



# Haverling

LONDON BOROUGH

## LOCAL PENSION BOARD AGENDA

**4.00 pm**

**Tuesday  
28 September 2021**

**Zoom**

Members 3: Quorum 2

Mark Holder  
Andrew Frater  
Denise Broom

**For information about the meeting please contact:  
Luke Phimister 01708 434619  
[luke.phimister@onesource.co.uk](mailto:luke.phimister@onesource.co.uk)**

## AGENDA ITEMS

### 1 CHAIR'S ANNOUNCEMENTS

The Chair will announce details of the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

### 2 APOLOGIES FOR ABSENCE

(if any) – receive.

### 3 DISCLOSURE OF INTEREST

Members are invited to disclose any interest in any items on the agenda at this point of the meeting.

*Members may still disclose any interest in an item at any time prior to the consideration of the matter.*

### 4 MINUTES OF THE MEETING (Pages 1 - 2)

To approve as correct the minutes of the meeting held on 3 August 2021 and authorise the Chair to sign them.

### 5 TO RECEIVE FEEDBACK FROM RECENT MEETINGS OF THE PENSIONS COMMITTEE

### 6 PROJECT PACE UPDATE (Pages 3 - 10)

Document attached

### 7 COP14 CHECKLIST (Pages 11 - 14)

Document attached

### 8 Q1 2021/22 PERFORMANCE REPORT (Pages 15 - 54)

Document attached

### 9 RISK REGISTER (Pages 55 - 76)

Document attached

**Andrew Beesley**  
**Committee Administration Manager**

# Public Document Pack Agenda Item 4

**MINUTES OF THE MEETING OF THE  
LOCAL PENSION BOARD  
Town Hall, Main Road, Romford  
3 August 2021 (4.00 - 5.00 pm)**

**Present:**

Andrew Frater (Employer Representative)

Mark Holder (Employee Representative)

**70 CHAIR'S ANNOUNCEMENTS**

The Chairman reminded Members of the action to be taken in an emergency.

**71 APOLOGIES FOR ABSENCE**

Apologies were received from Denie Broom

**72 DISCLOSURE OF INTEREST**

There were no disclosures of interest.

**73 MINUTES OF THE MEETING**

The minutes of the meeting held on 22<sup>nd</sup> June 2021 were agreed as a correct record.

**74 TO RECEIVE FEEDBACK FROM RECENT MEETINGS OF THE PENSIONS COMMITTEE**

**75 COP14 CHECKLIST**

Members noted that the COP14 checklist had not altered and expressed that they liked the mix of in-person and self-training sessions

**76 COVID-19 IMPACT UPDATE**

Members noted that in the first year of COVID-19, the Fund had reduced by £4million but had since had no financial impact. Members noted the bereavement team had undergone struggles due to the increase of deaths due to COVID-19.

**77 DATA IMPROVEMENT PLAN**

Members noted that the data improvement plan had been signed off by the LPPA.

**78 PROJECT PACE UPDATE**

Members were updated on the Project Pace and noted that it was in the testing stage with the system being incorporated in September 2022. The risk register for the new system would be presented to the Pensions Committee.

**79 Q4 LPPA PERFORMANCE REPORT**

Members of the Board noted the Quarter 4 LPPA Performance report and highlighted improvements for the system such as populating retirement dates in the system for better case tracking in line with the target of paying pensions a month after an employee leaves.

**80 SPECIAL SEVERANCE PAYMENTS CONSULTATION UPDATE**

Members noted the new special severance payments did not include pension strain costs and had not had the £95k cap included but members were made aware that this would be put in place.

**81 RISK REGISTER**

Members noted the risk register had not been altered since the previous meeting however a new item regarding MATS members transferring out of the Pension Fund had been added. Members were made aware that Havering had provided a response to the risk of further MATS transferring out of the Fund.

**82 LOCAL PENSION BOARD END OF YEAR REPORT**

Members received the End of Year report and noted that although overall costs had reduced, costs for training had increased and the appointment of an independent chairman would increase costs further.

