

Report Title:	<b>Risk Register</b>
Contains Confidential or Exempt Information	No - Part I
Lead Member:	Councillor Julian Sharpe, Chairman Pension Fund Committee and Advisory Panel
Meeting and Date:	Pension Fund Committee and Advisory Panel – 7 March 2022
Responsible Officer(s):	Damien Pantling, Head of Pension Fund
Wards affected:	None

## **REPORT SUMMARY**

At the Pension Board meeting on 2 September 2021 and Pension Fund Committee meeting on 20 September 2021, the Head of Pension Fund agreed to review the Pension Fund's risk register and to bring a revised and updated version to the upcoming meeting for Members' consideration and approval. This report provides Members with that updated version of the risk register prepared in line with the 2018 CIPFA framework "Managing risk in the Local Government Pension Scheme". This new risk register process was approved by the Pension Fund Committee on 6 December 2021 and has undergone several iterations before being presented at this meeting.

The risk register can be found at Appendix 1 to this report.

### **1. DETAILS OF RECOMMENDATION(S)**

**RECOMMENDATION:** That the Pension Fund Committee notes the report and;

- i) Approves the risk register including any changes since the last approval date, putting forward any suggested amendments as may be necessary;
- ii) Approves publication of the updated risk register on the Pension Fund website;
- iii) Agrees to a comprehensive annual risk review session with officers and the Pension Board.

### **2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED**

- 2.1. The Scheme Manager (The Royal Borough of Windsor and Maidenhead as the Administering Authority for the Fund) has a legal duty to establish and operate internal controls. Failure to implement an adequate and appropriate risk assessment policy and risk register could lead to breaches of law. Where the effect and wider implications of not having in place adequate internal controls are likely to be materially significant, the Pension Regulator (tPR) must be

notified in accordance with the Scheme Manager's policy on reporting breaches of the law.

- 2.2. A comprehensive session was held by officers for Pension Fund committee and Pension Board members on 25 January 2022 to deep-dive into all of the risks, mitigations and controls included within the Fund's revised risk register. It is recommended that a comprehensive session for all parties is held at least annually.
- 2.3. As a live document, this risk register is kept under constant review and shall be presented to the committee (appended to this report) quarterly, however, key changes (additions, removals, significant changes to mitigations and/or risk scores) shall be brought to the committee's attention as follows:
  - 2.3.1. PEN004 – changed from “trending up” to “trending sideways” as post-Brexit supply chain issues are becoming less prominent. Amended following 25 Jan 2022 risk session.
  - 2.3.2. PEN033 – Added additional mitigations to reflect all of the data quality work the team are undertaking. Amended following 25 Jan 2022 risk session.
  - 2.3.3. PEN035 – Enhanced controls on IT security, including RBWM penetration checks and new internal audit service. Amended following 25 Jan 2022 risk session and further amended following call with IT colleagues.
  - 2.3.4. PEN036 – Added and enhanced mitigations and controls focusing on new internal audit service and new legislation on pension scams. Amended following 25 Jan 2022 risk session.
  - 2.3.5. PEN040 – Added mitigation measures and reduced post-mitigation likelihood based on a strong control environment in regard to communications. Amended following 25 Jan 2022 risk session.
  - 2.3.6. PEN045 – Added new risk entirely following 25 Jan 2022 risk session, focusing on governance and failure of oversight on investment decision making.
  - 2.3.7. PEN047 – Enhanced wording on GDPR risk to cover both data processing and holding, added additional controls. Amended following 25 Jan 2022 risk session and further amended following advice from DPO.

### **3. KEY IMPLICATIONS**

- 3.1. Failure to maintain and keep under review the Pension Fund's key risks could lead to a loss in confidence and sanctions being imposed by the Pensions Regulator where failings are deemed to be materially significant for the Pension Fund and its stakeholders.

#### **4. FINANCIAL DETAILS / VALUE FOR MONEY**

- 4.1. Failure to monitor identified risks and to implement appropriate strategies to counteract those risks could lead to an increased Fund deficit resulting in employers having to pay more.

#### **5. LEGAL IMPLICATIONS**

- 5.1. The Administering Authority is required to govern and administer the Pension Scheme in accordance with the Public Service Pensions Act 2013 and associated Local Government Pension Scheme Regulations. Failure to do so could lead to challenge.

#### **6. RISK MANAGEMENT**

- 6.1. The risk register is attached at Appendix 1 to this report, it is reviewed quarterly by the Pension Board and the Pension Fund Committee and updated regularly by officers to ensure all risks are appropriately documented and mitigated where possible.

#### **7. POTENTIAL IMPACTS**

- 7.1. Failure to comply with Pension legislation could result in the Administering Authority being reported to the Pensions Regulator where failure is deemed to be of a material significance.
- 7.2. Equalities: Equality Impact Assessments are published on the council's website: There are no EQIA impacts as a result of taking this decision. A completed EQIA has been attached at Appendix 1 to this report
- 7.3. Climate change/sustainability: N/A
- 7.4. Data Protection/GDPR. GDPR compliance is include as a specific risk on the register in regard to processing and handling personal data, this is dealt with in the appendix along with the relevant mitigations.

#### **8. CONSULTATION**

- 8.1. Committee members and Pension Board members undertook a detailed annual review session in January 2022

#### **9. TIMETABLE FOR IMPLEMENTATION**

- 9.1. Ongoing.

#### **10. APPENDICES**

- 10.1. This report is supported by 2 Appendices:

- Appendix 1 – Risk Register January 2022
- Appendix 2 - EQIA

## 11. BACKGROUND DOCUMENTS

11.1. This report is supported by 0 background documents:












## 12. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
<i>Mandatory: Statutory Officers (or deputy)</i>			
Adele Taylor	Executive Director of Resources/S151 Officer	22/02/22	24/02/2022
Emma Duncan	Deputy Director of Law and Strategy / Monitoring Officer	22/02/22	
<i>Deputies:</i>			
Andrew Vallance	Head of Finance (Deputy S151 Officer)	22/02/22	25/02/2022
Elaine Browne	Head of Law (Deputy Monitoring Officer)	22/02/22	28/02/2022
Karen Shepherd	Head of Governance (Deputy Monitoring Officer)	22/02/22	25/02/2022
<i>Other consultees:</i>			
Cllr Julian Sharpe	Chairman – Berkshire Pension Fund Committee	22/02/22	

## 13. REPORT HISTORY


Decision type:	Urgency item?	To follow item?
Pension Fund Committee decision	Yes/No	Yes/No

Report Author: Damien Pantling, Head of Pension Fund
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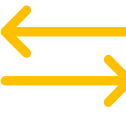



