



# PENSIONS COMMITTEE

## SUPPLEMENTARY PAPERS

Wednesday, 12th December, 2018

at 6.30 pm

Room 102, Hackney Town Hall, Mare Street,  
London E8 1EA

**Members:**

Councillor Robert Chapman (Chair)  
Councillor Michael Desmond (Vice-Chair)  
Councillor Kam Adams  
Councillor Polly Billington  
Councillor Ben Hayhurst  
Councillor Rebecca Rennison

**Co-optees:**

Jonathan Malins-Smith

**Tim Shields**  
Chief Executive

**Contact:**  
Rabiya Khatun  
Governance Services  
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The press and public are welcome to attend this meeting

# **AGENDA**

## **Wednesday, 12th December, 2018**

### **ORDER OF BUSINESS**

<b>Item No</b>	<b>Title</b>	<b>Page No</b>
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## ACCESS AND INFORMATION

### Location

Hackney Town Hall is on Mare Street, bordered by Wilton Way and Reading Lane, almost directly opposite Hackney Picturehouse.

**Trains** – Hackney Central Station (London Overground) – Turn right on leaving the station, turn right again at the traffic lights into Mare Street, walk 200 metres and look for the Hackney Town Hall, almost next to The Empire immediately after Wilton Way.

**Buses** 30, 48, 55, 106, 236, 254, 277, 394, D6 and W15.

### Facilities

There are public toilets available, with wheelchair access, on the ground floor of the Town Hall.

Induction loop facilities are available in Committee Rooms and the Council Chamber

Access for people with mobility difficulties can be obtained through the ramp on the side to the main Town Hall entrance.

### Copies of the Agenda

The Hackney website contains a full database of meeting agendas, reports and minutes. Log on at: [www.hackney.gov.uk](http://www.hackney.gov.uk)

Paper copies are also available from Governance Services whose contact details are shown on the front of the agenda.

### Council & Democracy- [www.hackney.gov.uk](http://www.hackney.gov.uk)

The Council & Democracy section of the Hackney Council website contains details about the democratic process at Hackney, including:

- Mayor of Hackney
- Your Councillors
- Cabinet
- Speaker
- MPs, MEPs and GLA
- Committee Reports
- Council Meetings
- Executive Meetings and Key Decisions Notice
- Register to Vote
- Introduction to the Council
- Council Departments

## RIGHTS OF PRESS AND PUBLIC TO REPORT ON MEETINGS

Where a meeting of the Council and its committees are open to the public, the press and public are welcome to report on meetings of the Council and its committees, through any audio, visual or written methods and may use digital and social media providing they do not disturb the conduct of the meeting and providing that the person reporting or providing the commentary is present at the meeting.

Those wishing to film, photograph or audio record a meeting are asked to notify the Council's Monitoring Officer by noon on the day of the meeting, if possible, or any time prior to the start of the meeting or notify the Chair at the start of the meeting.

The Monitoring Officer, or the Chair of the meeting, may designate a set area from which all recording must take place at a meeting.

The Council will endeavour to provide reasonable space and seating to view, hear and record the meeting. If those intending to record a meeting require any other reasonable facilities, notice should be given to the Monitoring Officer in advance of the meeting and will only be provided if practicable to do so.

The Chair shall have discretion to regulate the behaviour of all those present recording a meeting in the interests of the efficient conduct of the meeting. Anyone acting in a disruptive manner may be required by the Chair to cease recording or may be excluded from the meeting. Disruptive behaviour may include: moving from any designated recording area; causing excessive noise; intrusive lighting; interrupting the meeting; or filming members of the public who have asked not to be filmed.

All those visually recording a meeting are requested to only focus on recording councillors, officers and the public who are directly involved in the conduct of the meeting. The Chair of the meeting will ask any members of the public present if they have objections to being visually recorded. Those visually recording a meeting are asked to respect the wishes of those who do not wish to be filmed or photographed. Failure by someone recording a meeting to respect the wishes of those who do not wish to be filmed and photographed may result in the Chair instructing them to cease recording or in their exclusion from the meeting.