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**Chairman**

# LPP

Local Pensions Partnership  
Administration

# Project Pace Update

## London Borough of Havering

September 2021

By John Crowhurst, Commercial Director



**WORKING  
TOGETHER**



**COMMITTED TO  
EXCELLENCE**



**FORWARD  
THINKING**

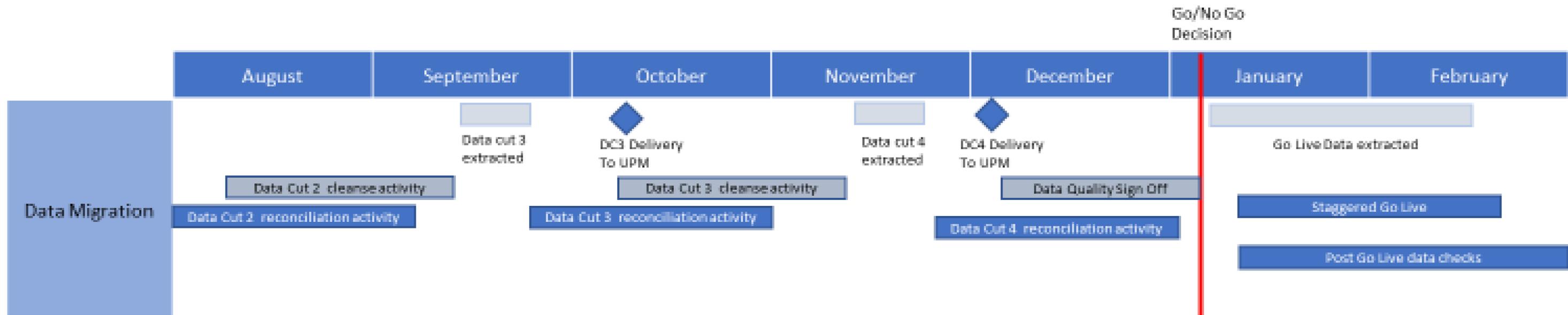


**DOING THE  
RIGHT THING**

# Project PACE – Current Status

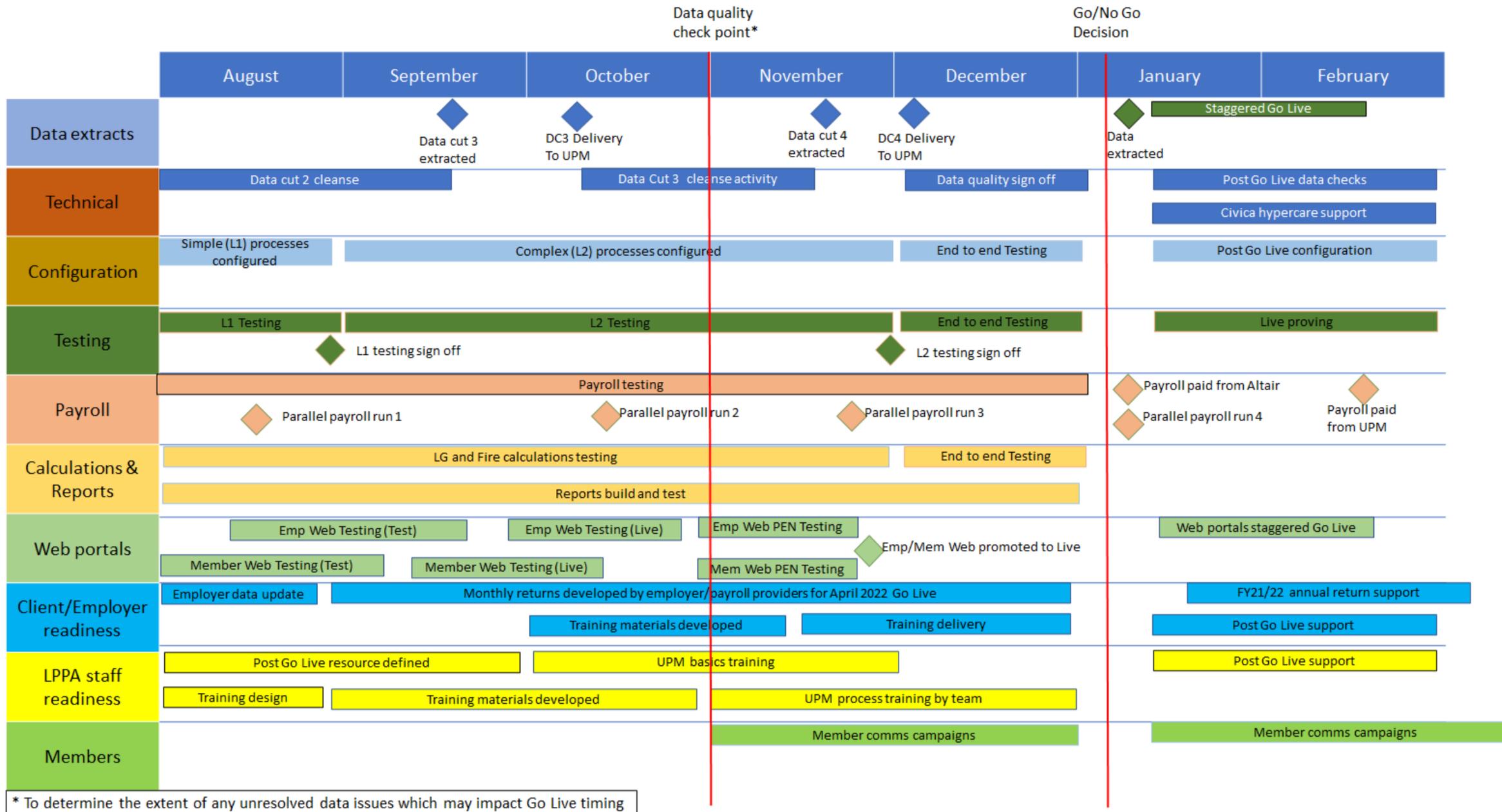
- Project Pace will replace LPPA's 5 core administration systems with one (Civica's UPM product).
- The migration for the phase 1 clients is progressing well and it has been agreed with Civica that the migration of client data and switch over to UPM will be split into three migration windows in order to mitigate the risk of a 'big bang' implementation. The first of these is phase 1 in January - February 2022
- The current plan is that LB Havering will go live in the second migration window in September - October 2022 and the project is currently on track.
- This status report provides an overview of where we currently are in the project. Although the timeline covers us up until the phase 1 go-live, it gives an indication as to the steps that will be taken when you are migrated over to UPM in 2022. In the coming months we will begin to share specific plans relating to the phase 2 go live.
- **Key activity delivered this period:**
  - 37 super users (PACE Pioneers) across all operational teams have been identified to attend testing workshops for workpackage 3 (complex processes) during September in order to drive out any configuration changes required to the standard UPM processes (advice from other funds who are already users of UPM is to keep changes to a minimum at the outset and only adapt the standard product once we are familiar with the system)
  - The member website and employer portal initial configuration is complete and both are currently undergoing testing. Additional functionality to allow members to retire online and track their case on the website will be released for testing at the beginning of September
  - There are 5 data cuts (transfer of the current data from Altair into UPM). Data cut 1 is complete and signed off and data cut 2 is on track to be signed off in September. The project team have introduced a data quality check point at the end of October after the analysis of data cut 3 is complete in order to assess the extent of data issues remaining. The outcome of this may impact Go Live timing and so this early sight and decision making allows for timely communications to take place with you should it be deemed preferable to delay Go Live in order to rectify any remaining issues. This step is in addition to the Go/No Go decision which is a standard project assurance quality gate taken prior to Go Live
  - There are also 4 parallel payroll runs to test the payroll processes before Go Live and the first test is underway and on track for completion at the beginning of October.

