jun 2020	1 - Consider whether any controls set out in this point are not currently done, and consider implementing (MA)	Pension and Investments Manager	30/06/2020	25/02/2020
FI 5	Investment Strategy fails to deliver appropriate returns	Long-term Investment Strategy issues caused by: - Responsible Investment (including Climate Change) is not properly considered - Actual asset allocations move away from strategic benchmark - Relevant information relating to investments is not communicated to the PC - The risks associated with the Fund's assets are not fully understood resulting in taking either too much or too little risk	Catastrophic	Unlikely		1. Fund has in place Responsible Investment (RI) Strategy 2. RI Policy has Strategic RI Priorities 3. London CIV has RI policy in place 4. Asset Allocations formally reviewed as part of quarterly report to PC and necessary action taken to correct imbalance 5 - PC receives formal quarterly reports on both the overall performance of the Fund and individual investment managers 6 - Full Investment Strategy review undertaken by Investment Consultant after triennial valuation with Annual/Ad-hoc Strategy reviews undertaken in intervening years to ensure the Strategy is still appropriate to achieve long term funding objectives	Catastrophic	Unlikely		⊖ 2	25/02/2020	Jun 2020	1 - Consider whether any controls set out in this point are not currently done, and consider implementing (MA)	Pension and Investments Manager	30/06/2020	25/02/2020
FI 6	The Asset Pool fails to meet the Fund's needs	Issues with the London CIV including: - The investment strategy adopted by London CIV through fund manager appointments - Asset pooling restricts Fund's ability to fully implement a desired mandate	Major	Unlikely		1 - The Fund is a founding member of London CIV and is an active participant at all levels (Executive and Officer) of London CIV. 2 - Specifically, the Fund has representation at the Investment Advisory Committee and Officer's business meetings where strategies and fund manager appointments that align with the Fund's investment strategy are promoted. 3 - The London CIV will have as wide a range of mandates as possible and also that there will be a choice of manager for each mandate/asset class. However, because the CIV has to reach consensus among its 32 members, there is a risk that the full complement of mandates in the Fund may not be replicated by London CIV. 4- The London CIV is planning to appoint investment managers to all asset classes that the Fund is currently invested in. 5 - Fund will be able to retain mandates not currently appointed to by the London CIV and may invest in other pools if they have a desired mandate	Moderate	Unlikely		⊖ Current impact 1 too high	25/02/2024	Jun 2023	1 - Keep abreast of asset pooling developments generally and London CIV issues specifically, and ensure the Fund is well placed to act accordingly (MA)	Pension and Investments Manager	30/06/2020	25/02/2020

FI 7	Value of liabilities/contributions change due to demographics being out of line with assumptions	Employer related assumptions (early retirements, pay increases, 50:50 take up), life expectancy and other demographic assumptions are out of line with assumptions	Moderate	Unlikely		1 - Regular monitoring of actual membership experience carried out by the Fund. 2 - Actuarial valuation assumptions based on evidential analysis and discussions with the Fund/employers. 3 - Ensure employers made aware of the financial consequences of their decisions 4 - In the case of early retirements, employers pay capital sums to fund the costs for non-ill health cases. 5 - Employer monitoring project commissioned with Hymans to review employers close to cessation.	Moderate	Unlikely		⊕ 1	31/03/2022	Jun 2023	1 - Consider whether any controls set out in this point are not currently done, and consider implementing (MA)	Pension and Investments Manager	30/06/2020	25/02/2020
FI 8	Insufficient cash to pay benefits as they fall due, resulting in disinvestment at depressed asset prices	Increases in benefit outflow, including new retirements, or inadequate monitoring, or reductions in contributions not anticipated/expected and/or investment income is less than expected	Minor	Rare		1 - Annual cashflow monitoring undertaken and utilised to inform Investment Strategy to ensure that Fund is always able to meet liabilities as they fall due 2 - Ensuring all payments due are received on time including employer contributions (to avoid breaching Regulations) 3 - Employer contribution payments monitored on a monthly basis; including a full reconciliation between expected and actual 4 - Late payers are identified and reported to the PC as part of quarterly pensions administration report. 5 - Holding sufficient liquid assets as part of agreed cashflow management policy 6 - Monitor cashflow requirements 7 - Treasury management policy is documented	Minor	Rare		⊕ 1	25/02/2021	Jun 2021	1 - Consider whether any controls set out in this point are not currently done, and consider implementing (MA) 2 - £20m cash requested from Schroders equity protection proceeds to meet cashflow gap for 2021/22 and 22/23	Pension and Investments Manager	30/06/2022	16/09/2020
FI 9	Loss of employer income and/or other employers become liable for their deficits	Employer ceasing to exist or otherwise exiting (e.g. when contract ends) with insufficient funding (bond or guarantee).	Moderate	Unlikely		1 - Employer monitoring database developed and updated quarterly to capture key metrics that drive an employers' liabilities and status within the Fund. 2 - Contract dates for admitted bodies are monitored, so that officers are aware and able to identify employers that are due to leave the Scheme. 3 - Fund Actuary is notified of the need to calculate a cessation valuation 3 months before an employer is due to leave the Fund. 4 - Admission agreements policy requires a guarantee or bond. 5 - Fund Actuary undertakes periodic review of employer profiles which are factored into employer contribution rates.	Minor	Unlikely		⊕ 1	25/02/2021	Jun 2020	1 - Consider whether any controls set out in this point are not currently done, and consider implementing (MA)	Pension and Investments Manager	30/06/2021	25/02/2020

