

EXTRACT FROM RISK REGISTER		Finance, Governance & Assurance - Pensions			Nov-18		Debbie Sharp			
A	B	C	D	E	F	G	H	K	L	M
Risk No.	Description of Risk	Officer responsible	Current Controls In Place	Residual Risk Rating (with current controls in place)			Risk Exposure High Medium Low Very Low	Additional Controls / Actions Required	Timescale for implementation of additional controls/actions required	Year End Target Score High Medium Low Very Low
				Likelihood	Impact	Risk Rating (E X F)				
1	Incorrect information / benefits - provided to members of the scheme	Debbie Sharp	Benefits calculations are checked. All supporting calculations are provided to the member. Team Training. Employer Training. Review of Letters / statements. Identify Employer training required following receipt of year end returns. Employers providing data on a monthly basis.	5	2	10	Med	Payroll database - Altair database matchup to be undertaken. Mortality Screening and address checking to be undertaken to improve data and be GDPR compliant	31/03/2019	Low
2	The insolvency of an employer places additional liabilities on the Fund and ultimately the remaining employers. Orphan liabilities.	Debbie Sharp	Admission agreements, bonds in some cases. Shorter deficit recovery periods. FSS. Annual Employer covenant check .	2	2	4	V Low	Electronic control of membership numbers through a management dashflow	31/03/2019	V Low
3	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.	Debbie Sharp	Procedures notes updated. Team restucted in 2014 & 2017/18 to allow for succession planning. Training undertaken annually. Training Policy put in place and training log.	3	3	9	Med			Med
4	Failure of ITC, hardware supported by SC, impacting adversely ability to run Altair pension administration system.	Debbie Sharp, Ian Churms	DR in place. Tested annually. Reliance on SC inhouse IT department. DR highlighted back up server issues, so migrated to virtual servers in first quarter of 2018.	3	3	9	Med	Full DR to be undertaken on virtual servers to see if previous risks have now been mitigated.	31/03/2019	Low
5	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.	Debbie Sharp, Donna Stokes	Reliance on SC DTP	4	4	16	High	ERP being implemented by Council. Will replace Finance system. Resourcelink being replaced Pensioners to be transferred to a pensioner payroll module on Altair. Projects interdependant and very little resource is available to support this project.	31/03/2019	Med
6	Failure of telephony system: Lync phones- resulting in no communication with customers	Debbie Sharp, Karen Davies	Reliance on SC IT	4	3	12	Med			Med
7	Failure of Administration Team to perform their tasks,including for the reason of lack of resource specifically leading to incorrect; data, triennial Fund valuations or failure to provide accurate and timely advice to employers.	Debbie Sharp	Annual Audits, internal & external. Internal procedures and checks. National Fraud initiative for pensioner data. Membership reconciliations, Performance against Administration Strategy. Close working relationships with employers. Assurance from Actuary on data quality for Valuation.	3	3	9	Med	Employer satisfaction questionnaire to determine satisfaction with and level of service provided.	31/03/2019	Med
8	Failure of Employers to provide accurate data leading to incorrect benefit statement / payments or Fund valuations.	Debbie Sharp	Employer training. Communication. Administration Strategy Statement. Team training. Internal controls including contribution collection audits and positive action by Pension Team. Iconnect implemented for all employers data now collected monthly. Employers trained on TPR code. Employer training to cover errors picked up on year end returns. Introduced Breaches recording, monitoring & reporting.	3	4	12	Med			Med

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9	Loss or inappropriate disclosure of personal data leading to fines and reputational loss	Debbie Sharp/Ian Churms	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. Memorandum of understanding now in place with employers. Consent for members now on website.	2	4	8	Med	Further improvements required by GDPR to be investigated to ensure this risk does not inadvertently increase in risk rating. Privacy notices to be added to all applicable letters/documents	31/03/2019	Med
10	Late payment of contributions by Fund Employers leading to Pension Fund having to report to TPR and possible be fined.	Debbie Sharp	Employer training / guidance on website. Employer newsletter. Contributions check & balance. Adhere to internal governance compliance statement. Adherence to TPR code of practice.Breaches log monitoring to watch for serial breaches. Engage with employers to work for improvements in performance.	2	3	6	Low			Low
11	Policies or strategies of the Administerting Authority adversely impacting on the work of the Pensions Team for the Shropshire County Pension Fund	Debbie Sharp	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. Agreement for recruitment decision to be made by Section 151 officer as scheme administrator .	3	4	12	Med			Med
12	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.	Debbie Sharp	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. Stage 3 started in first quarter 2018.	4	3	12	Med	Resource to be found to support project work for Stage 3. Upload tool purchased from software provider. Project to be run during 2019/19 to reconcile, rectify and correct all records on Altair	31/03/2019	Med
13	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.	Debbie Sharp Justin Bridges	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.	2	4	8	Med			Med
14	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.	Debbie Sharp	Breaches Policy in place together with log which is reported to Committee, Board and Fund Administrator. Training undertaken by key staff.	3	4	12	Med			Med

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15	Non compliance with the law around LGPS Benefit Administration leading to fines by the Pensions Regulator and loss of confidence in the Fund.	Debbie Sharp	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.	3	4	12	Med			Med
16	Failure to go live on Altair Payroll Sytem at approprate time which results in non-payment of pensions.	Debbie Sharp	Close working with Payroll, IT & Finance teams and ERP project team. Project Management/ module implementation being supported by consultants from Software supplier.	4	4	16	High	ERP Project team & SC officers to provide full support to Pensioner Payroll implementation. Also reliant on ERP project running inline with proposed timetable.	30/09/2018	Med