Pensions															
R S e s r v i c c e	Risk	Causes (s)	Consequences (s)	Risk Owner	List of current controls	1	L	Current Risk Score	Risk Response; Tolerate Treat Terminate Transfer	Further Actions / Additional Controls	1	L	Residual Risk Score	Action owner	Managed
P e n s	data there is a risk of	Government changes to end contracting out legislation. Contracting out ends April 2016 and between 2015 and 2018 we need to reconcile our GMPs to the information held by HM Revenue. From 2018 we take on responsibility for GMPs so we need to ensure we pay the correct Pensions Increase (e.g. no GMP means we pay full PI and if there should be a GMP we pay less PI).	Overpaying pensions Reputation	lan Howe	Checking of HMRC GMP data to identify any discrepancies in against our data	3	4	12	Treat	Implement national recommendations in a timely way once they are agreed LGA liaising with Treasury on GMP reconciliation in order to assist pension funds Pensions to have dedicated resource working on this project	3	2	6	lan Howe	Managed at Service level
P e n s	Authorities we may	Changes in legislation on the Firefighters pension scheme, Managing the Fire fighters pension scheme changes and the retained fire fighters buy back. Only limited knowledge in the Section in this key area.	Reputation Potential loss of business	lan Howe	Quarterly meetings take place with the Fire Authorities to resolve issues Membership of the Midlands Fire Officer Group enables us to identify and resolve issues early Resource on the team increased	3	2	6	Treat	Continue to monitor and development improvements to work processes guiding all three Fire Authorities to the same processes and decisions	2	2	4	lan Howe	Managed at Service level

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					Draft SLA produced that's being considered by the Fire Authorities										
P e n s	If we fail to receive accurate and timely data from employers scheme members pension benefits could be incorrect or late	A continuing increase in Fund employers is causing administrative pressure in the Pension Section. This is in terms of receiving accurate and timely data from these new employers who have little or no pension knowledge.	Late or inaccurate pension benefits to scheme members. Reputation Appeals Greater administrative time being spent on individual calculations	lan Howe	Training provided for new employers Guidance notes provided for employers Communication and Admin guide provided to employers	3	3	9	Treat	Review the information we request from employers. Consider Pensions helping calculate pay details for the Funds smaller employers Adapt the guide and develop the SLA	2	2	4	lan Howe	Managed at service level
I n v s	If employer and employee contributions are not paid accurately and on time	Error on the part of the scheme employer	Potentially reportable to The Pensions Regulator as late payment is a breach of The Pensions Act	Colin Pratt	Receipt of contributions is monitored and late payments are chased quickly	2	4	8	Treat	Late payers will be reminded of their legal responsibilities.	2	3	6	Colin Pratt	Managed at Service level
I	If assets held by the Fund are ultimately insufficient to pay benefits due to individual members	Ineffective setting of employer contribution rates over many consecutive actuarial valuations	Reputation Significant financial impact on scheme employers due to the need for large increases in employer contribution rates.	Chris Tambini/ Colin Pratt	Input into actuarial valuation, including ensuring that actuarial assumptions are reasonable and the manner in which employer contribution rates are set does not bring imprudent future financial risk	5	2	10	Treat	Actuarial assumptions need to include an element of prudence, and Officers need to understand the long-term impact and risks involved with taking short-term views to artificially manage employer contribution rates	4	2	8	Chris Tambini/ Colin Pratt	Managed at Service level

I 5 n b v s	If assets held by the Fund are ultimately insufficient to pay benefits due to individual members	Ineffective setting of asset allocation strategy to take into account potential future investment returns and the risks associated with achieving these returns	Reputation Significant financial impact on scheme employers due to the need for large increases in employer contribution rates.	Chris Tambini/ Colin Pratt	Ensuring that asset allocation policy is set robustly and that changes to the investment environment, and the associated risks, are taken into account	5	2	10	Treat	Officers and members need to be aware of the potential for different asset classes to produce significantly different investment returns over both the short-term and the long-term, but also accept that frequent changes are likely to be costly	4	2	8	Chris Tambini/ Colin Pratt	Managed at service level and via Local Pension Committee	
P e n s / I n v s	If the sub-funds of Community Admission Bodies were not monitored to ensure that there is the correct balance between risks to the Fund and fair treatment of the employer	Changing financial position of both subfund and the employer	Reputation Significant financial impact on employing bodies due to need for large increases in employer contribution rates, which may ultimately lead to insolvency and a deficit that has to be met by the Fund.	Ian Howe/ Colin Pratt	Ensuring, as far as possible, that the financial position of Community Admission Bodies is understood. On-going dialogue with them to ensure that the correct balance between risks and fair treatment continues.	5	2	10	Treat	Dialogue with the employers, particularly in the lead up to the setting of new employer contribution rates.	S.	2	6	lan Howe/ Colin Pratt	Managed at Service level	90

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