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FI 10	COVID-19 Pandemic	The Council is the main employer in the Fund. There are a number of small employers mainly from outsourcing of school catering and cleaning over the years. Employers unable to pay employer contributions. Ceding employers unable to support outsourced operations. Investment environment changes radically, and Fund is slow to respond, leading to lower solvency	Moderate	Possible		1.) Draft contribution deferral policy submitted to Committee for consideration in July 2020 2.) Convenant reviews and review of high risk employers in the fund. 3.) Active investment monitoring, possible implementation of Equity Protection by Pensions Committee	Moderate	Possible		⊕ 2	01/04/2020	Dec-20	update draft contribution deferral policy once SAB update is issued. Continuous monitoring (MA)	Pension and Investments Manager	30/09/2020	01/04/2020
FI 11	McCloud Judgement	Remedies relating to the McCloud judgement that need to be made in relation to the LGPS - Court of Appeal ruling that the transitional protections awarded to some scheme members were unlawful on the grounds of age discrimination and could not be justified.	Minor	Possible		1.) Adjustments were made to the 2019 valuation to account for any possible McCloud impact 2.) Quarterly update to Pensions Committee and Pensions Board 3.) Officers to commence with McCloud project implementation	Moderate	Unlikely		⊕ 1	01/04/2022	Mar-22	1 - Continuous monitoring in intervaluation updates (MA) 2 - Set up McCloud project 3 - commence communications with scheme members and employers.	Pension and Investments Manager	31/03/2021	15/09/2020

Administration & Communication Risks

Risk no:	Risk Overview (this will happen)	Strategic objectives at risk (see key)	Current impact (see key)	Current Risk Status	Internal controls in place	Target Impact (see key)	Target Likelihood (see key)	Target Risk Status	Meets target?	Date Not Met Target From	Expected Back On Target	Further Action and Owner	Risk Manager	Next review date	Last Updated
AG 1	Unable to meet legal and performance expectations due to external factors		Major		1 - Ongoing reporting to management/PC/PB to quickly identify issues (For example on transfers - Monitor numbers and values of transfers out being processed and report regularly) 2 - External consultants available to assist if required 3 - Recruitment to new posts	Minor	Unlikely		K Current impact of 2 to remain	25/02/2020	Mar 2021	1 - Ongoing consideration of resource levels post recruitment of new posts (MA) 2 - Ongoing consideration of likely national changes and impact on resource (MA)	Pension and Investments Manager	30/12/2020	30/06/2020

