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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Executive Summary | | | | | | | | | |
| Risk number | Risk Description | Previous Impact | Previous likelihood | Previous residual  Risk | Current Impact | Current likelihood | Current residual Risk | Movement | Target score |
| 28. | The operations of the Pension Fund and that of its suppliers are interrupted as a result of a cyber-attack | 4 | 3 | 12 | 4 | 3 | 12 | - | Target  8 |
| 1. | Employers unable to pay contribution rates. | 4 | 3 | 12 | 4 | 3 | 12 | - | Current |
| 2. | Failure to respond to changes in economic conditions. | 4 | 3 | 12 | 4 | 3 | 12 | - | Current |
| 29. | The ACCESS asset pool does not have the sub-fund choices available to enable the Fund to fulfil its strategic and tactical asset allocation requirements in a timely manner. | 3 | 4 | 12 | 3 | 4 | 12 | - | Target  9 |
| 3. | As long-term investors, the Fund believes climate risk has the potential to significantly alter the value of the Fund’s investments. | 3 | 3 | 9 | 3 | 3 | 9 | - | Target  6 |
| 4. | Contributions to the Fund are not received on the correct date and/or for the correct amount. | 4 | 2 | 8 | 4 | 2 | 8 | - | Current |
| 5. | Fund assets are not sufficient to meet obligations and liabilities. | 4 | 2 | 8 | 4 | 2 | 8 | - | Current |
| 16. | Pension Fund systems and data may not be secure and appropriately maintained, whether in situ or in transit | 4 | 2 | 8 | 4 | 2 | 8 | - | Target  4 |
| 6. | The Pension Fund and its members may become a target for fraudsters and criminals | 4 | 2 | 8 | 4 | 2 | 8 | - | Current |
| 7. | Information may not be provided to stakeholders as required. | 3 | 2 | 6 | 3 | 2 | 6 | - | Current |
| 8. | The Investment Strategy’s Risk Reward profile does not match the requirements of the Fund. | 3 | 2 | 6 | 3 | 2 | 6 | - | Current |
| Risk number | Risk Description | Previous Impact | Previous likelihood | Previous residual  Risk | Current Impact | Current likelihood | Current residual Risk | Movement | Target score |
| 9. | Those charged with governance are unable to fulfil their responsibilities effectively. | 3 | 2 | 6 | 3 | 2 | 6 | - | Current |
| 10. | Risk of fraud and error. | 3 | 2 | 6 | 3 | 2 | 6 | - | Current |
| 11. | Failure to understand and monitor risk compliance. | 3 | 2 | 6 | 3 | 2 | 6 | - | Current |
| 12. | Lack of understanding of employer responsibilities which could result in statutory and non-statutory deadlines being missed | 2 | 3 | 6 | 2 | 3 | 6 | - | Current |
| 13. | Failure to recognise and manage conflicts of interest. | 2 | 3 | 6 | 2 | 3 | 6 | - | Target  4 |
| 14. | Incorrect/poor quality data held on the Pension Administration and Payroll platforms or delays with receiving information leading to incorrect information/delayed provision of information to members and stakeholders | 3 | 2 | 6 | 3 | 2 | 6 | - | Current |
| 15. | Custody arrangements may not be sufficient to safeguard Pension Fund assets. | 4 | 1 | 4 | 4 | 1 | 4 | - | Current |
| 17. | Failure to administer the scheme in line with regulations and guidance. | 4 | 1 | 4 | 4 | 1 | 4 | - | Current |
| 18. | Failure to provide relevant information to the Pension Committee/Pension Board to enable informed decision making. | 2 | 2 | 4 | 2 | 2 | 4 | - | Current |
| 19. | Pension Fund investments may not be accurately valued. | 2 | 2 | 4 | 2 | 2 | 4 | - | Current |
| 20. | Actual experience materially differs from actuarial assumptions used at each valuation. | 2 | 2 | 4 | 2 | 2 | 4 | - | Current |
| 21. | Failure to act appropriately upon expert advice and/or risk of poor advice. | 2 | 2 | 4 | 2 | 2 | 4 | - | Current |
| Risk  Number | Risk Description | Previous Impact | Previous likelihood | Previous residual  Risk | Current Impact | Current likelihood | Current residual Risk | Movement | Target score |
| 22. | Failure to assess and monitor the financial strength of an employer covenant to ensure employer liabilities are met in conjunction with the Fund Actuary/specialist advisors. | 2 | 2 | 4 | 2 | 2 | 4 | - | Current |
| 23. | Unable to deliver pension services due to an inadequate business continuity plan. | 2 | 2 | 4 | 2 | 2 | 4 | - | Current |
| 24. | Unable to deliver pension services due to inadequate recruitment and retention processes. | 2 | 3 | 6 | 2 | 3 | 6 | - | Target  4 |
| 25. | Investment decisions and portfolio management may not achieve the return required or be performed in accordance with instructions provided. | 3 | 1 | 3 | 3 | 1 | 3 | - | Current |
| 26. | Incorrect production of accounts, notices, publications and management reports leading to possible financial and reputational damage. | 3 | 1 | 3 | 3 | 1 | 3 | - | Current |
| 27. | Pension Fund objectives are not defined and agreed. | 2 | 1 | 2 | 2 | 1 | 2 | - | Current |

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| --- | --- | --- | --- | --- |
| 5  Catastrophic | **5** | **10** | **15** | **20** |
| 4  Major | **4** | **8** | **12** | **16** |
| 3  Moderate | **3** | **6** | **9** | **12** |
| 2  Minor | **2** | **4** | **6** | **8** |
| 1  Insignificant | **1** | **2** | **3** | **4** |
| **Likelihood of risk occurring** | 1 Rare  (5%) | 2 Unlikely  (15%) | 3 Possible  (40%) | 4 Likely  (65%) |

Risk Matrix

**Potential impact if risk occurred**