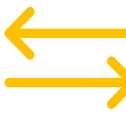

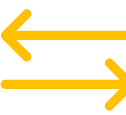

			Review Date: 07/03/2022		Risk Calculation Key													
			Author: Damien Pantling, Head of Pension Fund		IMPACT (Total) = IMPACT (Fund) + IMPACT (Employers) + IMPACT (Reputation)													
			Adele Taylor - Director of Resources (S.151 Officer)		Gross Risk Score = IMPACT (Total) x Likelihood													
			Status: FINAL		Net Risk Score = IMPACT (Total) x Revised Likelihood													
			GREEN = Score of 1 to 15		Scores all ranked 1 to 5													
			AMBER = Score of 16 to 25		Please refer to final page for CIPFA guidance, Scoring Matrix and full column heading breakdown													
			RED = Score of 26 - 75															
Risk Group	Risk Ref.	Trending	Risk Description	Fund		Employers		Reputation		TOTAL	Likelihood	Gross Risk	Mitigating Actions		Revised Likelihood		Net Risk	
ASSET AND INVESTMENT RISKS																		
Asset & Investment Risk	PEN001		Investment managers fail to achieve returns of at least the actuarial discount rate over the longer term.	5	4	3	12	3	36	<b>TREAT</b> 1) The Advisory Management Agreement (AMA) clearly states expectations in terms of investment performance targets. 2) Investment manager performance is reviewed by LPPI and the committee on a quarterly basis. 3) The Pension Fund Committee should be positioned to move quickly in regards to asset allocation and strategy if it is felt that targets will not be achieved. 4) Portfolio rebalancing is considered on a regular basis by the Pension Fund Committee. 5) The Fund's investment management structure is highly diversified, which lessens the impact of manager risk compared with less diversified structures. 6) Target return benchmark to be developed in due course, expected to be above the actuarial discount rate		2	24	Damien Pantling	31/01/2022			
Asset & Investment Risk	PEN002		Significant volatility and negative sentiment in global investment markets following disruptive geo-political uncertainty. Increased risk to global economic stability.	4	4	1	9	3	27	<b>TREAT</b> 1) Maintaining a well diversified portfolio with significant allocation to both public and private markets. 2) Maintaining a well diversified investment portfolio with significant allocations across a variety of asset classes such as (but not limited to) credit, equity and real-assets. 3) Routinely receiving market updates from independent advisors and acting upon the recommendations where appropriate - such as issuing additional/new guidance/instruction to LPPI.		2	18	Damien Pantling	31/01/2022			
Asset & Investment Risk	PEN003		The global outbreak of COVID-19 poses economic uncertainty across the global investment markets.	5	3	2	10	3	30	<b>TREAT</b> 1) Routinely receiving market updates from independent advisors and acting upon the recommendations as appropriate <b>TOLERATE</b> 1) Global investment market returns in aggregate for our SAA have thus far not been adversely affected by the COVID-19 pandemic, therefore, no significant changes to the investment strategy or strategic asset allocation are recommended		1	10	Damien Pantling	31/01/2022			
Asset & Investment Risk	PEN004		Volatility caused by uncertainty with regard to the withdrawal of the UK from the European Union and the economic after effects. For Example, supply chain issues and HGV driver shortages affecting UK trade and causing supply issues.	4	4	1	9	3	27	<b>TREAT</b> 1) Volatility is reduced through having a relatively low exposure to UK equities and is well diversified with a significant safe-haven focus. 2) Fund has removed the significant GBP hedge and is not undergoing any strategic currency hedging from 6th December 2021, but will seek to review in Summer 2022		2	18	Damien Pantling	31/01/2022			
Asset & Investment Risk	PEN005		Increased scrutiny on environmental, social and governance (ESG) issues, leading to reputational damage if not compliant. The administering authority declared an environmental and climate emergency in June 2019, effect on Pension Fund is currently unknown. TCFD regulations impact on LGPS schemes currently unknown but expected to come into force during 2022/23.	3	2	4	9	3	27	<b>TREAT</b> 1) Review ISS in relation to published best practice (e.g. Stewardship Code) . 2) Ensure fund managers are encouraged to engage and to follow the requirements of the published ISS. 3) The Fund is a member of the Local Authority Pension Fund Forum (LAPFF) and Pensions and Lifetime Savings Association (PLSA), which raises awareness of ESG issues and facilitates engagement with fund managers and company directors. 4) An ESG statement and RI Policy was drafted for the Pension Fund as part of the ISS and approved in March 2021. 5) Officers regularly attend training events on ESG and TCFD regulations to ensure stay up to date with latest guidance. 6) LPPI manage the funds investments and have their own strict ESG policies in place which align with those of the fund.		2	18	Damien Pantling	31/01/2022			
Asset & Investment Risk	PEN006		A change in government or existing government policy may result in new wealth sharing policies which could negatively impact the value of the pension fund assets.	5	5	1	11	2	22	<b>TREAT</b> 1) Maintain links with central government and national bodies to keep abreast of national issues. Respond to all consultations and lobby as appropriate to ensure consequences of changes to legislation are understood by (external) policy makers and the Fund.		1	11	Damien Pantling	31/01/2022			
Asset & Investment Risk	PEN007		Financial failure of third party supplier results in service impairment and financial loss.	5	4	1	10	2	20	<b>TREAT</b> 1) Performance of third parties (other than fund managers) regularly monitored by Fund officers and the Pension Fund Committee. 2) Regular meetings and conversations with global custodian (currently JP Morgan) take place. 3) Actuarial services and investment management are provided by two different providers.		1	10	Damien Pantling	31/01/2022			
Asset & Investment Risk	PEN008		Failure of global custodian or counterparty.	5	3	2	10	2	20	<b>TREAT</b> 2) Review of internal control reports on an annual basis. 3) Credit rating kept under review.		1	10	Damien Pantling	31/01/2022			
Asset & Investment Risk	PEN009		Financial failure of a fund manager leads to value reduction, increased costs and impairment.	4	3	3	10	2	20	<b>TREAT</b> 1) Fund is reliant upon current adequate contract management activity overseen by our investment managers LPPI. 2) Fund is reliant upon alternative suppliers at similar prices being found promptly.		1	10	Damien Pantling	31/01/2022			
Asset & Investment Risk	PEN010		Global investment markets fail to perform in line with expectations leading to deterioration in funding levels and increased contribution requirements from employers.	3	5	2	10	2	20	<b>TREAT</b> 1) Proportion of total asset allocation made up of equities, bonds, property funds, infrastructure and fixed income, limiting exposure to one asset category - this diversification generally reduces risk of any particular market underperformance. 2) The investment strategy is continuously monitored and periodically reviewed to ensure optimal risk asset allocation. 3) Full wholistic strategy review takes place every three years in line with the actuarial valuation. 4) Investment strategy reviewed every year and LPPI undertake a health-check bi-annually. 5) The actuarial assumptions regarding asset performance are regarded as achievable over the long term in light of historical data.		1	10	Damien Pantling	31/01/2022			






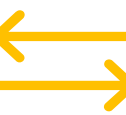

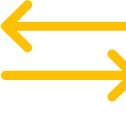








 THE ROYAL COUNTY OF <b>BERKSHIRE</b> PENSION FUND	Review Date: 07/03/2022	Risk Calculation Key
	Author: Damien Pantling, Head of Pension Fund	IMPACT (Total) = IMPACT (Fund) + IMPACT (Employers) + IMPACT (Reputation)
	Adele Taylor - Director of Resources (S.151 Officer)	Gross Risk Score = IMPACT (Total) x Likelihood
	Status: FINAL	Net Risk Score = IMPACT (Total) x Revised Likelihood
	GREEN = Score of 1 to 15	Scores all ranked 1 to 5 Please refer to final page for CIPFA guidance, Scoring Matrix and full column heading breakdown
	AMBER = Score of 16 to 25	
	RED = Score of 26 - 75	