AG 2	Unable to meet legal and performance expectations (including inaccuracies and delays in benefit calculations) leading to potential member complaints and poor data security		Major	<ul style="list-style-type: none"> 1 - Training Policy, Plan and monitoring in place 2 - External consultants available to assist if required 3 - Data protection training, policies and processes in place 4 - Business plan includes workforce matters 5 - Review of administration team structure 6 - Quarterly update reports consider resourcing matters 7 - Staff reviews implemented and most vacant positions now recruited to 8 - Ongoing training within the team 	Minor	Unlikely	K	Current impact of 2 to remain	30/12/2020	Jun 2022	<ul style="list-style-type: none"> 1 - Recruit to any vacant roles (MA) 2 - Ongoing consideration of succession planning (MA) 3 - Continue training of new and newly promoted staff (MA) 4. Complete team restructuring (MA) 	Pension and Investments Manager	30/06/2020	25/02/2020
AG 3	Unable to meet legal and performance expectations (including inaccuracies and delays and potential legal breaches) due to lack of or poor quality data from the council and other employers.		Major	<ul style="list-style-type: none"> 1 - Administration strategy updated and consulted upon 2 - Communications Strategy (to be reviewed) sets out how Fund will engage with all Stakeholders 3 - Ensure information communicated to Employers is clear, concise and relevant 4 - Where available use standard templates/information from the LGPS employers association 5 - Provide training to employers that is specific to their roles and responsibilities in the LGPS 6 - Employer access to the i-Connect portal (roll-out in progress), and forms available on website 7 - Employers can access specialist support from Fund Officers 	Minor	Unlikely	K	Current impact to remain 2 as high risk	31/12/2020	31/12/2020	<ul style="list-style-type: none"> 1 - Ongoing roll out of I-connect (MA) 2 - Revise / update Admin / Comms Strategies (MA) 3 - Identify other employer data issues and engage with employers on these (MA) 	Pension and Investments Manager	30/09/2020	25/02/2020
AG 4	High administration costs and/or errors (including rectification costs and IDR costs or fraud) and reputational damage if Ombudsman rules against the Fund		Major	<ul style="list-style-type: none"> 1- Business plan has number of forthcoming improvements (I-connect/MSS etc) 2 - Use of Altair which is a nationally recognised software with plentiful guidance / support 3 - Ongoing training on how to use systems within the Administration team 4- Fund has (PC approved) Internal Dispute Resolution Policy (IDRP) 5 - Robust checks / adherence with best practice including undertaking regular reconciliation of payments 	Minor	Unlikely	K	Current impact 2 to remain	31/03/2022	Jun 2021	<ul style="list-style-type: none"> 1 - Ongoing roll out of iConnect and MSS (MA) 2 - Assessment of Team skills / capabilities once restructure is complete (MA) 	Pension and Investments Manager	30/09/2020	25/02/2020
AG 5	Scheme members do not understand or appreciate their benefits and cannot make informed decisions		Moderate	<ul style="list-style-type: none"> 1 - Communications Strategy (to be reviewed) 2 - Members provided with explanatory notes and guidance and given access to further pension support 3 - Website provides information on the Scheme and on Members' benefits 4 - Member self service to be launched in 2020 	Insignificant	Unlikely	K	Current impact of to remain until resolved	31/03/2021	Jun 2020	<ul style="list-style-type: none"> 1 - Implementation of member self service (MA) 2 - Ensure all communication and literature is up to date / relevant (MA) 3 - Revise / update Admin / Comms Strategies (MA) 4 - Consider annual communications survey (MA) 	Pension and Investments Manager	30/09/2020	25/02/2020
AG 6	Service provision is interrupted or incorrect benefits paid and/or records are lost, including data breaches		Major	<ul style="list-style-type: none"> 1 - Disaster recovery plan in place and allows the pension administration system to be run from an alternative site 2 - Altair administration system is subject to daily software backups and off-site duplication of records 3 - Pensioner payroll system is subject to daily software backups and off-site duplication of records 4 - Robust checks / adherence with best practice including undertaking regular reconciliation of payments 5 - Internal Audit plan includes dedicated hours for review of internal controls in relation to the management and accounting of the Pension Fund. The plan is designed on a risk basis, so that areas of high risk will be subject to more frequent internal audits 6 - Recommendations from internal audits of processes and controls are implemented in a timely manner 	Moderate	Rare	K	Current impact 1 too high	31/12/2020	Dec 2020	<ul style="list-style-type: none"> 1 - Ongoing checks relating to suitability of disaster recovery plan (MA) 2 - Review of cybercrime risk controls (MA) 	Pension and Investments Manager	30/06/2020	25/02/2020

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AG 7	COVID-19 affecting the day to day functions of the Pensions Administration services including customer telephony service, payment of pensions, retirements, death benefits, transfers and refunds. 2		Major	TREAT 1) The Pensions Administration team have shifted to working from home. 2) The administrators have prioritised death benefits, retirements including ill health and refunds. If there is any spare capacity the administrators will prioritise transfers and divorce cases. 3) Revision of processes to enable electronic signatures and configure the telephone helpdesk system to work from home. 4) Sending additional and follow up letters to overseas pensioners. 5) All members of the Pensions & Investments teams have phones diverted to mobiles to maintain required level of customer contact. This includes main team member which was also diverted to mobile.	Minor	Unlikely	K	New risk	31/12/2020	31/12/2020	1. Implement council procedures for staff home working (MA) 2.) Implement Pensions Regulator directive on covid-19 (MA)	Pension and Investments Manager	30/09/2020	31/03/2020
AG 8	Guaranteed Minimum Pension (GMP) reconciliation. In accurate record keeping		Major	1.) Establish internal controls 2.) resolve contract with ITM. 3.) Identify terms of LBTH IT procurement of GMP reconciliation in Aquila Heywood contract 3.) Possible impact on pensions team resources	Minor	Unlikely	K	1	01/04/2020	Mar-22	1 - Data analysis carried out and action taken to reconcile and adjust paid pension paid to retired members. 2. to review GMP amounts allocated to active and deferred members 3. Internal Audit	Pension and Investments Manager	31/03/2021	01/04/2020
AG 9	Impact of covid-19 on scheme employers		Moderate	1 - Develop Policy to address eventualities 2 - Monitor employer contributions 3 - Review admission agreements and employer covenants	Insignificant	Unlikely	K	New risk	31/12/2020	31/3/2021	1 - Continuous monitoring of employer contributions (MA) 2 - Liaise with employers experiencing difficulty paying contributions (MA)	Pension and Investments Manager	30/09/2020	31/03/2020

