

**SY PENSIONS AUTHORITY RISK REGISTER AS AT 11/11/2016**

Priority	Risk No	Risk Title	Risk Consequences	Risk Owner	Existing Control Measures	Current Score	Probability and Impact	Target Score	Probability and Impact	Risk Mitigation Action	Owner	% comp	Review Date	Update Notes
	001	Failure to ensure there are appropriate succession plans in place to ensure employees are given opportunities to demonstrate their capability to 'step-up' to more senior roles	Leading to... Knowledge gaps; Negative impact on existing / remaining employees; Business Continuity and resilience issues; Negative impacts on service delivery; Poor performance and non-delivery of targets; Reputational damage; Potential knock on effects where knowledge gaps could appear in areas where employees have been promoted from; Inappropriate decision making by Members of the Pension Board; Poor scrutiny and challenge by Members of the Joint Local Pensions Board;	Fund Director	Training of employees; Sharing of information; Use of minutes and central resources to ensure employees are well informed; Involvement in all issues of management teams to ensure continuity; No immediate competitors for recruitment in the Pensions industry; Procedures well documented; Currently carrying some vacancies to provide some flexible options; Need to provide full Business Case prior to any recruitment being undertaken; External HR support in place; Authority Management Committee in place; BMBC HR support;	2	P - H F - M OI - M	4	P - H F - L OI - L	Meeting with Pensions recruitment specialists to assist in identifying existing employees who are appropriate for succession planning  Delivery of internal Training Programme 16/17	Fund Director  Fund Director / Pensions Manager		30/11/2016  30/11/2016	Recruitment specialists not yet engaged. Options re strategic HR being reconsidered. Aug 2016
	002	Failure to ensure that the Elected Members knowledge and understanding of Pensions related activities is robust, and meets the statutory requirements in terms of Section 248a of the Pensions Act 2004	Leading to... Improper scrutiny and challenge by Elected Members; Mistakes, Errors and omissions and non-compliance with statutory requirements; Failure to ensure contributions are collected; Failure to ensure benefits are calculated properly; Failure to ensure surplus monies are properly and prudently invested; Reputational damage in terms of censure from regulators;	Clerk to the Authority	Induction training provided to new Members which comprises a three day external training course; One day internal refresher course in 2013; Periodic awareness presentations delivered to Members; A self assessment framework for Members and Chairs is in operation but needs refining - this should assist in identifying training requirements; Lead Member for training identified; Working to the spirit of the CIPFA Code of Practice (Code of Practice on Public Sector Pensions Finance Knowledge and Skills, revised in 2013) - Treasurer is the nominated CIPFA officer; Production of Annual Report which includes commentary on Members training activities; External training augmented by internal training;	5	P - M F - VL OI - L	6	P - L F - VL OI - L	Review of Members self assessments	Treasurer		30/11/2016	Training programmes in place an on target Aug 2016
	003	Failure to ensure that required pay and contributions data from customers is provided in an accurate and timely manner	Leading to... Negative impacts on operational targets; Inaccurate information being given to employees and pensioners resulting in complaints, customer dissatisfaction and reputational damage;	Fund Director	District Group Meetings between officers; Regular reports on progress submitted to Corporate Planning and Governance Board; Standard item on South Yorkshire Treasurers Association meetings; Practitioner officer working group established; Ongoing liaison with External Audit; Pensions regulator responsible for regulating schemes and is able to fine and censure those responsible for inaccurate or late information; Enhanced and more robust Service Level Agreements between customers and Authority; Pension Strategy approved by Authority - reviewed and revised version in place for 01/04/2016 - incorporates SLA's and improves upon them in terms of fines being levied for customers who are non-compliant;	2	P - M F - H OI - M	3	P - L F - H OI - H	Monitor and Review the implementation of the Pensions Strategy 16/17  Investigate move to monthly postings of contributions	Vice Chair (Corporate Governance and Planning Board)  Pensions Manager		30/11/2016  30/11/2016	Pensions Admin Strategy successfully implemented. Monthly posting being developed by Civica. Risk remains the same Aug 2016
	004	Failure to ensure that social, environmental and other factors such as the use or endorsement of fossil fuel, obesity and tobacco by companies in which the Fund invests are considered when making investment decisions	Leading to... Non-achievement of investment objectives; Failure to protect and enhance the economic value of the companies the Fund invests in; Reputational damage;	Fund Director	Internal policy documents in place; Awareness information circulated within Investments Team; Membership of various pressure groups; Reports to Members Oversight Board; Awareness of balance between risk (investing in companies that may have an interest in fossil fuel, obesity and tobacco) against reward (high yield investments); Members have embraced the approach exhorted by Professor John Kay in his 2012 'Review of equity markets and long term decision making' and the phrase 'voice over exit'; Pensions Climate Change Policy Document published and feedback received; Statement of Investment Principles in place; Performance reports include information on investments made;	4	P - M F - M OI - M	5	P - L F - L OI - L	Reports to members regarding the performance of investments	Head of Investments		30/11/2016	Quarterly reports continued to be issued to Members Aug 2016
	005	Failure to ensure that the deposits held with banks and other financial institutions is repaid on the agreed due date (Credit Risk)	Leading to... Financial loss; Negative impact on overall financial viability of the scheme;	Fund Director	Treasury Management Strategy requires that deposits are not made with financial institutions unless they meet identified minimum criteria set by the Authority; Maximum sum to be invested identified for each institution; Credit monitoring arrangements in place; Financial references obtained for institutions that the Authority may potentially invest in; Actuarial evaluation undertaken in 2010, and March 2013;	5	P - L F - M OI - L	6	P - L F - L OI - L	Monitor and Review 16/17	Head of Investments		30/11/2016	
	006	Failure to ensure that the Authority has appropriate access to its cash resources to meet its commitments to make payments (Liquidity Risk)	Leading to... Financial loss; Negative impact on overall financial viability of the scheme; Inability to meet pensioner payroll costs and investment commitments;	Fund Director	The Fund has immediate access to its cash holdings with the majority of cash being deposited for no longer than a week, and no cash being deposited for more than a month; Actuarial evaluation undertaken in 2010, and March 2013; Assumptions within Actuarial report (mortality and commutation rates) unchanged for previous evaluations; The Authority works to the principle of 'collect, handle, secure and invest';	5	P - L F - M OI - L	6	P - L F - L OI - L	Ensure Actuarial Review in 2016 considers the new contribution rates in place from April 2017	Head of Investments		30/11/2016	

