

Objectives

1. The objectives of the Risk Register are to:
 - identify key risks to the achievement of the Fund's objectives
 - assess the significance of the risks
 - consider existing controls to mitigate the risks identified
 - Identify additional action required.

Risk Assessment

2. Identified risks are assessed separately and for each the following is determined:
 - the likelihood of the risk materialising
 - the severity of the impact/potential consequences if it does occur.
3. Each factor is evaluated on a sliding scale of 1 to 5 with 5 being the highest value i.e. highest likelihood/most severe impact/consequences. The risk evaluation tables below have been used in order to assess specific risks and to introduce a measure of consistency into the risk assessment process. The overall rating for each risk is calculated by multiplying the likelihood value against the impact value.

LIKELIHOOD:		
1	Rare	0 to 5% chance
2	Unlikely	6 to 20% chance
3	Possible	21 to 50% chance
4	Likely	51 to 80% chance
5	Almost certain	81%+ chance

IMPACT:		
1	Insignificant	0 to 5% effect
2	Minor	6 to 20% effect
3	Moderate	21 to 50% effect
4	Significant	51 to 80% effect
5	Catastrophic	81%+ effect

4. Having scored each risk for likelihood and impact, the risk ratings can be plotted onto the following matrix to enable risks to be categorised into Low, Medium, High and Very High Risk.

		Risk Rating Matrix					
Relative Impact	Catastrophic	(5)	M	H	VH	VH	VH
	Significant	(4)	M	H	VH	VH	VH
	Moderate	(3)	M	M	H	H	H
	Minor	(2)	L	L	M	M	M
	Insignificant	(1)	L	L	L	L	L
		(1)	(2)	(3)	(4)	(5)	
		Rare	Unlikely	Possible	Likely	Almost Certain	
		Relative Likelihood					

5. This initial assessment gives the inherent risk level. Existing controls are then identified and each risk is re-assessed to determine if the controls are effective at reducing the risk rating. This gives the current (or residual) risk level. The current risk rating scores and categories are then used to prioritise the risks shown in the register in order to determine where additional action is required in accordance with the following order of priority:

Red = Very High Priority

Take urgent action to mitigate the risk.

Orange = High Priority

Take action to mitigate the risk.

Yellow = Medium Priority

Check current controls and consider if others are required.

Green = Low Priority

No immediate action other than to set a review date to re-consider your assessment.

NOTTINGHAMSHIRE PENSION FUND RISK REGISTER - SUMMARY

Key to risk rating change since previous version of Risk Register:

↑ Increase

↓ Decrease

↔ No Change

★ New

Risk Description	Inherent Risk			Current Risk		
		Rating	Change		Rating	Change
Risk Gov4 Inadequate resources are available to manage the pension fund.	20	VERY HIGH	↔	12	HIGH	↔
Risk Adm1 Standing data & permanent records are not accurate.	16	VERY HIGH	↔	9	HIGH	↔
Risk Inv3 Fund assets are assessed as insufficient to meet long term liabilities.	16	VERY HIGH	↔	9	HIGH	↔
Risk Inv6 LGPS Central incurs net costs or decreases investment returns	12	HIGH	↓	9	HIGH	↓
Risk Adm2 Inadequate controls to safeguard pension fund records	15	VERY HIGH	↔	6	MEDIUM	↔
Risk Adm4 Scheme employers may fail to administer the scheme efficiently, leading to disruption to the discharge of administering authority functions (employer Risk) Potential data quality issues.	15	VERY HIGH	↔	6	MEDIUM	↔
Risk Adm5 Serious breach of law regarding the management of data/information, including an unauthorised release requiring notification to ICO, leading to disruption to the discharge of administering authority functions (Administrative Risk).	15	VERY HIGH	↔	6	MEDIUM	↔
Risk Inv4 Significant variations from assumptions used in the actuarial valuation	12	HIGH	↔	9	HIGH	↔
Risk Inv7 Financial risk of climate change	12	HIGH	↔	8	MEDIUM	↔
Risk Inv1 Inappropriate investment strategy is adopted.	12	VERY HIGH	↔	6	MEDIUM	↔
Risk Inv5b Custody arrangements	12	VERY HIGH	↔	6	MEDIUM	↔
Risk Gov5 Failure to adhere to relevant legislation and guidance.	12	HIGH	↔	6	MEDIUM	↔
Risk Gov3 An effective performance management framework is not in place.	9	HIGH	↔	6	MEDIUM	↔
Risk Gov1 Pension Fund governance arrangements are not effective	9	HIGH	↔	6	MEDIUM	↔