If a meeting passes a motion to exclude the press and public then in order to consider confidential or exempt information, all recording must cease and all recording equipment must be removed from the meeting room. The press and public are not permitted to use any means which might enable them to see or hear the proceedings whilst they are excluded from a meeting and confidential or exempt information is under consideration.

Providing oral commentary during a meeting is not permitted.

# ADVICE TO MEMBERS ON DECLARING INTERESTS

Hackney Council's Code of Conduct applies to **all** Members of the Council, the Mayor and co-opted Members.

This note is intended to provide general guidance for Members on declaring interests. However, you may need to obtain specific advice on whether you have an interest in a particular matter. If you need advice, you can contact:

- The Director of Legal and Governance Services;
- The Legal Adviser to the committee; or
- Governance Services.

If at all possible, you should try to identify any potential interest you may have before the meeting so that you and the person you ask for advice can fully consider all the circumstances before reaching a conclusion on what action you should take.

## 1. Do you have a disclosable pecuniary interest in any matter on the agenda or which is being considered at the meeting?

You will have a disclosable pecuniary interest in a matter if it:

- relates to an interest that you have already registered in Parts A and C of the Register of Pecuniary Interests of you or your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner;
- relates to an interest that should be registered in Parts A and C of the Register of Pecuniary Interests of your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner, but you have not yet done so; or
- affects your well-being or financial position or that of your spouse/civil partner, or anyone living with you as if they were your spouse/civil partner.

## 2. If you have a disclosable pecuniary interest in an item on the agenda you must:

- Declare the existence and nature of the interest (in relation to the relevant agenda item) as soon as it becomes apparent to you (subject to the rules regarding sensitive interests).
- You must leave the room when the item in which you have an interest is being discussed. You cannot stay in the meeting room or public gallery whilst discussion of the item takes place and you cannot vote on the matter. In addition, you must not seek to improperly influence the decision.
- If you have, however, obtained dispensation from the Monitoring Officer or Standards Committee you may remain in the room and participate in the meeting. If dispensation has been granted it will stipulate the extent of your involvement, such as whether you can only be present to make representations, provide evidence or whether you are able to fully participate and vote on the matter in which you have a pecuniary interest.

### 3. Do you have any other non-pecuniary interest on any matter on the agenda which is being considered at the meeting?

You will have 'other non-pecuniary interest' in a matter if:

- i. It relates to an external body that you have been appointed to as a Member or in another capacity; or
- ii. It relates to an organisation or individual which you have actively engaged in supporting.

### 4. If you have other non-pecuniary interest in an item on the agenda you must:

- i. Declare the existence and nature of the interest (in relation to the relevant agenda item) as soon as it becomes apparent to you.
- ii. You may remain in the room, participate in any discussion or vote provided that contractual, financial, consent, permission or licence matters are not under consideration relating to the item in which you have an interest.
- iii. If you have an interest in a contractual, financial, consent, permission or licence matter under consideration, you must leave the room unless you have obtained a dispensation from the Monitoring Officer or Standards Committee. You cannot stay in the room or public gallery whilst discussion of the item takes place and you cannot vote on the matter. In addition, you must not seek to improperly influence the decision. Where members of the public are allowed to make representations, or to give evidence or answer questions about the matter you may, with the permission of the meeting, speak on a matter then leave the room. Once you have finished making your representation, you must leave the room whilst the matter is being discussed.
- iv. If you have been granted dispensation, in accordance with the Council's dispensation procedure you may remain in the room. If dispensation has been granted it will stipulate the extent of your involvement, such as whether you can only be present to make representations, provide evidence or whether you are able to fully participate and vote on the matter in which you have a non pecuniary interest.