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	007	Failure to ensure the Authority protects the data it owns, and the data it handles	Leading to... Loss of personal information resulting in reputational damage and censure by Information Commissioner; Loss of trust from partnering organisations; Successful attacks by hackers or third parties; Disruption and delays;	Fund Director	Data back up undertaken daily and backed up information removed from site; Disaster Recovery procedures and Business Continuity Plan in place; External Audit by third party organisations the Authority works with; Security of emails via GSX accounts or the use of Mimecast software; IT Security Policy in place; Reporting of incidents to Information Commissioner; Information Governance training included in training programme; BOLD training available via BMBC; Data Protection Officers no longer in post within SY Pensions; Contract management arrangements regarding the software provided by SY Pensions to third parties includes performance management consideration; Liaison with Landlord regarding improvements to physical security of Regents Street Offices such as lock on doors undertaken;	3	P - L F - H OI - H	5	P - VL F - M OI - H	Bi-Annual review of BCP	IT Manager		30/11/2016	BCP to be reviewed at next or subsequent PSG. All the other IT actions are on schedule. Aug 2016
									Roll-out of Windows 10 to enable hard drives to be encrypted	IT Manager		30/11/2016		
									Review of where data is stored to ensure is can not be extracted	IT Manager		30/11/2016		
									Provision of online training to employees 16/17	IT Manager		30/11/2016		
	008	Failure to ensure that the reconciliations between SY Pensions and the DWP relating to the end of the contracting out window (31/03/2016) are undertaken within an appropriate timescale	Leading to... SY Pension will have to guarantee minimum pension levels, and essentially have to underwrite the risk of miscalculation or lack or / poor information;	Fund Director	Details from central Government are still emerging; Current lack of resources within SY Pensions makes this a challenging area to comply with; Approval received to outsource arrangements to I.T.M. Ltd;	2	P - H F - M OI - M	4	P - M F - M OI - M	Review of work undertaken by I.T.M. Ltd to ensure members benefits are correct	Pensions Manager		30/11/2016	ITM engaged and project underway and on target. Aug 2016
	009	Transition to the new investment 'pooling' arrangements is not well managed	Poorer value for money; Negative impact on the staff involved in the transition; Reputational damage for SYPA and the LGPS;	Clerk to the Authority	Member Steering Group in place (MSG); Chair of SYPA fully engaged in MSG; Officer Steering Group with SYPA senior officers involved; Sec151/Monitoring Officer oversight of arrangements; Regular reports to SYPA & LPB;	3	P - L F - H OI - H	3	P - L F - H OI - H	Member and officer participation in pooling arrangements and supports individual workstreams	Fund Director		31/01/2017	Regular reporting in place at SYPA meetings