Appendix B
Risks taken from Risk Log January 2017

Description of Risk	Current Controls In Place	Risk Exposure
Incorrect information / benefits - provided to members of the scheme	Benefits calcualtions are checked. All supporting calcualtions are provided to the member. Team Training. Employer Training.	Med
The insolvency of an employer places additional liabilities on the Fund and ultimately the remaining employers. Orphan liabilities.	Admission agreements, bonds in some cases. Shorter deficit recovery periods. FSS. Annual Employer covenant check .	V Low
Vulnerable to loss of or over-reliance of key staff due to long term sickness or staff turnover resulting in reduction of service to scheme employers.	Procedures notes updated. Team restucted in 2014 to allow for succesion planning. Training undertaken in 2015. Training Policy put in place and training log.	Med
Failure of ITC, hardware supported by SC, impacting adversley ability to run Altair pension adminstration system.	DR in place. Tested annually. Reliance on SC inhouse IT department	Med
Failure of support systems: Resource Link, SAMIS, CIVICA Icon cheque processing, COGNOS which will result in incorrect data collection, payment of benefits and incorrect accounting.	Reliance on SC IT	Med
Failure of telephony system: Lync phones- resulting in no commmunication with customers	Reliance on SC IT	Med
Failure of Administration Team to perform their tasks,including for the reason of lack of resourse specifically leading to incorrect; data, triennial Fund valuations or failure to provide accurate and timely advice to employers.	Annual Audits, internal & external. Internal procedures and checks. National Fraud initiative for pensioner data. Membership reconciliations, Performance against Adminstration Strategy. Close working relationships with employers. Assurance from Actuary on data quality for Valuation.	Med

Failure of Employers to provide accurate data leading to incorrect benefit statement / payments or Fund valuations.	Employer training. Communication. Administration Strategy Statement. Team training. Internal controls including contribution collection audits and positive action by Pension Team. Iconnect implemented for the 2 largest employers. Employers trained on TPR code. Monthly returns for some employers. Employer training to cover errors picked up on year end returns. Introduced Breaches recording &reporting.	High
Loss of personal data leading to fines and reputational loss	ICT security used such as data encryption, secure email and document management software with strict security profiles. Secure working environments. Information protection L1 training undertaken by all staff annually and Level 2 by 2 members of staff. Secure working environment in place.	Med
Late payment of contributions by Fund Employers leading to Pension Fund having to report to TPR and possible be fined.	Employer training / guidance on website. Employer newsletter. Contributions check & balance. Adhere to internal governace compliance statement. Adherence to TPR code of practice	Med
Policies or strategies of the Administerting Authority adversely impacting on the work of the Pensions Team for the Shropshire County Pension Fund	Segregation of duties, delegated decision making to Pensions Committee and Scheme Administration (Section 151 officer). Quarterly report to Pensions Committee on Administration. Embedding of Pensions Board and Pensions Regulator Code and Scheme Advisory Board	High

Not undertaking work to reconcile GMP data in line with ending of contracting out legislation resulting in possible overpayments and additional costs to the Pension Fund.	GMP's have historically been processed when received and leavers notified to HMRC. Any missing ones for pensioners requested. Initial work was undertaken in 15/16 to identify size of issue. Decision made for stage 1 &2 to be undertaken by third party during 2016/17.	Med
Members and officers lack the skills and knowledge required to make informed decisions on behalf of the stakeholders, leading to adverse performance feedback, potential legal challenge and poor value for money.	Member training plan in place. Training requirement audit undertaken. Access to on-line TPR training tools and expert advisors. Officer Training plan in place fed by PDR's. Attendance at national and regional forums and collaborative working with other Funds.	Low
Failure to identify and report breaches of the law, in accordance with the requirements of the Pensions Regulator leading to reputational damage, fines and criminal penalties.	Breaches Policy in place together with log which is reported to Committee, Board and Fund Administrator. Training undertaken by key staff.	Med
Non compliance with the law around LGPS Benefit Administration leading to fines by the Pensions Regulator and loss of confidence in the Fund.	The use of a good LGPS administration software solution together with staff training mitigates the risks to the Council. The Council is part of a consortium for the current system CLASS which keeps the cost of development down by funding coming from a pooled resource.	Med