Risk Group	Risk Ref.	Trending	Risk Description	Fund	Employers	Reputation	TOTAL	Likelihood	Gross Risk	Mitigating Actions	Revised Likelihood	Net Risk		
LIABILITY RISKS											IMPACT		Owner	Reviewed
Liability Risk	PEN011		Scheme members live longer than expected leading to higher than expected liabilities.	5	5	1	11	2	22	<b>TREAT</b> 1) A longevity swap insurance contract was entered into in 2009 which effectively hedged the risk of longevity rates increasing for all of the retired scheme members (c11,000 members) at that point in time. 2) All scheme members that were not part of the longevity swap contract group in 2009 (i.e. all active or deferred members as at 2009 or that have since joined the scheme) have liabilities exposed to longevity risk. Whilst longevity risk in isolation cannot be hedged without further consideration of another longevity contract, it is managed through regular review of the investment strategy (risk profile, cashflows, liability matching)	1	11	Damien Pantling	31/01/2022
Liability Risk	PEN012		Longevity rates decreasing, or increasing at a lower rate than those assumed in the longevity contract, leading to an increased contractual liability at present value.	3	4	4	11	2	22	<b>TOLERATE</b> 1) The opportunity cost in entering into the longevity contract was the loss of upside benefits associated with decreasing longevity rates - this was an active decision previously taken. 2) At present, the cost or even the option of exiting the contract has not been explored and may not be possible contractually. Any cost of exit if applicable is likely to far exceed the benefits.	2	22	Damien Pantling	31/01/2022
Liability Risk	PEN013		Price inflation is significantly more than anticipated in the actuarial assumptions.	5	5	1	11	3	33	<b>TREAT</b> 1) Ensure sizeable holding in real assets (infrastructure and property) which generally act as protection against inflation. 2) The fund's material allocation to equity will provide a degree of protection against inflation. 3) The actuary will take a prudent view on inflation through the valuation process. 4) Material deviations (unexpected increases in inflation) and their impacts are modelled by the actuary through stress test analysis.	2	22	Damien Pantling	31/01/2022
Liability Risk	PEN014		Employee pay increases are significantly more than anticipated for employers within the Fund.	3	4	2	9	2	18	<b>TOLERATE</b> 1) Fund employers should monitor own experience. 2) Assumptions made on pay and price inflation (for the purposes of IAS19/FRS102 and actuarial valuations) should be long term assumptions. Any employer specific assumptions above the actuary's long term assumption would lead to further review. 3) Employers to be made aware of generic impact that salary increases can have upon the final salary linked elements of LGPS benefits (accrued benefits before 1 April 2014). 4) Employee pay rises currently remain below inflation. 5) Employer decisions to increase pay more than anticipated would result in increased contributions for that employer at the next triennial valuation	2	18	Damien Pantling	31/01/2022
Liability Risk	PEN015		Impact of economic and political decisions on the Pension Fund's employer workforce and government funding level affecting the Councils spending decisions. For example scheme matures more quickly than expected due to public sector spending cuts, resulting in contributions reducing and pension payments increasing.	5	2	1	8	3	24	<b>TREAT</b> 1) Barnet Waddingham uses prudent assumptions on future of employees within the workforce. Employer responsibility to flag up potential for major bulk transfers outside of the fund. The potential for a significant reduction in the workforce as a result of the public sector financial pressures may have a future impact on the Fund. 2) Barnet Waddingham will make prudent assumptions about diminishing workforce when carrying out the triennial actuarial valuation in 2022. 3) Review maturity of scheme at each triennial valuation. Secondary deficit contributions specified as lump sums, rather than percentage of payroll to maintain monetary value of contributions and mitigate risk of reducing workforce on cashflow. 4) Cashflow position monitored monthly.	2	16	Damien Pantling	31/01/2022
Liability Risk	PEN016		Ill health costs may exceed "budget" allocations made by the actuary resulting in higher than expected liabilities particularly for smaller employers.	4	2	1	7	2	14	<b>TOLERATE</b> 1) Review "budgets" at each triennial valuation and challenge actuary as required. Charge capital cost of ill health retirements to admitted bodies at the time of occurring. Occupational health services provided by the unitaries and other large employers to address potential ill health issues early.	2	14	Damien Pantling	31/01/2022
Liability Risk	PEN017		Impact of increases to employer contributions following the actuarial valuation.	4	5	3	12	3	36	<b>TREAT</b> 1) Officers to consult and engage with employer organisations in conjunction with the actuary. 2) Actuary will assist where appropriate with stabilisation and phasing in processes.	2	24	Damien Pantling	31/01/2022
Liability Risk	PEN018		There is insufficient cash available in the Fund to meet pension payments leading to investment assets being sold at sub-optimal prices to meet pension payments.	5	4	3	12	2	24	<b>TREAT</b> 1) Cashflow forecast maintained and monitored. 2) Cashflow requirement is a factor in current investment strategy review. 3) Maintain a material level of cash held within a short duration bond fund, which allows access at short notice.	1	12	Damien Pantling	31/01/2022
Liability Risk	PEN019		Mismatching of assets and liabilities, inappropriate long-term asset allocation or investment strategy, mistiming of investment strategy.	5	3	3	11	2	22	<b>TREAT</b> 1) Active investment strategy and asset allocation monitoring by LPPI, overseen by Pension Fund Committee, officers and independent advisors. 2) Strategic asset allocation review was approved in September 2021 with a move out of diversifying strategies and an increase in equities. 3) Setting of Fund specific benchmark relevant to the current position of fund liabilities to be approved in March 2022. 4) Fund manager targets set and based on market benchmarks or absolute return measures. Overall investment benchmark and out-performance target is fund specific.	1	11	Damien Pantling	31/01/2022
Liability Risk	PEN020		Transfers out increase significantly as members transfer to DC funds to access cash through new pension freedoms.	4	4	2	10	2	20	<b>TREAT</b> 1) Monitor numbers and values of transfers out being processed. If required, commission transfer value report from Fund Actuary for application to Treasury for reduction in transfer values.	1	10	Damien Pantling	31/01/2022
Liability Risk	PEN021		Inadequate, inappropriate or incomplete investment or actuarial advice is actioned leading to a financial loss or breach of legislation.	5	3	2	10	2	20	<b>TREAT</b> 1) At time of appointment, ensure advisers have appropriate professional qualifications and quality assurance procedures in place. Committee, Board and officers scrutinise and challenge advice provided by all parties.	1	10	Damien Pantling	31/01/2022
Liability Risk	PEN022		Changes to LGPS Scheme moving from Defined Benefit to Defined Contribution	5	3	2	10	1	10	<b>TOLERATE</b> 1) Political will required to effect the change - this would be a major change to the LGPS, and a significant lead in time, probably with protection for almost all existing benefits, so there would be considerable time to assess the likely impact. 2) Significant and sustained political will be required to make such a change, with likely opposition of existing members to be managed.	1	10	Damien Pantling	31/01/2022