### Further Information

Advice can be obtained from Suki Binjal, Director of Legal and Governance Services on 020 8356 6234 or email [suki.binjal@hackney.gov.uk](mailto:suki.binjal@hackney.gov.uk)



FS 566728



Item 8 12/12/18

**Agenda Item 8**  
**Gackney Pension Fund - Control Risk Register**  
**Governance Risks**

Objectives extracted from Governance Policy  
 1) All staff, Pensions Committee and Pension Board Members charged with financial administration, decision-making or oversight with regards to the Fund are fully equipped with the knowledge and skills to discharge the duties and responsibilities allocated to them  
 2) The Fund is aware that good governance means an organisation is open in its dealings and readily provides information to interested parties  
 3) All relevant legislation is understood and complied with  
 4) The Fund aims to be at the forefront of best practice for LGPS funds  
 5) The Fund manages Conflicts of Interest appropriately

Risk No	Risk Overview (this will happen)	First Description (if this happens)	Strategic Objectives at risk (see key)	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 Next Assessed From Target	Expected Back on Target	Further Action and Owner	Risk Manager	Next Review date	Last Updated	Previous Impact	Previous Likelihood	Previous Risk Status	Risk removed (date)	
1	Recruitment and Retention - Insufficient experienced staff to meet Fund objectives	Restrictions on local authority salaries make it challenging for the fund to recruit and retain suitably qualified and experienced staff	G1, G3, G4	Moderate	Likely	High	<ul style="list-style-type: none"> <li>1 - Salary benchmark, supplements paid where appropriate</li> <li>2 - Policies and procedures in place</li> <li>3 - Staff able to cover other roles where possible</li> <li>4 - Develop robust succession planning approach</li> </ul>	Moderate	Unlikely	High	☹️	01/12/2018	Dec 2019	<ul style="list-style-type: none"> <li>1 - Develop succession planning approach</li> <li>2 - Further development of training programme - increase focus on mid level staff</li> </ul>	Julie Stacey/Rachel Cowburn	01/03/2019	01/12/2018					
2	Knowledge and Skills - Insufficient knowledge and skills amongst those charged with Fund Management	Failure to provide to suitable training and to ensure that all Committee Members are able to attend with sufficient regulatory could result in the Fund failing to meet its objectives as a result of insufficient knowledge and skills amongst those charged with its management	G1, G3, G4	Moderate	Possible	High	<ul style="list-style-type: none"> <li>1 - Improvements being made to both induction and ongoing training</li> <li>2 - Regular review of training offered and its effectiveness</li> <li>3 - Knowledge and Skills Policy/training plan in place</li> </ul>	Moderate	Unlikely	High	☹️	01/12/2018	Dec 2019	<ul style="list-style-type: none"> <li>1 - Carry out full review of training programme and requirements</li> </ul>	Rachel Cowburn	01/03/2019	01/12/2018					