Risk Gov2 Pension Fund objectives are not defined and agreed.	9	HIGH	↔	6	MEDIUM	↔
Risk Inv2 Fund cash is insufficient to meet its current obligations.	9	HIGH	↔	6	MEDIUM	↔
Risk Inv5a Fund manager mandates	9	HIGH	↔	6	MEDIUM	↔
Risk Inv5d Financial Administration	9	HIGH	↔	6	MEDIUM	↔
Risk Adm3 Failure to communicate adequately with all relevant stakeholders.	9	HIGH	↔	6	MEDIUM	↔
Risk Inv5c Accounting arrangements	6	MEDIUM	↔	4	LOW	↔
Risk Inv5e Stewardship	6	MEDIUM	↔	4	LOW	↔

Governance				
Risk description: Gov1 - Pension Fund governance arrangements are not effective				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	3	3	9	HIGH ⇄
Current Risk:	2	3	6	MEDIUM ⇄
Current Controls:	<ul style="list-style-type: none"> The Council's constitution clearly delegates the functions of administering authority of the pension fund to the Nottinghamshire Pension Fund Committee. 			
	<ul style="list-style-type: none"> Under the LGPS Regulations the Administering Authority has established a Pension Board 			
	<ul style="list-style-type: none"> The terms of reference of the Nottinghamshire Pension Fund Committee are agreed. The terms of reference of the Nottinghamshire Pension Board are agreed. 			
	<ul style="list-style-type: none"> The Fund publishes a Governance Compliance Statement which details the governance arrangements of the Fund and assesses compliance with best practice. This is kept regularly under review. 			
	<ul style="list-style-type: none"> A training policy is in place which requires Members to receive continuing training and encourages all new Members to attend the Local Government Pension Scheme Fundamentals training course. Nottinghamshire Pension Board Members are also required to undertake training 			
	<ul style="list-style-type: none"> Officers of the Council attend meetings of the Nottinghamshire Pension Fund Committee and the Nottinghamshire Pension Board. 			
	<ul style="list-style-type: none"> The Fund has a formal contract for an independent adviser to give advice on investment matters. They are contracted to attend each Nottinghamshire Pension Fund Committee meeting. 			
	<ul style="list-style-type: none"> The Administering Authority has a formal contract for an independent adviser to give advice on LGPS regulations to the Nottinghamshire Pension Board 			
Action Required:	<ul style="list-style-type: none"> Continue to monitor via existing processes. Confirmation of Pension Board meetings Pension Board Vacancies to be filled 			
Responsibility:	Group Manager (Financial Services) Group Manager (BSC) Group Manager (Legal Services) Pension Manager Senior Accountant - Pensions & TM		Timescale:	On-going

Governance				
Risk description: Gov2 - Pension Fund objectives are not defined and agreed				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	3	3	9	HIGH ↔
Current Risk:	2	3	6	MEDIUM ↔
Current Controls:	<ul style="list-style-type: none"> Purpose and objectives are outlined in the Funding Strategy Statement (FSS) and Investment Strategy Statement (ISS). Both documents are approved by the Nottinghamshire Pension Fund Committee and reviewed on a regular basis. 			
Action Required:	<ul style="list-style-type: none"> Continue to monitor via existing processes. 			
Responsibility:	Nottinghamshire Pension Fund Committee; Group Manager (Financial Services)		Timescale:	On-going