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EMPLOYER RISK				IMPACT										
Employer Risk	PEN023		Last active employee of scheduled or admitted body retires leading to cessation valuation liability calculated either on an ongoing or minimum risk basis, the latter applies to community admission type bodies without a bond or appropriate financial security in place. The full cessation at minimum risk could challenge the employer as a going concern and lead to failure.	3	5	4	12	3	36	<b>TREAT</b> 1) Employer covenant risk assessment was conducted by LPP in 2019 and presented to committee ( <i>formerly panel</i> ) on 19 December 2019 based on 2019 valuation results. This identified a number of key at-risk employers in the fund, those were all community admission body type employers at risk of cessation in the near future and without security in place. 2) A further review is to be commissioned by the actuary to re-evaluate these risks based on 2022 triennial figures, from this a number of employers can be contacted to discuss possible options and plans. 3) A number of employers have either had cessation arrangement decisions taken already through committee or have approached officers to discuss options, demonstrating the proactive rather than reactive nature of treating this risk. 4) Where appropriate seek to agree support from the relevant Local Authority.	2	24	Damien Pantling	31/01/2022
Employer Risk	PEN024		Failure of an admitted or scheduled body leads to unpaid liabilities being left in the Fund to be met by others.	5	3	3	11	2	22	<b>TREAT</b> 1) Transferee admission bodies (term no longer used) were required to have bonds or guarantees in place at time of signing the admission agreement. 2) Regular monitoring of employers and follow up of expiring bonds. 3) Regular reviews of what were formally referred to as community admission bodies, which are deemed high risk as no bond or guarantee was put in place at the time of admission.	1	11	Damien Pantling	31/01/2022
RESOURCE AND SKILL RISK														
Resource & Skill Risk	PEN025		Change in membership of Pension Fund Committee or Local Pensions Board leads to dilution of member knowledge and understanding - as such, Committee or Board members do not have appropriate skills or knowledge to discharge their responsibility leading to inappropriate decisions.	2	2	1	5	4	20	<b>TREAT</b> 1) Succession planning process to be considered. 2) Ongoing training of Pension Fund Committee members, training plan in place. 3) Pension Fund Committee new member induction programme. 4) Training to be based on the requirements of CIPFA Knowledge and Skills Framework under designated officer. 5) Training to be supported by external parties including but not limited to the actuary, auditor, investment advisor and independent advisors. 6) External professional advice is sought where required	2	10	Damien Pantling	31/01/2022
Resource & Skill Risk	PEN026		Officers do not have appropriate skills and knowledge to perform their roles resulting in the service not being provided in line with best practice and legal requirements. Succession planning is not in place leading to reduction of knowledge when an officer leaves.	4	3	3	10	2	20	<b>TREAT</b> 1) Person specifications are used in recruitment processes to appoint officers with relevant skills and experience. 2) Training plans are in place for all officers as part of the performance appraisal arrangements. 3) Officers maintain their CPD by attending training events and conferences.	1	10	Damien Pantling	31/01/2022
Resource & Skill Risk	PEN027		Concentration of knowledge in a small number of officers and risk of departure of key staff. Loss of technical expertise and experience. Risk identified in 2023 of key personnel potentially leaving the Fund.	4	3	3	10	3	30	<b>TREAT</b> 1) Practice notes in place. 2) Development of team members and succession planning improvements to be implemented. 3) Officers and members of the Pension Fund Committee to be mindful of the proposed CIPFA Knowledge and Skills Framework when setting objectives and establishing training needs for senior fund officers. 4) Training plans in place for all officers.	2	20	Damien Pantling	31/01/2022
Resource & Skill Risk	PEN028		McCloud remedy will generate considerable additional workloads for the team resulting in potential resource concerns.	3	4	2	9	4	36	<b>TREAT</b> 1) Statutory guidance to be issued by government setting out how remedy is to be managed. 2) All Pension Committee, Advisory Panel and Board Members receive regular updates and actions will be taken by officers once guidance is issued. 3) If necessary, consider the recruitment of temporary staff.	3	27	Damien Pantling	31/01/2022
ADMINISTRATIVE AND COMMUNICATIVE RISK														
Administrative & Communicative Risk	PEN029		Structural changes in an employer's membership or an employer fully/partially closing the scheme. Employer bodies transferring out of the pension fund or employer bodies closing to new membership. An employer ceases to exist with insufficient funding or adequacy of bond placement.	2	4	4	10	3	30	<b>TREAT</b> 1) Administering Authority actively monitors prospective changes in membership. 2) Maintain knowledge of employer future plans through regular communication. 3) Contribution rates and deficit recovery periods set to reflect the strength of the employer covenant. 4) Periodic reviews of the covenant strength of employers are undertaken and indemnity applied where appropriate. 5) Risk categorisation of employers exercise undertaken by LPP in December 2019, further work to be undertaken by Actuary as part of 2022 Triennial Valuation. 6) Monitoring of gilt yields for assessment of pensions deficit on a minimum risk basis.	2	20	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN030		Failure to comply with Scheme regulations and associated pension law leading to incorrect pension payments being made. Risk of fines, adverse audit reports and breaches of the law.	5	4	4	13	1	13	<b>TREAT</b> 1) Training provided as and when Regulations are updated. 2) Competent software provider maintains up to date systems. 3) Competent external consultants.	1	13	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN031		Administrators do not have sufficient staff or skills to manage the service leading to poor performance and complaints.	3	2	3	8	3	24	<b>TREAT</b> 1) Review of administration roles and responsibilities to be undertaken in 2022/23. 2) Establishment of key training and development budget from 2022/23. 3) Key staff movements to be monitored closely. 4) Ongoing monitoring of administration statistical outcomes and KPI's via Local Pensions Board and Pension Fund Committee.	2	16	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN032		Failure of pension payroll system resulting in pensioners not being paid in a timely manner.	5	5	5	15	2	30	<b>TREAT</b> 1) System hosted and backed up in two separate locations. 2) Re-issue previous months BACS file in extreme circumstances.	1	15	Kevin Taylor	31/01/2022



			Review Date: 07/03/2022		Risk Calculation Key												
			Author: Damien Pantling, Head of Pension Fund		IMPACT (Total) = IMPACT (Fund) + IMPACT (Employers) + IMPACT (Reputation)												
			Adele Taylor - Director of Resources (S.151 Officer)		Gross Risk Score = IMPACT (Total) x Likelihood												
			Status: FINAL		Net Risk Score = IMPACT (Total) x Revised Likelihood												
			GREEN = Score of 1 to 15		Scores all ranked 1 to 5 Please refer to final page for CIPFA guidance, Scoring Matrix and full column heading breakdown												
			AMBER = Score of 16 to 25														
RED = Score of 26 - 75																	
Risk Group	Risk Ref.	Trending	Risk Description	Fund	Employers	Reputation	TOTAL	Likelihood	Gross Risk	Mitigating Actions				Revised Likelihood	Net Risk		
ADMINISTRATIVE AND COMMUNICATIVE RISK (CONTINUED)				IMPACT											Owner	Reviewed	
Administrative & Communicative Risk	PEN033		Failure to maintain a high quality member database leading to loss in member confidence, incorrect calculations of benefits, increased number of complaints, poor performance and loss of reputation.	5	5	3	13	1	13	TREAT 1) Fund undertakes annual data quality exercise required by and reported to TPR. 2) Implementation of I-Connect to enable employers to submit membership data in real time. 3) Fund makes further data checks as part of year end processing. 4) Fund undertakes additional data cleansing exercise with the actuary ahead of the triennial valuation. 5) Mortality screening checks undertaken as reported in Risk PEN037				1	13	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN034		Failure to hold data securely due to poor processing of data transfers, poor system security, poor data retention and disposal, poor data backup and recovery of data.	4	4	4	12	1	12	TREAT 1) Database hosted off-site and backed up in 2 separate locations every day. 2) Access to systems is limited to a defined number of users via dual password and user identification. 3) Data transferred is encrypted. 4) Compliant with RBWM data protection and IT policies. 5) No papers files all managed via image and system documentation generation. 6) Confidential waste disposed of in line with RBWM policy.				1	12	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN035		Failure of cyber security measures following a cyber attack or data breach, including information technology systems and processes, leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal scheme membership data.	4	2	5	11	3	33	TREAT 1) Fund to develop its own cyber security risk policy. 2) System provider has robust accredited solutions in place to ensure any cyber-attack can be identified and prevented. 3) Fund shares cyber security systems with the administering authority, these are well funded and up to date. 4) Fund to engage consultancy in due course to independently test systems and recommend any further cyber security measures to implement. 5) Administering authority engages in system penetration checks annually, fund to utilise this service going forward with specific penetration checks in fund IT systems. 6) New internal auditors appointed by administering authority, major focus on IT security going forward and recommendations to come out of internal audits.				2	22	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN036		Loss of funds through fraud or misappropriation by an employer, agent or contractor leading to negative impact on reputation of the Fund as well as financial loss.	3	2	5	10	2	20	TREAT 1) Fund undertakes National Fraud Initiative (NFI) biannually. 2) Fund is subject to external audit and ad hoc internal audit which can be more frequent than annually - this tests the resilience and appropriateness of controls. New internal audit service is expected to enhance scrutiny in this regard. 3) Regulatory control reports from investment managers and the custodian are obtained. 4) New regulatory controls are in place to avoid pension transfer scams occurring				1	10	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN037		Payments continue to be made incorrectly at a potential cost to the Pension Fund. Distress caused to dependents.	3	3	4	10	2	20	TREAT 1) The fund undertakes a monthly mortality screening exercise. 2) Additional validation measures are put in place with our overseas payments provider to check the information held in regards to payments to non-UK bank accounts. 3) The fund participates in the biannual national fraud initiative (NFI).				1	10	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN038		Inability to respond to a significant event leads to prolonged service disruption and damage to reputation.	1	2	5	8	2	16	TREAT 1) Fund has a business continuity plan. 2) Systems hosted and backed up off-site in 2 locations. 3) All officers have the ability to work from home or any location where secure internet access is available.				1	8	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN039		Late or non-receipt of pension contributions from Scheme employers within statutory deadlines leading to loss of Fund investment. Risk of being reported to the Pensions Regulator with actions and fines being imposed if regulation breach is considered to be materially significant.	4	5	4	13	1	13	TREAT 1) Fund closely monitors receipts of contributions and will chase any employer that is late in making a payment. 2) A notice of unsatisfactory performance will be sent to a Scheme employer who regularly misses the statutory deadline for payment. 3) Fund has power to report a Scheme employer to the Pensions Regulator if it deems the potential loss of investment as a result of the late payment of contributions to be materially significant. 4) Large employers (unitaries) have opted to pay secondary contributions in advance.				1	13	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN040		Failure to communicate properly with stakeholders leading to Scheme members being unaware of the benefits the Scheme provides so take bad decisions and Scheme employers being unaware of their statutory responsibilities and duties in maintaining the Scheme for their employees.	4	4	2	10	2	20	TREAT 1) Fund has a Communication policy and a dedicated Communications Manager. 2) Pension Fund website is maintained to a high quality standard. 3) Quarterly bulletins issued to Scheme employers providing details of any and all scheme updates. 4) Training provided for Scheme employers. 5) Newsletters available to all active, deferred and retired scheme members. 6) Guides, factsheets and training notes are provided as relevant.				1	10	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN041		Lack of guidance and process notes leads to inefficiency and errors.	3	3	1	7	2	14	TREAT 1) Desktop procedures have been written for all administrative tasks and are kept under review. 2) All Committee, Advisory Panel and Board Members have received a 'Member Handbook' and are required to undertake the Pension Regulator's online Public Sector toolkit.				1	7	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN042		Failure to identify GMP liability leads to ongoing costs for the pension fund.	5	2	1	8	2	16	TREAT 1) Fund has carried out and completed a GMP reconciliation against all pensions in payment. 2) Ongoing action is being taken to complete a reconciliation of all GMPs held on active and deferred member records.				1	8	Kevin Taylor	31/01/2022
Administrative & Communicative Risk	PEN043		Loss of office premises due to fire, bomb, flood etc. leading to temporary loss of service.	5	5	4	14	2	28	TREAT 1) All staff are now able to work remotely. 2) A business continuity plan is in place. 3) Systems are cloud hosted and backed up.				1	14	Kevin Taylor	31/01/2022