3	Conflicts of Interest - actual conflicts of interest permitted to materialise	Failure to adequately monitor and disclose conflicts of interest results in potential conflicts not being managed	G5	Insignificant	Unlikely	High	<ul style="list-style-type: none"> <li>1 - Conflicts of interest policy and register maintained</li> <li>2 - Standing item requesting disclosure at all Committee/Board meetings</li> <li>3 - Annual update to declarations required</li> </ul>	Insignificant	Unlikely	High	☹️					Rachel Cowburn	01/03/2019	01/12/2018				
4	Internal Fraud - financial loss resulting from actions of employees	Persons team involved with the management of significant financial resources - potential for internal fraud	G4	Moderate	Unlikely	High	<ul style="list-style-type: none"> <li>1 - Segregation of duties for key roles</li> <li>2 - Regular scrutiny from internal audit</li> <li>3 - Annual external audit of the Pension Fund</li> </ul>	Moderate	Unlikely	High	☹️					Rachel Cowburn	01/03/2019	01/12/2018				
5	Data Protection - failure to adequately protect member details	Non-compliance with the GDPR results in a failure to adequately protect member details, with a potential financial impact on members	G4	Moderate	Possible	High	<ul style="list-style-type: none"> <li>1 - Compliance with the Council's ICT policy</li> <li>2 - Use of encrypted email for sensitive data</li> <li>3 - Use of confidential waste disposal</li> <li>4 - Use of secure courier to transmit sensitive hard copy files</li> <li>5 - Appropriate access control measures</li> <li>6 - Redaction of personal information where required</li> <li>7 - Tailored training to be provided to Financial Services staff, Pensions Committee and Pension Board Members</li> <li>8 - Contracts with third party suppliers acting as joint data processors must ensure that:                             <ul style="list-style-type: none"> <li>1 - Third parties are GDPR compliant</li> <li>2 - Secure methods of transfer for sensitive data transmissions/storage built into contract</li> <li>3 - Appropriate risk sharing between the Council and the third party supplier is in place</li> </ul> </li> </ul>	Moderate	Unlikely	High	☹️	01/12/2018	Dec 2019	<ul style="list-style-type: none"> <li>1 - Ensure all pensions team staff fully trained on GDPR</li> <li>2 - Ensure TLS links in place with third party suppliers where possible</li> <li>3 - Roll out employer portal to ensure more usual friendly secure data transmission</li> <li>4 - explore further secure email options as current offer not user friendly</li> </ul>	Julie Stacey/Rachel Cowburn	01/03/2019	01/12/2018					
6	Reliance on external systems - potential for system failure (including cybercrime)	Heavy reliance on external systems including following systems: Cedar (accounting), HSBGnet (custodian), LloydLink, Compendia results in crucial action not being taken in the event of system failure	G4	Moderate	Possible	High	<ul style="list-style-type: none"> <li>1 - All teams complete a Business Impact Analysis to assess timescales/impact of system failure etc.</li> <li>2 - The Pension Investments and Pensions Administration Business Continuity Plans detail actions to take in the event of system failure</li> </ul>	Moderate	Unlikely	High	☹️		Aug 2019		<ul style="list-style-type: none"> <li>1 - Internal training required on cybercrime risk</li> <li>2 - Check cybercrime insurance</li> <li>3 - Receive written assurances from all suppliers re management of cybercrime</li> </ul>	Julie Stacey/Rachel Cowburn	01/03/2019	01/12/2018				

