

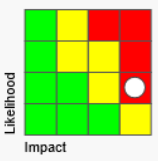
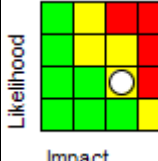

CHB LGPS Detailed risk register EXCLUDING COMPLETED ACTIONS

Report Author: Chris Anastasi

Generated on: 12 January 2021



Rows are sorted by Risk Score

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
CHB LGPS 008 Pension Administratio n Software	<p>Cause: (i) Contract expires and is not replaced. (ii) Contract expires and replacement is delayed.</p> <p>Event: Unable to meet statutory obligations of the LGPS or PPS</p> <p>Effect: (i) Pensions not paid (ii) sanctions and fine (iii) Complaints and loss of reputation.</p>		16	<p>The current software contract expires on 13 October 2021 following a two year extension. The CoL must complete a procurement exercise to appoint or re-appoint a provider by 14 October 2021.</p> <p>Failure to deliver by 14 October 2021 may result in a delay to processing of benefits and the cessation of the Local Government Pension Scheme (LGPS) administration processes.</p> <p>There is a Framework for LGPS software administered by Norfolk County Council. The framework has already identified and selected the providers that may meet the CoL requirements and provides technical specification of the software.</p>		8	31-Mar-2021	

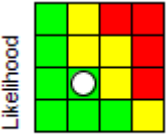
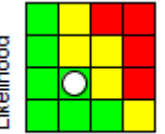

04-Jan-21				04-Jan-21				Reducing
Matt Mott				Matt Mott				

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
008a	<u>Papers presented to CoL Boards for approval, stakeholder consulted</u>	<u>Procurement, Digital Services and Project Boards attended in August, September, October and November request to approve process and move to next steps. Return to Board in March 2021 prior to award of contract</u>	Matt Mott	04-Jan-2021	31-Mar-2021
008b	<u>Ensure all relevant providers are included in tender as per the framework, seeking timely outcome and value for money</u>	<u>Tender released 8 January and closes to applications on 9 February 2021.</u>	Matt Mott	04-Jan-2021	31-Mar-2021
008c	<u>Robust checking of software specification questions and accuracy of answers across all areas of the administration.</u>	<u>Providers will be questioned about all areas of software provision such as member record data, workflow and accuracy of core calculations prior to offer and anticipated award in early April</u>	Matt Mott	04-Jan-2021	31-Mar-2021
008d	<u>Removal of single person dependencies</u>	<u>With effect from 9 February members of the Pensions Office will be involved in the evaluation of the applications and determination of award with procurement. This will aid a successful outcome by reducing the single person dependency within the Pensions Office that currently exist with only the Pensions Manager involved in the procurement process, allowing a successful outcome even in the event of officer absence for reason such as illness etc</u>	Matt Mott	04-Jan-2021	31-Mar-2021
008e	<u>Resourcing - Work with the successful vendor on resource planning at project commencement to ensure all resource requirements are identified from the onset. This will be part of a wider mobilisation plan.</u>	<u>As part of the information issued by the Norfolk County Council Framework all onboarding to be considered as a deliverable. Question will be asked of all potential bidders based on this information. Project Management resource allocated from IT Project office to help manage post tender award process.</u>	Matt Mott	04-Jan-2021	31-Mar-2021
008f	<u>Ensuring that the pensions administration software is included in the departmental business continuity plans</u>	<u>Updating the business impact analysis details used in the departmental continuity plan as required.</u>	David Clelland	04-Jan-2021	02-Nov-2021
008g	<u>Include Data migration and Exit management in the requirement to vendors.</u>	<u>All system data identified, Analysis carried out on all data sets. Estimated budget allocated to each data migration event. Decommissioning of On-Premise legacy systems can be carried out under the current support contract.</u> <u>Contractual obligation for migration support from the Incumbent exists.</u>		04-Jan-2021	31-Mar-2020