			Review Date: 07/03/2022		Risk Calculation Key									
			Author: Damien Pantling, Head of Pension Fund		IMPACT (Total) = IMPACT (Fund) + IMPACT (Employers) + IMPACT (Reputation)									
			Adele Taylor - Director of Resources (S.151 Officer)		Gross Risk Score = IMPACT (Total) x Likelihood									
			Status: FINAL		Net Risk Score = IMPACT (Total) x Revised Likelihood									
			GREEN = Score of 1 to 15		Scores all ranked 1 to 5 Please refer to final page for CIPFA guidance, Scoring Matrix and full column heading breakdown									
			AMBER = Score of 16 to 25											
RED = Score of 26 - 75														
Risk Group	Risk Ref.	Trending	Risk Description	Fund	Employers	Reputation	TOTAL	Likelihood	Gross Risk	Mitigating Actions	Revised Likelihood	Net Risk		
REPUTATIONAL RISK														
Reputational Risk	PEN044		Financial loss of cash investments from fraudulent activity.	3	3	5	11	2	22	<b>TREAT</b> 1) Policies and procedures are in place which are regularly reviewed to ensure risk of investment loss is minimised. Strong governance arrangements and internal controls are in place in respect of the Pension Fund. Internal Audit assist in the implementation of strong internal controls. Fund Managers have to provide annual SSAE16 and ISAE3402 or similar documentation (statement of internal controls) that are reviewed by auditors.	1	11	Damien Pantling	31/01/2022
Reputational Risk	PEN045		Financial loss and/or reputation damage associated with poor investment decision making. - through failure of governance and oversight as opposed to fraud	4	3	4	11	3	33	<b>TREAT</b> 1) Specific manager/investment decisions are delegated to, and undertaken by LPPI and are thus subject to rigorous investment manager selection processes involving a team of appropriately qualified and experienced investment professionals 2) LPPI's investment recommendations are presented to the Pension Fund committee for scrutiny by officers, members and independent advisors 3) Where appropriate, additional opinions may be called in i.e. LAPFF, PIRC, or other LGPS funds on matters that are either controversial or non-straightforward. 4) Good governance recommendations regularly reviewed following governance review in 2020, also new Internal Audit team to engage on governance matters and propose additional recommendations where appropriate	2	22	Damien Pantling	31/01/2022
Reputational Risk	PEN046		Inaccurate information in public domain leads to reputation damage and loss of confidence.	1	1	3	5	3	15	<b>TREAT</b> 1) Ensure that all requests for information (Freedom of Information, member and public questions at Council, etc.) are managed appropriately and that Part 2 Exempt items remain so. 2) Maintain constructive relationships with employer bodies, our communications team and LPPI's press team to ensure that news is well managed. 3) Hold AGM every year.	2	10	Damien Pantling	31/01/2022
REGULATORY AND COMPLIANCE RISK				IMPACT								Owner	Reviewed	
Regulatory & Compliance Risk	PEN047		Failure to process (Collect, retain, use and disclose) personal data in accordance with relevant data protection legislation including UK GDPR and DPA 2018	3	3	5	11	3	33	<b>TREAT</b> 1) Data sharing with partners is end to end encrypted. 2) IT data security policy adhered to. 2) Implementation of and adherence to RBWM information governance policies and data retention schedules 3) Mandatory staff training for new joiners on GDPR data processing which is annually refreshed 4) Administering Authority has an assigned data protection officer responsible for advising on data protection obligations. 5) Data protection compliance checks to be part of internal audit workplan going forward 6) Staff are aware of data breach process	2	22	Damien Pantling	31/01/2022
Regulatory & Compliance Risk	PEN048		Implementation of proposed changes to the LGPS (pooling) does not conform to plan or cannot be achieved within laid down timescales.	3	2	1	6	3	18	<b>TOLERATE</b> 1) Officers consult and engage with DLUHC, LGPS Scheme Advisory Board, advisors, LPPI, peers, various seminars and conferences. 2) Officers engage in early planning for implementation against agreed deadlines. 3) Uncertainty surrounding new DLUHC pooling guidance.	3	18	Damien Pantling	31/01/2022
Regulatory & Compliance Risk	PEN049		Changes to LGPS Regulations along with failure to comply with legislation leads to ultra-vires actions resulting in financial loss and/or reputational damage - and pensions legislation or regulation changes resulting in an increase in the cost of the scheme or increased administration.	3	3	1	7	3	21	<b>TREAT</b> 1) Fund will respond to all consultations and lobby as appropriate to ensure consequences of changes to legislation are understood. 2) Impact of LGPS (Management of Funds) Regulations 2016 to be monitored. Impact of Regulation on compulsory pooling to be monitored. 3) Officers maintain knowledge of legal framework for routine decisions. 4) Eversheds retained for consultation on non-routine matters. 5) Maintain links with central government and national bodies to keep abreast of national issues. 6) Fund officers to ensure there are regular internal audits and that both internal and external audit recommendations are adhered to	2	14	Damien Pantling	31/01/2022
Regulatory & Compliance Risk	PEN050		Failure to comply with legislative requirements e.g. ISS, FSS, Governance Policy, Freedom of Information requests.	3	3	4	10	2	20	<b>TREAT</b> 1) Publication of all documents on external website and all appointed managers expected to comply with ISS and investment manager agreements. 2) Local Pensions Board is an independent scrutiny and assistance function. 3) Compliance with the legislative requirements are reviewed annually through the audit process.	1	10	Damien Pantling	31/01/2022
Regulatory & Compliance Risk	PEN051		Failure to comply with recommendations from the Local Pensions Board, resulting in the matter being escalated to the scheme advisory board and/or the pensions regulator.	1	3	5	9	2	18	<b>TREAT</b> 1) Ensure that a co-operative, effective and transparent dialogue exists between the Pension Fund Committee and Local Pensions Board. 2) Chair of Pension Board normally attends the committee and speaks as appropriate.	1	9	Damien Pantling	31/01/2022
Regulatory & Compliance Risk	PEN052		Loss of flexibility to engage with Fund Managers and loss of elective professional status with any or all of the existing Fund managers and counterparties resulting in reclassification. (The Fund is a retail client to counterparties unless opted up).	3	2	2	7	2	14	<b>TREAT</b> 1) More reliance on LPPI to keep Officers and Committee updated. 2) Maintaining up to date information about the fund on relevant platforms. 3) Fund can opt up with prospective managers. 4) Existing and new Officer appointments subject to requirements for professional qualifications and CPD. 5) MIFID2 regulations to be monitored by fund officers and LPPI.	1	7	Damien Pantling	31/01/2022
Regulatory & Compliance Risk	PEN053		Procurement processes may be challenged if seen to be non-compliant with OJEU rules. Poor specifications lead to dispute. Unsuccessful fund managers may seek compensation following non compliant process.	2	2	3	7	2	14	<b>TOLERATE</b> 1) Pooled funds are not subject to OJEU rules, and most of our funds are in LPPI's pooled vehicles. <b>TREAT</b> 1) For those that are held directly, ensure that assessment criteria remains robust and that full feedback is given at all stages of the procurement process.	1	7	Damien Pantling	31/01/2022

