

Objective	High Level Risk	Detailed Risk	Pre-control Risk Score	Controls	Source of Assurance	Post-control Risk Score	Review Date	Actions Description	Outcome of Review /Changes made	Owner
1.1 To ensure the Fund has an appropriate governance structure	1.1 Failure to have an appropriate Governance structure in place including appropriate polices e.g. Conflicts of Interest	Failure to review Governance standards against suitable benchmark (Government guidance e.g. Code of practice 14)	16	Officers monitor and are aware of various governance standards and changes within them.	MHCLG, tPR, SAB, LGA,	9	Sep-21	Review following tPR revision of code of practice (from 15 codes to 1) and consider internal/external review	0	All
	1.2 Failure to ensure that Elected Members and Senior Managers have the required skills or qualifications to perform their function effectively, and are supported by an ongoing programme of training	Failure to deliver regular training to Elected Members	12	Consider independent assessment of knowledge and skills	Pension Board, AON, Self assessment, Regular "just in time training" at meetings, two Committee training session per year, Virtual training carried out to ensure continuity.	4	ongoing	Impact of SAB Good Governance Review? Induction and refresher training to be delivered throughout 2021 following election of new members and TNA	0	HW/ MG
1.6 To comply with all legislation relating to Local Government Pensions.	1.6 Failure to adhere to relevant statutory regulations including updates to LGPS	Failure to know about legislative change	20	Regular review of prospective changes through consultations; updates from LGA and intelligence from conferences and advisors	Pension Board, Altair system updates, LGA, Hymans, POGS, Eversheds	15	Ongoing	Review impact of McCloud, cost cap, tax relief and fair deal.	0	MS SJ JW
1.6 To comply with all legislation relating to Local Government Pensions.	1.6 Failure to adhere to relevant statutory regulations including updates to LGPS	Failure to implement changes to systems, processes and to document such as required by legislative change	16	Ensure any changes are implemented through changes to documents and procedures as required	Pension Board, Altair updates, communications working groups	12	Ongoing	urgent software updates required to assist implementation of regulation changes, manual calculations- impact on resources	0	MS SJ JW
1.6 To comply with all legislation relating to Local Government Pensions.	1.6 Failure to adhere to relevant statutory regulations including updates to LGPS	Failure to train staff as required by the legislative change	16	Ensure staff are trained in changes as required, MPCs	Pension Board, Internal Audit, team meetings, targeted training, webinars, LGA training	12	Ongoing	need to train staff on impact and practical implementation of significant regulatory change	0	MS SJ JW
2.5 To ensure the Fund takes account of Responsible Investment (RI) factors in its investment decisions.	2.5 Failure to take account of RI factors in investment decisions	Failure to comply with the FRC UK Stewardship Code	8	FRC UK Stewardship Code (Tier 1 signatory to 2016 code), as are all fund managers, working towards becoming signatory of 2020 revised code	2016 Investment regulations, ISS, LGPS Central, managers contracts contain clause.	4	Annual / April 22	To become signatories of the 2020 FRC UK Stewardship Code, plus SAB guidance	0	TB
2.5 To ensure the Fund takes account of Responsible Investment (RI) factors in its investment decisions.	2.5 Failure to take account of RI factors in investment decisions	Failure to have a Climate Policy and take into account the impact of climate change on the SAA and subsequent investment returns	16	Climate policy exists, Pensions Panel takes into account impact of climate change in its investment decisions and setting of SAA, through scenario analysis	Climate risk report, Climate Policy is being produced, TCFD reporting, Hymans, LGPSC, Scenario analysis, SAA review incorporates climate change roadmap	12	Apr-22	Initial Climate risk report received from LGPSC, along with draft TCFD report, work with Hymans and LGPSC to develop climate policy	0	TB
2.5 To ensure the Fund takes account of Responsible Investment (RI) factors in its investment decisions.	2.5 Failure to take account of RI factors in investment decisions	Failure to integrate Climate change and the transition to low carbon economy into the investment portfolio.	12	LAPFF, LGPS Central and fund managers liaise directly with companies on climate change issues	Member of LAPFF, Managers reports, officers member of PAF RI working group, LGPS Central Investment Director for RI (Hermes). Carbon Risk Metrics (MSCI) and Climate Scenario Analysis	6	Ongoing	Review climate risk reporting output from LGPS central, Consider wider implications of Climate risk on the fund, eg funding, employers etc	0	TB/ Pensions Panel
2.8 Ensure the efficient transfer of assets to, set up and running of LGPS Central	2.8 Operating costs of the pool exceed budget, staff impacted and anticipated savings do not materialise, impacting Fund performance	Regulatory Changes in relation to asset pooling impacting LGPS Central or SPF	10	Regulatory change is monitored and consultations are responded to.	MHCLG, Pensions Committee, Hymans, cross pool working groups.	10	ongoing	Review as a result of MHCLG formal consultation and statutory guidance	0	Pensions Committee