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB LGPS 001a	The Investment strategy of the Pension Fund is reviewed at least every three years by the Financial Investment Board with proper advice from the Investment Consultant.	Following shortly after the completion of the 2019 triennial valuation of the Fund's liabilities, the Financial Investment Board reviewed the Pension Fund investment strategy at its meetings in June and July 2020. This ensured that the investment strategy remained appropriate in the context of the Fund's updated liabilities valuation and the current investment environment.	Caroline Al-Beyerty; Kate Limna	08-Jan-2021	31-Mar-2023
CHB LGPS 001b	The investment performance of the Pension Fund is measured against absolute return targets required to meet long term objectives. This is reported to the Financial Investment Board throughout the year and is supplemented by market insight from the Corporation's Investment Consultant who will assist any strategic decisions required in between the three-year formal strategy reviews.	Individual Fund investment performance is brought to each Financial Investment Board for consideration.	Kate Limna; Matt Mott	12-Jan-2021	31-Mar-2021

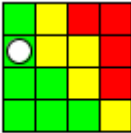
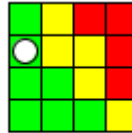

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CHB LGPS 004a	Job descriptions used at recruitment to attract candidates with skills and experience related to LGPS administration. The appraisals process to monitor progress and assess training needs.	Ensuring that candidates with the necessary skills and abilities are employed by the City. Once in post, staff continue to receive relevant training and attend courses, seminars and conferences when appropriate. Have trained multiple team members for extra duties due to parental leave cover	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021
CHB LGPS 004b	Scheme administrators are trained to use the pensions administration software.	Ensuring that administrators are fully trained to use the pension administration software to enable them to provide accurate and efficient calculations. In addition, administrators should know the correct process to report to the software provider any errors encountered with the system in order that they can be investigated and resolved.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021
CHB LGPS 004c	Practical disaster recovery/succession plans in place to ensure continuity in the event that key staff leave or are unable to work for a prolonged period of time.	Ensuring that skill sets are not restricted to one staff member alone. Priority cases and work types are identified to ensure continuation in the event that staff or other resources become unavailable. Disaster Recovery reviewed in light of COVID 19 and officers having worked from home since 23 March 2020.	Matt Mott	<u>08-Jan-2021</u>	31-Mar-2021
CHB LGPS 004e	Accurate and appropriate checking procedures in place at all areas of administration.	All checking procedures reviewed and where necessary amended due to take account of COVID 19 and officers having worked from home since 23 March 2020.	Matt Mott	<u>08-Jan-2021</u>	31-Mar-2021

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB LGPS 006a	Bond indemnity/guarantee required for admitted bodies and incorporated into admission agreements where appropriate.	Recent admissions to the scheme have provide a bond.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
CHB LGPS 007 Cyber security	<p>Cause: (i) Ineffective procedures. (ii) Inadequately trained staff. (iii) IT system failure (iv) Data Accuracy. (v) Lack of resources.</p> <p>Event: Breach of Corporate IT systems and Cyber security.</p> <p>Effect: (i) Inaccurate benefits paid or delayed. (ii) Increased costs of inefficiencies. (iii) Financial penalties/sanctions. (iv) Breach of Data Protection regulations. (v) Loss/corruption of data</p>	 <p>Likelihood</p> <p>Impact</p>	4	<p>A malicious breach of Corporate IT systems may lead to a failure of the pensions administration system and/or a breach of Data Protection regulations.</p> <p>A failure of the pensions administration system or a breach of the DP regulations may mean a failure or inability to calculate benefits accurately and on time which may lead to financial penalties and sanctions being imposed by the governing industry bodies such as the Pensions Regulator or Information Commissioner's Office.</p>	 <p>Likelihood</p> <p>Impact</p>	4		
17-Dec-2019 Peter Kane				11 Feb 2020				Constant

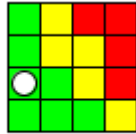
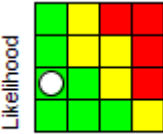

Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB LGPS 007a	Pensions administration staff to be aware of the corporate policy regarding cyber security and to follow the guidelines given.	Corporate online training regarding cyber-security to be carried out by all staff and reviewed as required.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021