# Data Migration - Overview



What	Detail	Who
Data Cut 3 Data Cut 4 Go Live Data	Cuts of data are taken from the Altair system for all clients migrating to UPM. The purpose of multiple data cuts is to identify any issues and rectify them ahead of the next data cut.	LPPA
Data Cut 2 Reconciliation Data Cut 3 Reconciliation Data Cut 4 Reconciliation	Once the data cut is taken activity starts to ensure what we extract from Altair is migrated across to UPM. This activity includes running reconciliation reports from Altair at the time of extract and reconciling these against reports from UPM once the data has been loaded. Any discrepancies are identified, discussed and resolved jointly with Civica. A report is produced at the end of each reconciliation period which is reviewed and signed off by the senior project team.	LPPA & Civica
DC3 Delivery to UPM DC4 Delivery to UPM	Once the extracts are loaded into UPM, Civica provide exception and reconciliation reports to LPPA. The exception reports detail any queries they have identified during the data loading process into UPM. The reconciliation reports are used to reconcile against the reconciliation reports taken from Altair to ensure we have lost no data during the extract and load activity.	Civica
Data Cut 2 Cleanse Activity Data Cut 3 Cleanse Activity	Once the exception reports have been analysed following the data being loaded into UPM after each extract, any discrepancies are discussed and resolved with Civica. The resolution of exceptions can be, to change the migration script or update the member(s) record etc.	LPPA & Civica
Data Quality Sign Off	As the data cleanse activity and reconciliation process progresses through the data cuts, the volume of exceptions will reduce as they are identified and rectified. Following Data Cut 4 LPPA will decide whether the data is of sufficient quality to go live, and this will be used to aid the Go/No Go decision.	LPPA

# Plan on a page



The programme delivery is split into a number of streams of work. This high level plan demonstrates the key activities to be delivered Prior to Go Live.

\* To determine the extent of any unresolved data issues which may impact Go Live timing

# Key Upcoming Activity

- We are due to sign off data cut 2
- We will conclude the first parallel pay run testing against the pensions payroll
- Data cut 3 data will be taken from Altair and mapped into UPM for further quality checks
- The file specification requirements for the monthly returns functionality will be shared with employers so that they can begin engagement with their payroll providers and communication and Engagement activity will therefore increase to support this.
- Testing and configuration will continue on both the member and employer web portals

# Managing the risks associated with the project

The PACE project team has reviewed lessons learned from the last transformation and embedded pro-active risk management within the project governance. The risk register is reviewed weekly, and risks are a standing item at project team meetings, the Steering Group and joint programme Board with Civica. We are taking an extremely pro-active approach to risk management and mitigation of key risks.

Risk Description	Impact	Mitigating Action(s)
<b>Data Migration:</b> There is a risk that the data migration requires significant cleansing	This results in unplanned data cleanse activity to ensure that the accuracy and integrity of the data remains in tact	<ol style="list-style-type: none"> <li>1. Identify and fix data quality issues across the 5 data cuts before go-live</li> <li>2. Parallel run the TPR data quality reports in UPM and Altair to ensure data quality does not deteriorate</li> <li>3. Compare Universal data capture files between Altair and UPM to ensure data quality does not deteriorate</li> <li>4. Load Universal data capture files from UPM to actuarial portals for the actuary to check the integrity of data</li> </ol>
<b>Data Security:</b> There is a risk that data being moved from Altair to Civica is lost/intercepted during the transfer process	This results in project delays, data breaches and/or data is used for fraudulent activity.	<ol style="list-style-type: none"> <li>1. Create a SFTP link between Civica and LPPA</li> <li>2. Adhere to LPPA IT Security rules</li> <li>3. Ensure receipt of data (record counts and hash totals) following each data load so any 'loss' is identified at the earliest opportunity</li> </ol>
<b>Making Pension Payments:</b> There is a risk that payroll workflows are not configured correctly	This results in pension delays to pensioners or incorrect amounts being paid	<ol style="list-style-type: none"> <li>1. Project has 3 parallel pay runs scheduled before now and go-live. These are to be run and reconciled following each data cut</li> </ol>