Governance				
Risk description: Gov3 - An effective performance management framework is not in place.				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	3	3	9	HIGH ↔
Current Risk:	2	3	6	MEDIUM ↔
Current Controls:	<ul style="list-style-type: none"> Investment performance is reported quarterly to the Nottinghamshire Pension Fund Committee. The Fund's main investment managers attend each quarter and officers receive regular updates from the Fund's other investment managers. 			
	<ul style="list-style-type: none"> Poor investment performance is considered by the Nottinghamshire Pension Fund Committee. The Nottinghamshire Pension Fund Committee's actions are monitored by the Nottinghamshire Pension Board 			
	<ul style="list-style-type: none"> A Fund strategic benchmark has been implemented to improve monitoring of decisions regarding asset allocation and investment management arrangements. This was reviewed at a Working Party in August 2021. 			
	<ul style="list-style-type: none"> Performance of the administration function is managed through an Administration Strategy 			
	<ul style="list-style-type: none"> Performance of the Administration function is managed through a set of performance indicators and reported to Pension Committee and Pension Board 			
Action Required:	<ul style="list-style-type: none"> Continue to review the performance monitoring framework for Fund Administration. 			
Responsibility:	Nottinghamshire Pension Fund Committee Group Manager (Financial Services); Group Manager (BSC) Pension Admin Manager Senior Accountant - Pensions & TM		Timescale:	On-going

Governance					
Risk description: Gov4 - Inadequate resources are available to manage the pension fund.					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	5	4	20	VERY HIGH	↔
Current Risk:	4	3	12	HIGH	↔
Current Controls:	<ul style="list-style-type: none"> • The pension fund investments are managed by the Pensions & Treasury Management team. 				
	<ul style="list-style-type: none"> • Pension administration is managed by the Pension Team Manager within the BSC 				
	<ul style="list-style-type: none"> • Operating costs are recharged to the pension fund in accordance with regulations. 				
	<ul style="list-style-type: none"> • Staffing levels and structures are kept under regular review. • Additional resources have been requested to meet new requirements across the LGPS • Additional Resources have been agreed in relation to The McCloud Project • Pension Costs and resources monitored against the CIPFA Benchmarking club 				
Action Required:	<ul style="list-style-type: none"> • Continue to monitor resource requirements via existing processes. 				
Responsibility:	Group Manager (Financial Services); Group Manager (BSC) PensionTeam Manager Senior Accountant - Pensions & TM		Timescale:	On-going	

Governance					
Risk description: Gov5 - Failure to adhere to relevant legislation and guidance.					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	4	3	12	HIGH	↔
Current Risk:	3	2	6	MEDIUM	↔
Current Controls:	<ul style="list-style-type: none"> • An established process exists to inform members and officers of statutory requirements and any changes to these. 				
	<ul style="list-style-type: none"> • An Administration Strategy was introduced in 2017 to monitor the Administration of the Fund, along with monitoring Employer compliance. 				
	<ul style="list-style-type: none"> • Sufficient resources are required to implement LGPS changes while continuing to administer the scheme. 				
	<ul style="list-style-type: none"> • Membership of relevant professional groups ensures changes in statutory and other requirements are registered before the implementation dates. 				
	<ul style="list-style-type: none"> • Any breaches in statutory regulations must be reported to the Pension Regulator. 				

