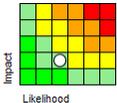
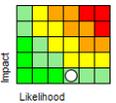
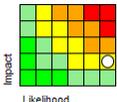
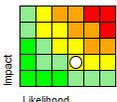
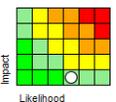
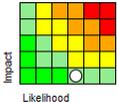
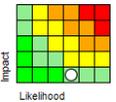
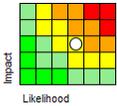
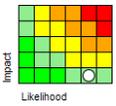
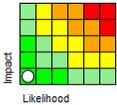
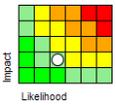
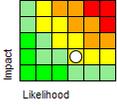
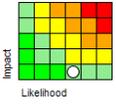
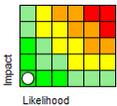
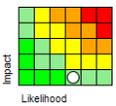


# P&I Administration Risks

Report Type: Risks Report  
Generated on: 20 February 2020

Risk Name	Risk Description	Current Score	Direction of Travel	Target Score	Action Title	Action Description	Action Progress	Risk Owner	Latest Note	Date Reviewed
RS-PA-01 Employer LGPS knowledge	Lack of employer understanding of the LGPS and knowledge of the Service Level Agreement may cause incorrect information to be provided and additional queries from employers							Julie Edwards	No Change	10-Feb-2020
RS-PA-02 Staff Capacity Issues	A lack of capacity due to staff losses or sickness could adversely affect the workload of the pensions section resulting in decreased productivity.							Julie Edwards	No change to rating although further to the previous update a new Pensions Administration Structure is now in place. Recruitment is being impacted by Unitary however the new structure has provided additional resource so there should not be a large impact.	10-Feb-2020
RS-PA-03 Pensions Administration Software	The risk that the pensions administration software (Altair) causes disruption due to system crashes etc. leading to calculation errors, delays and a loss of working time.							Julie Edwards	Due to changes to the software infrastructure as well as a very slow roll out of new laptops/updated windows software the team have been impacted the past few months with slow systems which have impacted workloads. Improvement will only be seen once new laptop/software rollout takes place and currently this has not been confirmed. Impact rating increased.	10-Feb-2020
RS-PA-04 Software Updates	Software updates resulting from scheme changes may create errors in calculations thus resulting in more time spent checking and re-doing calculations.							Julie Edwards	No change	10-Feb-2020

Risk Name	Risk Description	Current Score	Direction of Travel	Target Score	Action Title	Action Description	Action Progress	Risk Owner	Latest Note	Date Reviewed
RS-PA-05 Staff Retention	Staff retention. There is a risk of losing trained staff to other organisations due to a lack of flexibility in the career matrix.							Julie Edwards	No change	10-Feb-2020
RS-PA-06 Quality / Timeliness Data from Employers	Poorly performing employers/payroll providers can cause additional work on the pensions team by not providing information which they have a statutory duty to provide. This results in wasted time chasing employers and creating a backlog of work.							Julie Edwards	No update to rating. Still continues to be an issue. I-Connect is currently being rolled out to employers and should result in an improvement in timeliness and also accuracy of the data.	10-Feb-2020
RS-PA-07 TUPE / Payroll Provider Changes	Additional work and disruption is caused due to outsourcing and changes in schools payroll providers creating losses of vital information. This results in a lot of extra work on pensions administration staff attempting to piece together information which should have been provided							Julie Edwards	No change	10-Feb-2020
RS-PA-08 TUPE Transfers / Academy Conversions	The increase of TUPE transfers / schools opting for academy status has resulted in an increased workload for pensions staff. The TUPE officer must deal with the admission agreements as well as liaising with external contractors and the fund actuaries. The range of employees involved differ between employer but range from one employee to hundreds.							Julie Edwards	No update	10-Feb-2020

Risk Name	Risk Description	Current Score	Direction of Travel	Target Score	Action Title	Action Description	Action Progress	Risk Owner	Latest Note	Date Reviewed
RS-PA-09 Guaranteed Minimum Pension reconciliation	The end of contracting-out of the Additional State Pension from April 2016 means that a Guaranteed Minimum Pension reconciliation of the Fund's records with the HMRC's records will need to be completed by 2018. This reconciliation may result in identifying overpayments/underpayments. If the reconciliation is not complete before the closing of the office this could result in the Fund being liable for GMP's which we should not be responsible for.							Julie Edwards	No change to rating. Due to HMRC delays, ITM have had to push back the implementation from June 2020. We are waiting on further details.	10-Feb-2020
RS-PA-10 Mid / High Earner Optouts due to Tax Legislation	Tax legislation in respect of high-earners pensions contributions could result in a departure of high-earners from the Fund. High-earners leaving the Scheme could be perceived as senior management not advocating the benefits of the LGPS							Julie Edwards	No change	10-Feb-2020
RS-PA-11 Admitted Bodies Deficits	If Admitted Bodies who joined the Fund prior to 1997 fail or if current Admitted Bodies reduce their active members to 0, then the Fund has no powers to ensure these organisation make good any deficit.							Julie Edwards	An employer covenant exercise has been undertaken.	20-Feb-2020
RS-PA-12 Mid / high earner optouts due to high employee contribution rates	The 3% on average increase employee pension contributions implemented, with effect from 1 April 2014, by increasing the tiers of contributions paid by mid/high earners could result in a departure of mid/high-earners from the Fund. Mid/High-earners leaving the Scheme could be perceived as senior management not advocating the benefits of the LGPS. During current period of low pay increases members may opt out due to pressures on household budgets.							Julie Edwards	No change	10-Feb-2020

Risk Name	Risk Description	Current Score	Direction of Travel	Target Score	Action Title	Action Description	Action Progress	Risk Owner	Latest Note	Date Reviewed
RS-PA-13 Annual Benefits Statements Issuance	The Public Sector Pensions Act 2013 requires that Annual Benefits Statements are issued to Scheme Members by 31 August. There is a risk that the Regulator will issue a fine although this is the position for most local authorities.	 Impact Likelihood		 Impact Likelihood				Julie Edwards	No change to risk rating.	10-Feb-2020