**Hackney Pension Fund - Control Risk Register**  
**Funding & Investment Risks (includes accounting and audit)**

Objectives extracted from Funding Strategy Statement and Investment Strategy Statement

F1 To ensure the long-term solvency of the Fund using a prudent long term view. This will ensure that sufficient funds are available to meet all members' dependants' benefits as they fall due for payment.

F2 To ensure that employee contribution rates are reasonably stable where appropriate.

F3 To minimise the long-term cash contributions which employers need to pay to the Fund, by recognising the link between assets and liabilities and adopting an investment strategy which balances risk and return (NB this will also minimise the costs to be borne by Council Tax payers).

F4 To reflect the different characteristics of different employers in determining contribution rates. This involves the Fund having a clear and transparent funding strategy to demonstrate how each employer can best meet its own liabilities over future years.

F5 To use reasonable measures to reduce the risk to other employers and ultimately to the Council Tax payer from an employer defaulting on its pension obligations.

I1 Have a strategic asset allocation benchmark for the Fund that has the appropriate balance between generating a satisfactory long-term return on investments whilst taking account of market volatility and risk and the nature of the Fund's liabilities.

Risk No	Risk Overview (the what happens)	Risk Description (if the happens)	Strategic objectives at risk (see key)	Current Impact (see key)	Current Method (see key)	Current Risk Status	Internal controls in place	Target Impact (see key)	Target Likelihood (see key)	Target Risk Status	Header Target?	Date Met Target From	Expected Date on Target	Further Action and Owner	Risk Manager	Next review date	Last Updated	Previous Impact	Previous Likelihood	Previous Risk Status	Risk removed (date)	
1	Asset risk - failure to meet objectives through poor asset performance	Asset risks include the following: Concentration - over allocation to a single asset class Illiquidity - insufficient liquid assets Currency risk - underperformance of asset currency ESG Risk - ESG related factors reduce the Fund's ability to generate long-term returns Manager Underperformance	I1	Major	Likely	Red	1 - Investment in a diversified range of asset classes 2 - Regular cash flow monitoring 3 - Currency hedging policy 4 - ESG and climate risk policy in place 5 - Multiple managers & performance monitoring	Major	Possible	Yellow	⊕	Current likelihood 1 too high	01/12/2018	Dec 2020	1 - Complete planned investment strategy changes and associated transitions (RC) 2 - Align cash flow monitoring to business objectives (RC)	Rachel Cowburn	01/03/2019	01/12/2018				
2	Funding risk - growth rate of liabilities outstrips that of assets	Funding Risks include: Inflation risk - Price and pay inflation more than anticipated Changing demographics - longevity improvements Systemic risk - interlinked and simultaneous failure of several asset classes	F1	Major	Likely	Red	1 - Monitoring of asset allocation and investment returns 2 - Some investment in bonds assists in liability matching 3 - Stabilisation modelling at whole Fund level allows for the probability that risk free returns on gov bonds will fall 4 - Assessment of liabilities at the internal valuation and the roll-forward of liabilities between valuations	Moderate	Likely	Yellow	⊕	Current Impact 1 too high	01/12/2018	Dec 2020	1 - Reassess liabilities and requirement for matching assets at internal valuation (RC)	Rachel Cowburn	01/03/2019	01/12/2018				
3	Other provider risk - loss of value resulting from external providers	Other provider risks include: Transition risk - unexpected costs in relation to the transition of assets Custody risk - losing economic rights to Fund assets Credit default - default of a counterparty	I1	Major	Possible	Yellow	1 - Regular scrutiny of providers 2 - Monitoring and management (may be delegated to investment managers in certain situations e.g. custody risk in relation to pooled funds) 3 - Seek appropriate advice where necessary (e.g. during a significant transition) 4 - The Pensions Committee has the power to replace a provider should serious concerns exist.	Major	Unlikely	Yellow	⊕	Current likelihood 1 too high	01/12/2018	Dec 2020	1 - Transition planning for upcoming transitions (increased risk as increased movement of assets/appointment of new providers) (RC)	Rachel Cowburn	01/03/2019	01/12/2018				