Action Required:	<ul style="list-style-type: none"> • Review Resources against statutory requirements • Continue to monitor requirements via appropriate sources. • Continue to monitor resources to ensure adherence to legislation and guidance. • Update Breaches Policy 		
Responsibility:	Group Manager (Financial Services); Group Manager (BSC); Senior Accountant - Pensions & TM Pension Manager	Timescale:	On-going

Investments					
Risk description: Inv1 - Inappropriate investment strategy is adopted.					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	4	12	VERY HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔
Current Controls:	<ul style="list-style-type: none"> • The investment strategy is in accordance with LGPS investment regulations and is documented, reviewed and approved by the Nottinghamshire Pension Fund Committee. 				
	<ul style="list-style-type: none"> • In setting asset allocation to deliver the Fund Return Target the Fund will seek as far as possible to invest in a diversified range of uncorrelated assets in order to reduce the level of investment risk. 				
	<ul style="list-style-type: none"> • The Strategy takes into account the expected returns assumed by the actuary at the triennial valuation. 				
	<ul style="list-style-type: none"> • Investment performance is monitored against the Fund's strategic benchmark. 				
	<ul style="list-style-type: none"> • A regular review takes place of the Fund's asset allocation strategy by the Pension Fund Working Party. 				
	<ul style="list-style-type: none"> • An Independent Adviser provides specialist guidance to the Nottinghamshire Pension Fund Committee on the investment strategy. 				
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. 				
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going		

Investments					
Risk description: Inv2 - Fund cash is insufficient to meet its current obligations.					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	3	9	HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔
Current Controls	<ul style="list-style-type: none"> • Fund cash flow is monitored daily and a summary fund account is reported to the Nottinghamshire Pension Fund Committee each quarter 				

	<ul style="list-style-type: none"> • Annual accounts are produced for the pension fund and these show the movements in net cash inflow 		
	<ul style="list-style-type: none"> • Regular assessment of Fund assets and liabilities is carried out through actuarial valuations. 		
	<ul style="list-style-type: none"> • The Fund's Investment and Funding Strategies are regularly reviewed 		
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. 		
Responsibility:	Nottinghamshire Pension Fund Committee; Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going

Investments				
Risk description: Inv3 - Fund assets are assessed as insufficient to meet long term liabilities.				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	4	4	16	VERY HIGH ↔
Current Risk:	3	3	9	HIGH ↔
Current Controls:	<ul style="list-style-type: none"> • Fund assets are kept under review as part of the Fund's performance management framework. 			
	<ul style="list-style-type: none"> • Regular assessment of Fund assets and liabilities is carried out through Actuarial valuations. 			
	<ul style="list-style-type: none"> • The Fund's Investment and Funding Strategies are regularly reviewed. 			
	<ul style="list-style-type: none"> • An external adviser provides specialist guidance to the Pension Fund Committee on the investment strategy. 			
	<ul style="list-style-type: none"> • Strength of covenant of new employers carefully assessed 			
	<ul style="list-style-type: none"> • Risks relating to existing employers are reviewed periodically 			
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. • Review cash flow projections prepared by actuaries on a regular basis. 			
Responsibility:	Nottinghamshire Pension Fund Committee Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going	

Investments				
Risk description: Inv4 - Significant variations from assumptions used in the actuarial valuation occur				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	4	3	12	HIGH ↔
Current Risk:	3	3	9	HIGH ↔
Current Controls:	<ul style="list-style-type: none"> • Actuarial assumptions are reviewed by officers and discussed with the actuaries 			
	<ul style="list-style-type: none"> • Sensitivity analysis is undertaken on assumptions to measure impact 			

	• Valuation are undertaken every 3 years		
	• Monitoring of cash flow position.		
	• Contributions made by employers vary according to their member profile.		
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. • Review cash flow projections prepared by actuaries on a regular basis. 		
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going

Investments					
Risk description: Inv5 - Inadequate controls to safeguard pension fund assets.					
Inv5a - Investment managers					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	3	9	HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔
Current Controls:	• Complete and authorised client agreements are in place. This includes requirement for fund managers to report regularly on their performance. The main managers attend Nottinghamshire Pension Fund Committee on a regular basis.				
	• Investment objectives are set, and portfolios must be managed in accordance with these				
	• AAF 01/06 (or equivalent) reports on internal controls of service organisations are reviewed for main managers.				
	• Internal decisions have a robust framework in place which is tested by internal audit				
	• Fund Managers maintain an appropriate risk management framework to minimise the level of risk to Pension Fund assets.				
Action Required:	• Continue to monitor via existing processes.				
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM		Timescale:	On-going	
Inv5b - Custody arrangements					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	4	12	VERY HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔
Current Controls:	• Complete and authorised agreements are in place with the external custodian.				
	• AAF 01/06 (or equivalent) report on internal controls is reviewed for external custodian.				
	• Regular reconciliations carried out to check external custodian records.				