Date	Risk	Change
06/12/2021	N/A	Approved by PF committee (following pension board approval prior)
26/01/2022		4 Moved from trending up to trending sideways
26/01/2022		33 Kevin made amendments, adding in additional mitigations - also bringing some of PE
26/01/2022		40 Increased mitigation measures and increased revised likelihood to 1
26/01/2022		36 Enhanced controls focusing on new internal audit service and pension scams new re
26/01/2022		35 It security, to use thorough penetration checks and also mention internal audit check
26/01/2022		45 NEW RISK inserted to reputational risk, on reputation for poor investment decision m
26/01/2022		47 GDPR policy changed to include processing data not just holding it - added additiona
NEXT		Look at incorporating a risk for poor budget management, and also poor planning and ac

il control measures in this regard. Further call and follow up with Nikki to adapt this further (26 / 27 Jan)



Column Heading	Calculation
Risk Group	
Risk Ref.	
Trending	
Risk Description	
Impact: Fund	<i>A</i>
Impact: Employers	<i>B</i>
Impact: Reputation	<i>C</i>
Impact: Total	<i>A + B + C</i>
Likelihood	<i>D</i>
Gross risk score	<i>(A + B + C) x D</i>
Mitigation actions	
Revised Likelihood	<i>E</i>
Net risk score	<i>(A + B + C) x E</i>
Risk Owner	
Reviewed	

Explanation
One of the seven risk categories specified by CIPFA
Unique reference "PEN" and unique risk number; i.e.. PEN001
Illustration identifies trend from the last time the risk register was reviewed (usually the last quarter)
Description of the risk before any treatment or mitigation - the "naked" risk.
(Score 1 to 5 ) - This is the impact the "naked" or un-treated risk has on the overall fund - usually referring to all assets, all liabilities or the entire fund as a separate legal entity
(Score 1 to 5 ) - This is the impact the "naked" or un-treated risk has on the individual employers, or groups of employers if applicable - This could be the Unitaries, scheduled bodies, admitted bodies, or a specific
(Score 1 to 5 ) - This is the impact the "naked" or un-treated risk has on the reputation of the Royal County of Berkshire Pension Fund as an entity in its own right, the Royal Borough of Windsor and Maidenhead as the administering authority, or the LGPS as a whole depending on the nature of the risk.
(Score 3 to 15) - A sum of the Impact on Fund, Employers and Reputation
(Score 1 to 5 ) - This is the likelihood of the "naked" or un-treated risk occurring, or it's probability of occurrence in the absence of any mitigating action
(Score 3 to 75) - This is a sum total of the Impact of the risk on the Fund, Employers and Reputation multiplied by the Likelihood of the "naked" or untreated risk occurring
These are the actions taken by all interested parties to reduce the likelihood of a risk occurring or eliminate it
(Score 1 to 5 ) - This is the revised likelihood of the risk occurring, or it's probability of occurrence following the implementation of any documented mitigation action
(Score 3 to 75) - This is a sum total of the Impact of the risk on the Fund, Employers and Reputation multiplied by the revised likelihood of the risk occurring following the implementation of any mitigation
For the avoidance of doubt, this is the officer responsible for monitoring, reviewing and reporting any changes to the impact or likelihood of the risk allocated to the officers name. Risks are technically all impacts and likelihood.

CIPFA risk categories	Types of risk for category	Description of risk
Asset and Investment Risk	Asset/liability mismatch risk inflation risk concentration risk investment pooling risk illiquidity risk currency risk manager underperformance risk transtion risk counterparty default risk	the risk that pension fund assets do not grow in line with the developing cost of pension fund liabilities due to unexpected inflation increases the fund is unable to grow at the same rate as the increasing liabilities fund not sufficiently diversified and therefore has large exposure to one asset category/sub category/fund/security brings with it several new risks, one of the major risks being transition risk fund cannot meet short term liabilities due to not being sufficiently liquid  incurring unexpected costs when moving funds between managers. Losing value on assets whilst held in cash after being sold down to be used to subscribe elsewhere
Liability Risk	financial demographic	assumptions based on inflation, disdcoutn rate, or salary increases turns out to be different to expected resulting in increased liabilities longevity, early retirmenet, ill-health retirement, regulatory risk
Employer Risk	participating bodies	risks may arise related to individual bodies within the overall pension fund - funding risks, security risks, membership risks
Resource and Skill Risk	inadequate staffing levels for the roles required inadequte knowledge and skills for the roles required inadequate resources to support staff in their roles turnover amongst elected members and hence membership of pension committees	
Administrative and Communicative Risk	failure of ICT over reliance on/loss of key staff data quality colloboration third party provider under-performance data protection cyber threats	may result in inability to make payments, monitor investments, collect income, communicate with stakeholders  especially important is to note that bad date can lead to inefficiencies and waste working across different teams/partnerships fails or become inefficient payroll/pensions administrator/investment advisor/consultant not performing to expected standards leading to problems around inefficiencies or poor decision making GDPR
Reputational Risk		
Regulatory and Compliance Risk	non-compliance with new or old piece of legislation or guidance that is issued	