4	Asset pooling risk - pooling prevents the Fund achieving its objectives	Asset pooling risks include: Transition risk - excessive additional cost through transition to the pooled arrangement Concentration and capacity risks - excessive concentration of assets amongst relatively few large institutions Political risk - central Government's infrastructure aspirations present conflict of interest for the Fund in selling its asset allocation strategy Reputational risks - failure of a pooled arrangement could have significant consequences for the LGPS	I1	Major	Possible	Yellow	1 - Monitor development/respond to consultations - Monitor proposed changes, consultations and guidance from Government on the pooling agenda, responding where appropriate to influence outcomes. Amend process where required to ensure compliance. 2 - Relationship Management - Maintain good working relationship to ensure that the Fund is fully aware of developments at the pool level and the pool is aware of and responds to the Fund's strategic requirements 3 - Transition Planning - Planning for transition considered as part of Investment Strategy development to ensure assets are transitioned efficiently and within the required timeframes 4 - Pensions Committee Chair and STS1 officer members of Shareholder Committee	Major	Unlikely	Yellow	⊕	Current likelihood 1 too high	01/12/2018	Dec 2020	1 - Transition planning for upcoming transitions (increased risk as increased movement of assets/appointment of new providers) (RC) 2 - Ensure more frequent formal catch up with senior LCIV staff (IWM/HR) (RC) 3 - Ensure LCIV aware of Hackney business plan to understand timing requirements (IWM/HR) (RC)	Rachel Cowburn	01/03/2019	01/12/2018				
5	ESG Risk - ESG factors negatively impact Fund performance	ESG risk is the risk that financially material ESG factors have a negative impact on the Fund's performance. ESG factors include (but are not limited to) carbon risk, which is the risk that the implementation of COP21 political commitments dramatically reduces the proportion of fossil fuel reserves that can be used, with a subsequent impact on the business models and valuations of fossil fuel companies.	I1	Major	Possible	Yellow	1 - Monitoring and management of the Fund's exposure to fossil fuel reserves and power generation to assess level of risk. Initial assessment carried out in July 2016. 2 - Inclusion of a policy statement setting out the Fund's approach to climate risk within the Investment Strategy Statement 3 - Active engagement with managers to understand sources of ESG risk	Major	Unlikely	Yellow	⊕	Current likelihood 1 too high	01/12/2018	Dec 2020	1 - Ongoing development of monitoring of fossil fuel risk (formal review of target summer 2019) 2 - Liaise with managers to improve wider ESG risk reporting	Rachel Cowburn	01/03/2019	01/12/2018				
6	External Factor/Regulatory Risk	The risk that external (e.g. geopolitical) factors or the introduction of new regulation requires major changes to the operation of the Fund	I1, F1	Major	Possible	Yellow	1 - Asset liability modelling to ensure the Fund's Investment Strategy helps the Fund meet its objectives under a range of economic conditions 2 - Horizon scanning to ensure awareness of potential future risks and prepare	Moderate	Possible	Yellow	⊕	Current Impact 1 too high	01/12/2018	Dec 2020	1 - Complete investment strategy updates to improve fund resilience - re-view at internal valuation	Rachel Cowburn	01/03/2019	01/12/2018				
7	Employer Covenant/Affordability risks	Employer Covenant and Affordability risks include: Employer default Employer deficit on termination Highly variable/rapidly increasing employer contribution rates	F4	Moderate	Unlikely	Green	1 - Valuation and inter-valuation monitoring 2 - Monitoring of contributions 3 - Employer covenant checks with use of bonds/guarantees where necessary 4 - Contribution rate stabilisation where appropriate	Moderate	Unlikely	Green	⊕					Rachel Cowburn	01/03/2019	01/12/2018				