3.6 To ensure that the existing and prospective liabilities arising from circumstances unique to different scheme employers are taken into account by the Actuary	3.6 Failure to identify, monitor and reflect the unique characteristics of employer's liabilities for example maturity in setting contribution rates including those employing bodies getting close to having no active members	Failure to have a Covenant Monitoring process in place to take into account the long term financial stability of employers of the fund.	16	Online FLR in place, Financial and other data sets being developed.	Annual review of employer covenants, Actuary, triennial valuation, employer profiling report	16	Dec-21	Fully introducing new system to review ongoing employer funding and risk levels, including review of external system providers	0	Initial Employ MS/JW

4.1 Deliver a consistently high level of performance and customer service	4.1 Failure to deliver a consistently high level of performance and customer service	Failure to monitor workloads, or backlogs or benchmark staff numbers	20	Staffing numbers are appropriate - monitor workloads; monitor backlogs; benchmark staffing numbers	Review of KPIs by Pensions Committee / Board, Review of published benchmark returns	16	ongoing, Jan 22	Significant amount of regulatory change and the need to implement such, may impact wider service delivery, increased further by delays in software updates and systems, leading to increased manual calculations.	Staffing numt	SJ/JW
4.2 To maintain sufficient levels of data integrity, security, and to ensure business continuity	4.2 To ensure data quality is accurate, secure and protected and critical systems are available at all times	Failure to provide a robust and reliable administration system to facilitate the delivery of performance standards	20	Using Aquila Paywood AXIS / Altair system and bespoke SCC calculation software, developed over many years on a collaborative basis with other LGPS schemes; regular updates; input to national developments; tendered from time to time	ICT audit reviews, period contract re let and market testing	16	Jun-22	Significant tender project required prior to Dec 21 and potential implementation issues on resourcing.	Software chai	SJ/JW
4.2 To ensure data quality is accurate, secure and protected and critical systems are available at all times	4.2 Failure to ensure data quality is accurate, secure and protected and critical systems are available at all times	Failure of scheme employers to correctly use the i-Connect monthly upload or system failure of i-Connect	16	i-Connect self tests data before submission accepted. The Pensions Section will also carries out tolerance checks on data received. System failure is covered by the potential to reverse and retro load data if required.	Audit, inbuilt controls and tolerance checking.	12	Jun-22	Review monthly tolerance checking	Internal resol	JW
4.2 To ensure data quality is accurate, secure and protected and critical systems are available at all times	4.2 Failure to ensure data quality is accurate, secure and protected and critical systems are available at all times	Failure to protect against increased physical or cyber threats	20	SCC and partner ICT policies and procedures, Mirror server operation, special environmental controls SCC ICT Policies, internal access controls and Altair security roles Firewall and anti virus controls. Business Contingency and DR Plans	ICT Audit, DR Testing reviews.GDPR Impact assesment statement for MPP, evidence of current security arrangements held by software provider and security certification levels.	15	Jun-22	procedures Discuss with ICT and third party software providers via Client Manager meetings to include cyber security and annual DR testing. Consider implications of new TPR	Project team	0 SJ/JW
4.2 To ensure data quality is accurate, secure and protected and critical systems are available at all times	4.2 Failure to ensure data quality is accurate, secure and protected and critical systems are available at all times	Failure of scheme employers to provide contractual hours and service break data, from 1 April 2014 in respect of Mcloud impact changes.	16	Internal project team, software providers update systems to collect data and identify any gaps. Regulatory requirement.	Software reporting.	16	Jun-22	working effectively, software has been	working effectively, software has been	JW/SJ/MS
4.3 To Communicate to our key stakeholders in a clear informative style	4.3 Failure to Communicate to our key stakeholders in a clear informative style	Failure to communicate regularly with scheme members	16	Communications via Staffordshire Pension Fund website and electronic or employer channels. Annual pensioner newsletter (in contact).	Pensions Board / Committee reports Communications Strategy and regular review	12	Jan-22	been developed. Consider the impact of the move towards electronic communication and promotion of MPP and potential for increased disengagement	developed. Consider take-up and outcome from first 2020 ABS electronic exercise, 2021 plan to default all pensioners to electronic communicati	SJ/JW
4.4 Ensure administration compliance with regulatory codes of practice and legislation.	4.4 Failure to comply with regulatory codes of practice and legislation.	LGPS regulation changes in relation to fair deal, McCloud & Goodwin. Processing and funding issues (see duplicated on funding tab)	20	Systems updated and adequate staff resouce and training in place	KPIs maintained at previous levels	15	Jun-22	Review and monitor legislative changes	0 SJ/JW	
4.4 Ensure administration compliance with regulatory codes of practice and legislation.	4.4 Failure to comply with regulatory codes of practice and legislation.	Failure to apply proper due diligence with regard to transfers out, exposing the fund to potential Fraud, risk of Claims via management companies re former transfers out, scams, IFA claims	12	Staff training, TRP code of practice, Regulation	Internal checks, Internal Audit, Internal Staffing structures, FCA regulation of IFAs	12	Jun-22	Ensure all transfer practices comply with the CoP plus pensions bill 2021.	0	0