	<ul style="list-style-type: none"> Where assets are custodied in-house, physical stock certificates are held in a secure cabinet to which access is limited. 		
Action Required:	<ul style="list-style-type: none"> Continue to monitor via existing processes. 		
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going
Inv5c - Accounting arrangements			
	Likelihood:	Impact:	Risk Rating:
Inherent Risk:	3	2	6 MEDIUM ↔
Current Risk:	2	2	4 LOW ↔
Current Controls:	<ul style="list-style-type: none"> Pension Fund accounting arrangements conform to the Local Authority Accounting Code, relevant IFRS/IAS and the Pensions' SORP. The Pension Fund subscribes to the CIPFA Pensions Network and Technical Information Service and officers attend courses as appropriate. Regular reconciliations are carried out between in-house records and those maintained by the external custodian and investment managers. Internal Audits are carried out regularly. External Audit review the Pension Fund's accounts annually. 		
Action Required:	<ul style="list-style-type: none"> Continue to monitor via existing processes. 		
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going
Inv5d - Financial Administration			
	Likelihood:	Impact:	Risk Rating:
Inherent Risk:	3	3	9 HIGH ↔
Current Risk:	2	3	6 MEDIUM ↔
Current Controls:	<ul style="list-style-type: none"> The Pension Fund adheres to the County Council's financial regulations with appropriate separation of duties and authorisation limits for transactions. Daily cash settlements are made with the external custodian to maximise returns on cash. Investment transactions are properly authorised, executed and monitored. Contributions due to the fund are governed by Scheme rules which are overseen by Pensions Administration Contributions checked at the beginning of the year and the end of the year, and reconciled and balanced at the year-end. The Pension Fund maintains a bank account which is operated within regulatory guidelines. 		
Action Required:	<ul style="list-style-type: none"> Continue to monitor via existing processes. 		
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going

Inv5e – Stewardship -			
	Likelihood:	Impact:	Risk Rating:
Inherent Risk:	3	2	6 MEDIUM ↔
Current Risk:	2	2	4 LOW ↔
Current Controls:	<ul style="list-style-type: none"> • The Pension Fund aims to be a long term responsible investor. • Effective management of financially material social, environmental and corporate governance (ESG) risks should support the requirement to protect investment returns over the long term. ESG considerations are taken into account in the selection, non-selection, retention and realisation of investments by both the Pension Fund and underlying managers on the Fund's behalf • The Fund has a Climate Stewardship Plan which is implemented and reported on with the support of LGPS Central • The Fund is a member of Local Authority Pension Fund Forum (LAPFF) and supports their work on shareholder engagement. • The pension fund has a contract in place for a proxy voting services. Voting is reported to the Nottinghamshire Pension Fund Committee each quarter and published on the Fund website. 		
Action Required:	• Continue to monitor via existing processes.		
Responsibility:	Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going
Inv6 - LGPS Central incurs net costs or decreases investment returns			
	Likelihood:	Impact:	Risk Rating:
Inherent Risk:	4	3	12 HIGH ↓
Current Risk:	3	3	9 HIGH ↓
Current Controls:	<ul style="list-style-type: none"> • We are shareholders in LGPS Central and have significant influence on them through involvement in Shareholders Forum, Joint Committee and PAF • Costs and performance will be monitored 		
Action Required:	<ul style="list-style-type: none"> • Continue to attend meetings relevant meetings • Continue to monitor via existing processes. 		
Responsibility:	Nottinghamshire Pension Fund Committee Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going
Inv7 – Climate change affects the financial returns of the Fund.			
	Likelihood:	Impact:	Risk Rating:
Inherent Risk:	4	3	12 HIGH ↔
Current Risk:	4	2	8 MEDIUM ↔
Current Controls:	• The financial impact of climate change on the fund can be mitigated. Businesses and individuals will have to change their behaviour and		