CHB LGPS 007b	Corporate and departmental specific software to be updated as required to ensure the latest and most secure version is being used..	To ensure the most up-to-date software is being used, staff should update their computers as and when prompted.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021
CHB LGPS 007c	Ensuring that the pensions administration software is included in the departmental business continuity plans	Updating the business impact analysis details used in the departmental continuity plan as required.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021
CHB LGPS 007d	Pensions administration staff to be aware of Data Protection legislation	Data Protection reviewed and all staff reminded of the legislation and its importance. Processes amended for home working since 23 March 2020, ensuring the protection of scheme member data.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
CHB LGPS 003 Legislative Compliances	<p>Cause: (i) Lack of appropriate knowledge or skill. (ii) Lack of training/ appropriately skilled staff.</p> <p>Event: The failure to comply with legislative requirements.</p> <p>Effect: (i) Inaccurate benefits paid. (ii) Financial loss. (iii) Increase in Appeals. (iv) Fines from Pensions Regulator. (v) Reputational damage</p>	<p>Likelihood</p>  <p>Impact</p>	3	<p>Local Government Pension Scheme (LGPS) regulations determine how LGPS benefits should be calculated; the procedures to be followed in certain circumstances (i.e. normal retirement and ill health retirement); the timeframes/deadlines to be adhered to; and the notifications to be provided to Scheme members.</p> <p>In addition, overriding pension legislation and other bodies such as the Pensions Regulator, HM Revenue & Customs, the Office of National Statistics and the Financial Conduct Authority may impose rules that work alongside the LGPS regulations or may even supersede them.</p> <p>If the members of the Pensions Office that are responsible for administration of the LGPS Scheme lack the necessary legislative knowledge and skills payment of benefits may be delayed or may be inaccurate.</p> <p>This may lead to formal complaints or appeals from scheme members, there representative or scheme employers resulting in financial penalties and sanctions imposed by the governing bodies such as the Pensions Regulator or the Pensions Ombudsman and a loss of reputation.</p>	<p>Likelihood</p>  <p>Impact</p>	3	31-Mar-2021	

17-Dec-2019 Peter Kane				04- Feb- 2020				Constant
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Action no	Action description	Latest Note	Action owner	Latest Note Date	Due Date
CHB LGPS 003a	Robust recruitment and training processes.	Ensuring that suitable staff are recruited at the correct salary levels and that appropriate training is provided will help to prevent non-compliance with legislative requirements	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021
CHB LGPS 003b	The governing legislation may change or evolve over time and it is therefore important that staff maintain accurate and up-to-date knowledge of the Regulations.	Regular attendance at seminars, forums, webinars and user groups will ensure that knowledge of the relevant legislation is kept up-to-date and accurate.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021

Risk no, title, creation date, owner	Risk Description (Cause, Event, Impact)	Current Risk Rating & Score		Risk Update and date of update	Target Risk Rating & Score		Target Date	Current Risk score change indicator
CHB LGPS 005 Fraud 17-Dec-2019 Peter Kane	Cause: (i) Not notified of death. (ii) Staff acting inappropriately Event: Fraudulent claim of pension benefits. Effect: (i) Continued payment of pensions following death. (ii) Overpaid pensions. (ii) Financial loss	 Likelihood	2	<p>If the death of a LGPS beneficiary is not reported, their pension may continue to be paid when there is no longer an entitlement.</p> <p>This may be a deliberate failure to report the death or may be where there is no fraudulent intention, but in either case it will lead to benefit overpayment and a potential financial loss.</p> <p>4-Feb-2020</p>	 Likelihood	2	31-Mar-2021	 Constant

Action no	Action description	Latest Note			Action owner	Latest Note Date	Due Date
CHB LGPS 005a	Robust fraud protection/detection processes.	Use of Mortality Screening Service and Tell Us Once Service [Government initiative that allows us to be notified of a death when registered]. Participation in the National Fraud Initiative. Annually sending Life Certificates to Overseas Pensioners.			Matt Mott	19-Jan-2021	31-Mar-2021

		<p>the most recent triennial valuation period) were finalised on time and audited without qualification. The draft Pension Fund Accounts and Annual Report for 2019/20 were completed on time and are currently being reviewed by the external auditor. The Pension Fund Accounts and Annual report for 2019/20 were finalised and audited without qualification.</p> <p><u>The draft report was published by the statutory deadline of 1 December with the final version being published on 11 December as the audit certificate was not issued until this date.</u></p>			
CHB LGPS 002d	Checking for errors or inconsistencies in valuation extract report before submission to the Actuary	Officers review data quality prior to submission to the actuary. Additionally, member data is submitted separately from employer level cash flow data, which are held on two distinct management information systems. As a result, errors are more easily identified during the valuation process itself. For example, if the member data demonstrates that a given number of members belonging to a single employer retired during the valuation period then this should also be evident from the benefit payments reported in the cash flow data.	Matt Mott	<u>19-Jan-2021</u>	31-Mar-2021