RCBPF Risk Management Scoring Matrix		
Scoring ( Impact )		
Impact Description	Category	Description
1 Very Low	Cost/Budgetary Impact	£0 to £25,000
	Impact on life	Temporary disability or slight injury or illness less than 4 weeks (internal) or affecting 0-10 people (external)
	Environment	Minor short term damage to local area of work.
	Reputation	Decrease in perception of service internally only – no local media attention
	Service Delivery	Failure to meet individual operational target – Integrity of data is corrupt no significant effect
2 Low	Cost/Budgetary Impact	£25,001 to £100,000
	Impact on life	Temporary disability or slight injury or illness greater than 4 weeks recovery (internal) or greater than 10 people (external)
	Environment	Damage contained to immediate area of operation, road, area of park single building, short term harm to the immediate ecology or community
	Reputation	Localised decrease in perception within service area – limited local media attention, short term recovery
	Service Delivery	Failure to meet a series of operational targets – adverse local appraisals – Integrity of data is corrupt, negligible effect on indicator
3 Medium	Cost/Budgetary Impact	£100,001 to £400,000
	Impact on life	Permanent disability or injury or illness
	Environment	Damage contained to Ward or area inside the borough with medium term effect to immediate ecology or community
	Reputation	Decrease in perception of public standing at Local Level – media attention highlights failure and is front page news, short to medium term recovery
	Service Delivery	Failure to meet a critical target – impact on an individual performance indicator – adverse internal audit report prompting timed improvement/action plan - Integrity of data is corrupt, data falsely inflates or reduces outturn of indicator
4 High	Cost/Budgetary Impact	£400,001 to £800,000
	Impact on life	Individual Fatality
	Environment	Borough wide damage with medium or long term effect to local ecology or community
	Reputation	Decrease in perception of public standing at Regional level – regional media coverage, medium term recovery
	Service Delivery	Failure to meet a series of critical targets – impact on a number of performance indicators – adverse external audit report prompting immediate action - Integrity of data is corrupt, data falsely inflates or reduces outturn on a range of indicators
5 Very High	Cost/Budgetary Impact	£800,001 and over
	Impact on life	Mass Fatalities
	Environment	Major harm with long term effect to regional ecology or community
	Reputation	Decrease in perception of public standing nationally and at Central Government – national media coverage, long term recovery
	Service Delivery	Failure to meet a majority of local and national performance indicators – possibility of intervention/special measures – Integrity of data is corrupt over a long period, data falsely inflates or reduces outturn on a range of indicators

Scoring ( Likelihood )	
Descriptor	Likelihood Guide
1. Improbable, extremely unlikely.	Virtually impossible to occur 0 to 5% chance of occurrence.
2. Remote possibility	Very unlikely to occur 6 to 20% chance of occurrence
3. Occasional	Likely to occur 21 to 50% chance of occurrence
4. Probable	More likely to occur than not 51% to 80% chance of occurrence
5. Likely	Almost certain to occur 81% to 100% chance of occurrence

Control		Details required
Terminate	Stop what is being done.	A clear description of the specific actions to be taken to control the risk or opportunity
Treat	Reduce the likelihood of the risk occurring.	
Take	Circumstances that offer positive opportunities	
Transfer	Pass to another service best placed to deal with mitigations but ownership of the risk still lies with the original service.	The name of the service that the risk is being transferred to and the reasons for the transfer.
Tolerate	Do nothing because the cost outweighs the benefits and/or an element of the risk is outside our control.	A clear description of the specific reasons for tolerating the risk.

Column Heading	Explanation
Risk Group	One of the seven risk categories specified by CIPFA.
Risk Ref.	Unique reference "PEN" and unique risk number; i.e.. PEN001.
Trending	Illustration identifies trend from the last time the risk register was reviewed (usually the last quarter).
Risk Description	Description of the risk before any treatment or mitigation - the "naked" risk.
Impact: Fund (A)	(Score 1 to 5 ) - This is the impact the "naked" or un-treated risk has on the overall fund - usually referring to all assets, all liabilities or the entire fund as a separate legal entity.
Impact: Employers (B)	(Score 1 to 5 ) - This is the impact the "naked" or un-treated risk has on the individual employers, or groups of employers if applicable - This could be the Unitaries, scheduled bodies, admitted bodies, or a specific individual employer.
Impact: Reputation (C)	(Score 1 to 5 ) - This is the impact the "naked" or un-treated risk has on the reputation of the Royal County of Berkshire Pension Fund as an entity in its own right, the Royal Borough of Windsor and Maidenhead as the administering authority, or the LGPS as a whole depending on the nature of the risk.
Impact: Total (A+B+C)	(Score 3 to 15) - A sum of the Impact on Fund, Employers and Reputation.
Likelihood (D)	(Score 1 to 5 ) - This is the likelihood of the "naked" or un-treated risk occurring, or it's probability of occurrence in the absence of any mitigating action.
Gross risk score ((A+B+C)xD)	(Score 3 to 75) - This is a sum total of the Impact of the risk on the Fund, Employers and Reputation multiplied by the Likelihood of the "naked" or untreated risk occurring.
Mitigation actions	These are the actions taken by all interested parties to reduce the likelihood of a risk occurring or eliminate it entirely.
Revised Likelihood (E)	(Score 1 to 5 ) - This is the revised likelihood of the risk occurring, or it's probability of occurrence following the implementation of any documented mitigation action.
Net risk score ((A+B+C)xD)	(Score 3 to 75) - This is a sum total of the Impact of the risk on the Fund, Employers and Reputation multiplied by the revised likelihood of the risk occurring following the implementation of any mitigation action.
Risk Owner	For the avoidance of doubt, this is the officer responsible for monitoring, reviewing and reporting any changes to the impact or likelihood of the risk allocated to the officers name. Risks are technically all "owned" by the Pension Fund Committee.
Reviewed	Date of last review - to be updated following officer review to ensure regular monitoring and tracking of risk impacts and likelihood.

**ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD**  
**EQUALITY IMPACT ASSESSMENT**

**EqlA : Risk Register**

**Essential information**

Items to be assessed: (please mark 'x')

Strategy		Policy	x	Plan		Project		Service/Procedure	
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Responsible officer	Damien Pantling	Service area	Pension Fund	Directorate	Finance
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Stage 1: EqlA Screening (mandatory)	Date created: 25/02/2022	Stage 2 : Full assessment (if applicable)	N/A
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**Approved by Head of Service / Overseeing group/body / Project Sponsor:**

*"I am satisfied that an equality impact has been undertaken adequately."*

**Signed by (print):**

**Dated:**

# ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

## EQUALITY IMPACT ASSESSMENT

### EqlA : Risk Register

#### Guidance notes

##### What is an EqlA and why do we need to do it?

The Equality Act 2010 places a 'General Duty' on all public bodies to have 'due regard' to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act.
- Advancing equality of opportunity between those with 'protected characteristics' and those without them.
- Fostering good relations between those with 'protected characteristics' and those without them.

EqlAs are a systematic way of taking equal opportunities into consideration when making a decision, and should be conducted when there is a new or reviewed strategy, policy, plan, project, service or procedure in order to determine whether there will likely be a detrimental and/or disproportionate impact on particular groups, including those within the workforce and customer/public groups. All completed EqlA Screenings are required to be publicly available on the council's website once they have been signed off by the relevant Head of Service or Strategic/Policy/Operational Group or Project Sponsor.

##### What are the "protected characteristics" under the law?

The following are protected characteristics under the Equality Act 2010: age; disability (including physical, learning and mental health conditions); gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

##### What's the process for conducting an EqlA?

The process for conducting an EqlA is set out at the end of this document. In brief, a Screening Assessment should be conducted for every new or reviewed strategy, policy, plan, project, service or procedure and the outcome of the Screening Assessment will indicate whether a Full Assessment should be undertaken.