	consumption to reduce their carbon footprint and this presents both opportunities and threats as investors.		
	<ul style="list-style-type: none"> • We engage with management of the companies we own through LGPS Central, LAPFF and Hermes EOS to influence them to consider climate change and their sustainability. 		
	<ul style="list-style-type: none"> • Climate change risks are already considered as part of the purchasing and holding decision 		
	<ul style="list-style-type: none"> • Climate risk analysis undertaken on an annual basis with the assistance of LGPS Central. 		
	<ul style="list-style-type: none"> • The Fund has a Climate Risk strategy and a Climate Stewardship plan 		
Action Required:	<ul style="list-style-type: none"> • The current impacts of climate change are affecting particular industries and regions and the Pension Fund will look to reduce exposure to these. • Continued move towards our long term asset allocation. 		
Responsibility:	Nottinghamshire Pension Fund Committee Group Manager (Financial Services); Senior Accountant - Pensions & TM	Timescale:	On-going

Administration				
Risk description: Adm1 - Standing data and permanent records are not accurate.				
	Likelihood:	Impact:	Risk Rating:	
Inherent Risk:	4	4	16	VERY HIGH ↔
Current Risk:	3	3	9	HIGH ↔
Current Controls:	<ul style="list-style-type: none"> • Business processes are in place to identify changes to standing data. 			
	<ul style="list-style-type: none"> • Records are supported by appropriate documentation; input and output checks are undertaken; reconciliation occurs to source records once input. 			
	<ul style="list-style-type: none"> • Documentation is maintained in line with agreed policies. 			
	<ul style="list-style-type: none"> • The Administration Strategy supports the monitoring of employer compliance. 			
	<ul style="list-style-type: none"> • A change of details form is sent out to members alongside their annual statement. 			
	<ul style="list-style-type: none"> • Data matching exercises (National Fraud Initiative) help to identify discrepancies. 			
	<ul style="list-style-type: none"> • Mortality Screening is being performed 			
	<ul style="list-style-type: none"> • The Data Improvement Plan is being implemented as reported to committee. 			
	<ul style="list-style-type: none"> • The GMP Reconciliation Project including Payroll and Pensions Data matching exercise with HMRC is continuing 			

	<ul style="list-style-type: none"> • Employer annual returns are reviewed and monitored. Breaches are reported to committee. 		
	<ul style="list-style-type: none"> • McCloud Project initiated to collect and check scheme data to enable re calculation of benefits. 		
	<ul style="list-style-type: none"> • Project to implement monthly return data collection from scheme employers. 		
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. • Improve monitoring of returns from major fund employers • Implementation of Data Improvement plan • Progress GMP rectification • Progress Mc Cloud project 		
Responsibility:	Group Manager (BSC) Pension Manager	Timescale:	On-going