**Hackney Pension Fund - Control Risk Register**  
Administration & Communication Risks

- Objectives extracted from: Administration Strategy (03/2017) and Communications Strategy (04/2016)
- A1 Deliver an efficient, quality and value for money service to its scheme employers and scheme members
  - A2 Ensure payment of accurate benefits and collect the correct contributions from the right people in a timely manner
  - A3 Ensure the Fund's employers are aware of and understand their role and responsibilities under the LGPS regulations and in the delivery of the administration function
  - A4 Maintain accurate records and communicate all information and data accurately, and in a timely and secure manner
  - A5 Set out clear roles and responsibilities for the Council and Equiniti and work together to provide a seamless service to Scheme employers and scheme members
  - C1 Promote the scheme as a valuable benefit and provide sufficient and up to date information so members can make informed decisions about their benefits
  - C2 Communicate in a plain language style
  - C3 Ensure the Fund use the most appropriate means of communication, taking into account the different needs of different stakeholders
  - C4 Look for efficiencies in delivering communications including greater use of technology
  - C5 Evaluate the effectiveness of communications and shape future communications appropriately

Risk ID	Risk Overview (this will happen)	Risk Description (if this happens)	Strategic objectives at risk (see key)	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	Met target?	Date Met Target From	Expected Back On Target	Further Action and Owner	Risk Manager	Next review date	Last Updated	Previous Impact	Previous Likelihood	Previous Risk Status	Risk removed (date)	
1	Poor Membership Data	Poor administration and/or provision of data resulting in inaccurate data giving rise to financial, reputational risks, actuary unable to set contribution rates, higher contribution rates, member dissatisfaction, inaccurate benefit statements produced, overpayment of benefits etc.	A4	Major	Almost certain	High	<ul style="list-style-type: none"> <li>1 - annual monitoring of membership records, valuation checks, external data validations</li> <li>2 - Monthly monitoring of contributions to ensure that employers paying across correct contributions along with membership data being supplied</li> <li>3 - Service Level Agreement with external administrator and monthly monitoring of contract. Monitoring of employers and Pensions Administration Strategy which enables Fund to recoup additional administration costs for sub-standard performance.</li> <li>4 - Provision of employer support to ensure employers have the knowledge and understanding necessary to provide correct information</li> </ul>	Moderate	Possible	High	<ul style="list-style-type: none"> <li>1 - Current Impact 1 too high</li> <li>2 - Current Likelihood 2 too high</li> </ul>	01/12/2018	Dec 2020	<ul style="list-style-type: none"> <li>1 - Prioritise completion of work on interface RC)</li> <li>2 - Roll out employer portal to all employers (JS)</li> <li>3 - Develop and roll out data improvement plan (JS/RC)</li> <li>4 - Liaise with Hackney payroll team to roll out new contribution monitoring report (RC)</li> <li>5 - Ensure equiniti roll out employer strategy in line with contract (JS)</li> </ul>	Julie Stacey/Rachael Cowburn	01/03/2019	01/12/2018					
2	Poor Stakeholder Engagement	Poor communication with stakeholders (e.g. member communications late or incomplete, poor explanation of scheme) giving rise to dissatisfaction, poor understanding amongst members and employers and actions against Council	A3 C1-5	Moderate	Possible	High	<ul style="list-style-type: none"> <li>1 - Range of communication options for members and employers</li> <li>2 - Provision of employer support to new or struggling employers</li> </ul>	Moderate	Unlikely	High	<ul style="list-style-type: none"> <li>1 - Current Likelihood 1 too high</li> </ul>	01/12/2018	Dec 2019	<ul style="list-style-type: none"> <li>1 - Roll out new website (JS)</li> <li>2 - Roll out member self service (JS)</li> <li>3 - Roll out employer portal (JS)</li> <li>4 - Carry out scheme member satisfaction surveys (JS)</li> </ul>	Julie Stacey	01/03/2019	01/12/2018					
3	Pension Overpayments - increased costs through failure to cease pension payments	Pension Overpayments arising as a result of non-notification of death, re-employment, or ceasing education. This has financial and reputational consequences.	A2	Minor	Rare	Medium	<ul style="list-style-type: none"> <li>1 - Management of NFI matches and follow up. NFI exercises to identify checks</li> <li>2 - Write to pensioners each year over age 80 and overseas seeking confirmation of ongoing pension entitlement.</li> </ul>	Minor	Rare	Medium												
4	Discretionary Policies - Insufficiently robust policies expose Fund to higher costs	Regulations allow the Pension Fund and employers certain areas where they are able to exercise discretion. Excessively generous or insufficiently robust policies of the Pension Fund and employers exposed to higher costs and reputational risks.	A2, A3	Minor	Unlikely	Medium	<ul style="list-style-type: none"> <li>1 - Controls - Agreed policies and procedures to control such risks, which are regularly reviewed and approved by Pensions Committee</li> <li>2 - Ensuring that employers are aware of the additional costs that could arise from the exercise of their discretions or lack of policy.</li> </ul>	Minor	Unlikely	Medium												
5	Poor delivery of administration service	Risk that third party administrator does not deliver in accordance with contractual requirements	A1-5	Major	Possible	High	<ul style="list-style-type: none"> <li>1 - Strict service standards and SLAs in place</li> <li>2 - Appointment through robust procurement exercise</li> <li>3 - Expert contract management team in place</li> <li>4 - Regular monitoring of KPIs</li> <li>5 - Regular service review meetings</li> </ul>	Major	Unlikely	High	<ul style="list-style-type: none"> <li>1 - Current Likelihood 1 too high</li> </ul>	01/12/2018	Dec 2019	<ul style="list-style-type: none"> <li>1 - Ensure contract requirement are met</li> <li>2 - Early identification and escalation of issues</li> </ul>	Julie Stacey	01/03/2019	01/12/2018					

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