##### Openness and transparency

RBWM has a 'Specific Duty' to publish information about people affected by our policies and practices. Your completed assessment should be sent to the Strategy & Performance Team for publication to the RBWM website once it has been signed off by the relevant manager, and/or Strategic, Policy, or Operational Group. If your proposals are being made to Cabinet or any other Committee, please append a copy of your completed Screening or Full Assessment to your report.

##### Enforcement

Judicial review of an authority can be taken by any person, including the Equality and Human Rights Commission (EHRC) or a group of people, with an interest, in respect of alleged failure to comply with the general equality duty. Only the EHRC can enforce the specific duties. A failure to comply with the specific duties may however be used as evidence of a failure to comply with the general duty.



# ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

## EQUALITY IMPACT ASSESSMENT

### EqlA : Risk Register

#### Stage 1 : Screening (Mandatory)

##### **1.1 What is the overall aim of your proposed strategy/policy/project etc and what are its key objectives?**

At the Pension Board meeting on 2 September 2021 and Pension Fund Committee meeting on 20 September 2021, the Head of Pension Fund agreed to review the Pension Fund's risk register and to bring a revised and updated version to the upcoming meeting for Members' consideration and approval. This report provides Members with that updated version of the risk register prepared in line with the 2018 CIPFA framework "Managing risk in the Local Government Pension Scheme". This new risk register process was approved by the Pension Fund Committee on 6 December 2021 and has undergone several iterations before being presented at this meeting.

**1.2 What evidence is available to suggest that your proposal could have an impact on people (including staff and customers) with protected characteristics? Consider each of the protected characteristics in turn and identify whether your proposal is Relevant or Not Relevant to that characteristic. If Relevant, please assess the level of impact as either High / Medium / Low and whether the impact is Positive (i.e. contributes to promoting equality or improving relations within an equality group) or Negative (i.e. could disadvantage them). Please document your evidence for each assessment you make, including a justification of why you may have identified the proposal as "Not Relevant".**

# ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

## EQUALITY IMPACT ASSESSMENT

### EqlA : Risk Register

Protected characteristics	Relevance	Level	Positive/negative	Evidence
Age				Key data: The estimated median age of the local population is 42.6yrs [Source: <a href="#">ONS mid-year estimates 2020</a> ]. An estimated 20.2% of the local population are aged 0-15, and estimated 61% of the local population are aged 16-64yrs and an estimated 18.9% of the local population are aged 65+yrs. [Source: ONS mid-year estimates 2020, taken from <a href="#">Berkshire Observatory</a> ]
Disability				
Gender re-assignment				
Marriage/civil partnership				
Pregnancy and maternity				
Race				Key data: The 2011 Census indicates that 86.1% of the local population is White and 13.9% of the local population is BAME. The borough has a higher Asian/Asian British population (9.6%) than the South East (5.2%) and England (7.8%). The forthcoming 2021 Census data is expected to show a rise in the BAME population. [Source: 2011 Census, taken from <a href="#">Berkshire Observatory</a> ]
Religion and belief				Key data: The 2011 Census indicates that 62.3% of the local population is Christian, 21.7% no religion, 3.9% Muslim, 2% Sikh, 1.8% Hindu, 0.5% Buddhist, 0.4% other religion, and 0.3% Jewish. [Source: 2011 Census, taken from <a href="#">Berkshire Observatory</a> ]
Sex				Key data: In 2020 an estimated 49.6% of the local population is male and 50.4% female. [Source: ONS mid-year estimates 2020, taken from <a href="#">Berkshire Observatory</a> ]
Sexual orientation				

# ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

## EQUALITY IMPACT ASSESSMENT

### EqIA : Risk Register

#### Outcome, action and public reporting

Screening Assessment Outcome	Yes / No / Not at this stage	Further Action Required / Action to be taken	Responsible Officer and / or Lead Strategic Group	Timescale for Resolution of negative impact / Delivery of positive impact
Was a significant level of negative impact identified?	No	No	Damien Pantling	N/A
Does the strategy, policy, plan etc require amendment to have a positive impact?	No	No	Damien Pantling	N/A

If you answered **yes** to either / both of the questions above a Full Assessment is advisable and so please proceed to Stage 2. If you answered “No” or “Not at this Stage” to either / both of the questions above please consider any next steps that may be taken (e.g. monitor future impacts as part of implementation, re-screen the project at its next delivery milestone etc).



# ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

## EQUALITY IMPACT ASSESSMENT

### EqlA : Risk Register

#### Stage 2 : Full assessment

#### 2.1 : Scope and define

**2.1.1 Who are the main beneficiaries of the proposed strategy / policy / plan / project / service / procedure? List the groups who the work is targeting/aimed at.**

**2.1.2 Who has been involved in the creation of the proposed strategy / policy / plan / project / service / procedure? *List those groups who the work is targeting/aimed at.***

**ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD**  
**EQUALITY IMPACT ASSESSMENT**

**EqIA : Risk Register**

**2.2 : Information gathering/evidence**

**2.2.1 What secondary data have you used in this assessment?** *Common sources of secondary data include: censuses, organisational records.*

**2.2.2 What primary data have you used to inform this assessment?** *Common sources of primary data include: consultation through interviews, focus groups, questionnaires.*

**Eliminate discrimination, harassment, victimisation**

# ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

## EQUALITY IMPACT ASSESSMENT

### EqlA : Risk Register

Protected Characteristic	Advancing the Equality Duty : Does the proposal advance the Equality Duty Statement in relation to the protected characteristic (Yes/No)	If yes, to what level? (High / Medium / Low)	Negative impact : Does the proposal disadvantage them (Yes / No)	If yes, to what level? (High / Medium / Low)	Please provide explanatory detail relating to your assessment and outline any key actions to (a) advance the Equality Duty and (b) reduce negative impact on each protected characteristic.
Age					
Disability					
Gender reassignment					
Marriage and civil partnership					
Pregnancy and maternity					
Race					
Religion and belief					
Sex					
Sexual orientation					

**Advance equality of opportunity**

# ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

## EQUALITY IMPACT ASSESSMENT

### EqlA : Risk Register

Protected Characteristic	Advancing the Equality Duty : Does the proposal advance the Equality Duty Statement in relation to the protected characteristic (Yes/No)	If yes, to what level? (High / Medium / Low)	Negative impact : Does the proposal disadvantage them (Yes / No)	If yes, to what level? (High / Medium / Low)	Please provide explanatory detail relating to your assessment and outline any key actions to (a) advance the Equality Duty and (b) reduce negative impact on each protected characteristic.
Age					
Disability					
Gender reassignment					
Marriage and civil partnership					
Pregnancy and maternity					
Race					
Religion and belief					
Sex					
Sexual orientation					

# ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

## EQUALITY IMPACT ASSESSMENT

### EqIA : Risk Register

#### Foster good relations

Protected Characteristic	Advancing the Equality Duty : Does the proposal advance the Equality Duty Statement in relation to the protected characteristic (Yes/No)	If yes, to what level? (High / Medium / Low)	Negative impact : Does the proposal disadvantage them (Yes / No)	If yes, to what level? (High / Medium / Low)	Please provide explanatory detail relating to your assessment and outline any key actions to (a) advance the Equality Duty and (b) reduce negative impact on each protected characteristic.
Age					
Disability					
Gender reassignment					
Marriage and civil partnership					
Pregnancy and maternity					
Race					
Religion and belief					
Sex					
Sexual orientation					

**2.4 Has your delivery plan been updated to incorporate the activities identified in this assessment to mitigate any identified negative impacts? If so please summarise any updates.**

*These could be service, equality, project or other delivery plans. If you did not have sufficient data to complete a thorough impact assessment, then an action should be incorporated to collect this information in the future.*



**ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD**

**EQUALITY IMPACT ASSESSMENT**

**EqIA : Risk Register**