Administration					
Risk description: Adm2 - Inadequate controls to safeguard pension fund records.					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	5	15	VERY HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔
Current Controls:	<ul style="list-style-type: none"> • ICT Disaster Recovery Plan and Security Plan are agreed and in place 				
	<ul style="list-style-type: none"> • The Administration Authority has an Operational Security and Risk Team, a Security Architect providing strategic direction, an Information Governance Team headed by the Data Protection Officer and an Information Governance Board, chaired by the SIRO, providing oversight. The network has been certified as PSN Code of Connection compliant for the last decade and comprises internal and perimeter firewalls, anti-virus software, intrusion detection and response platforms, secure baseline operating system builds, annual penetration tests, multi-factor authenticated remote access and offline backups, aligning with National Cyber Security Centre best practice at all points. 				
	<ul style="list-style-type: none"> • New back up arrangements are in place 				
	<ul style="list-style-type: none"> • Software is regularly updated to meet LGPS requirements. 				
	<ul style="list-style-type: none"> • Audit trails and reconciliations are in place. 				
	<ul style="list-style-type: none"> • GDPR awareness training and documentation is in place 				
	<ul style="list-style-type: none"> • Pension Administration Documentation is maintained in line with agreed policies. 				
	<ul style="list-style-type: none"> • Physical records are held securely in the Pension Office. • Pensions and other related administration staff undertake data management training as required. 				
Action Required:	<ul style="list-style-type: none"> • Continue to monitor via existing processes. 				

	<ul style="list-style-type: none"> Undertaking a review of controls and Safeguards separate report to Pension Board and Committee once review has been completed. 		
Responsibility:	Group Manager (BSC) Pension Manager	Timescale:	On-going

Administration					
Risk description: Adm3 - Failure to communicate adequately with all relevant stakeholders.					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	3	9	HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔
Current Controls:	<ul style="list-style-type: none"> A communications strategy is in place and is regularly reviewed. 				
	<ul style="list-style-type: none"> The Fund website is periodically updated. 				
	<ul style="list-style-type: none"> Member information guides are reviewed. 				
	<ul style="list-style-type: none"> The Fund has an annual meeting aimed at all participating employers. 				
	<ul style="list-style-type: none"> The Nottinghamshire Pension Fund Committee has representatives of the County Council, City Council, Nottinghamshire Local Authorities, Trade Unions, Scheduled and Admitted Bodies. 				
	<ul style="list-style-type: none"> Meetings are held regularly with employers within the Fund. District and City Council employers and other adhoc employer meetings take place as required A briefing for employers takes place in February or March each year in preparation for year end 				
	<ul style="list-style-type: none"> Benefit Illustrations are sent annually to contributing and deferred Fund members. 				
	<ul style="list-style-type: none"> Annual report, prepared in accordance with statutory guidelines, is published on the website. 				
Action Required:	<ul style="list-style-type: none"> Continue to monitor via existing processes. 				
Responsibility:	Group Manager (BSC) Pension Manager	Timescale:	On-going		

Administration					
Risk description: Adm4 Scheme employers may fail to administer the scheme efficiently, leading to disruption to the discharge of administering authority functions (employer risk)					
Potential data quality issues.					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	5	15	VERY HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔

Current Controls:	• Clear communication of requirements to scheme employers.		
	• Employer data is being reviewed as part of the data improvement plan.		
	• Planned roll out of the employer portal to improve the transfer of data to the Pension Fund.		
	• Actuary makes prudent assumptions at valuation.		
Action Required:	• Continue to monitor via existing processes. • Monitor using the Breaches Policy		
Responsibility:	Group Manager (BSC) Pension Manager	Timescale:	On-going

Administration					
Risk description: Adm5 Serious breach of law regarding the management of data/information, including an unauthorised release requiring notification to ICO, leading to disruption to the discharge of administering authority functions.					
	Likelihood:	Impact:	Risk Rating:		
Inherent Risk:	3	5	15	VERY HIGH	↔
Current Risk:	2	3	6	MEDIUM	↔
Current Controls:	• Information Governance oversee policies and procedures				
	• Data breach procedure in place				
	• Assurance obtained from third party providers and contractors on compliance with relevant legislation.				
	• Identified Data Protection Officer				
	• Appropriate access levels in the Pension Administration system.				
Action Required:	• Continue to monitor via existing processes. • Undertaking a review of controls and Safeguards separate report to Pension Board and Committee once review has been completed.				
Responsibility:	Group Manager (BSC) Pension Manager	Timescale:		On-going	