# Risks continued...

Risk Description	Impact	Mitigating Action(s)
<p><b>Lessons not learnt:</b> There is a risk that the mistakes made during the last transformation project are repeated</p>	<p>This results in missed SLA, backlogs post go live and a deterioration in service</p>	<ol style="list-style-type: none"> <li>1. The lessons learnt report from the previous transformation project has been revisited and considered in the planning of this project</li> <li>2. The end users of the system i.e. the operational teams are heavily involved in the project and all aspects of testing</li> <li>3. Employee communication and feedback mechanisms have been established</li> </ol>
<p><b>Key person dependency:</b> There is a risk that key resources at LPPA and Civica project teams are unable to fulfil their duties through unforeseen circumstances or chose to leave the business</p>	<p>This will result in loss of expertise/knowledge of key skills required to deliver the key milestones of the project</p>	<ol style="list-style-type: none"> <li>1. Minimise the use of just one individual in key roles i.e. make sure we have more than one team member who has sufficient knowledge of key areas</li> <li>2. Minimise the use of fixed term contract resources</li> <li>3. Proactively engage with people within the project team to ensure that there are no emerging issues</li> </ol>
<p><b>Employers resistant to change:</b> There is a risk that employers are resistant to new ways of working</p>	<p>This will result in inefficient processes, potential delays in setting up new pensioners, breaches in disclosure rules</p>	<ol style="list-style-type: none"> <li>1. Early engagement with employers to gain buy in to the benefits of the new operating system and new ways of working</li> <li>2. Training plan designed and executed so that all employers are fully trained on the new portal</li> <li>3. Engagement with other Funds who have already been through the process – gain insights into what worked well and lessons learnt</li> <li>4. Work with the client to actively promote and endorse the new ways of working. Client fund to consider appropriate use of pensions administration strategy</li> </ol>

## Risks continued...

Risk Description	Impact	Mitigating Action(s)
<b>Unexpected increase in work:</b> There is a risk of unexpected increase in BAU activity	This results in competing priorities for resource between BAU and the project and puts at risk both delivery of SLA's and the project	<ol style="list-style-type: none"> <li>1. Proactive use of Management Information to early identify any unexpected spikes in work</li> <li>2. Proactive resource planning and work prioritisation so that resources are fully utilised</li> <li>3. Potential use of external temporary resources to cover spikes in work</li> <li>4. Potential use of overtime to handle short term spikes in work</li> </ol>
<b>Drop in productivity post go live:</b> There is a risk that the transition to UPM has a significant impact on the operational team daily output	This results in missed SLA, backlogs post go live and a deterioration in service	<ol style="list-style-type: none"> <li>1. Plan to create capacity pre go live by getting ahead</li> <li>2. Agree with clients a short term relaxation of SLA performance levels for non-payment cases</li> <li>3. Detailed scenario modelling on a potential dip in productivity to assess impact and determine resourcing requirements before we go live</li> <li>4. Ensure post go live support/troubleshooting and training is proactive and easily accessible</li> </ol>
<b>Management Information:</b> There is a risk that management information and reports are no longer available post go live or are significantly different	This results in LPPA being unable to report performance to stakeholders or the reports look so different that significant stakeholder engagement is required	<ol style="list-style-type: none"> <li>1. Identify and understand the difference between the MI suite now and in UPM</li> <li>2. Any anticipated changes to reporting to be communicated before go live</li> <li>3. Training and workshops to be delivered to LPPA MI team so that they fully understand the reporting suite and capabilities in UPM</li> </ol>

**A - Reporting Duties**

Note the requirements in this section are not included in the TPR Code but they are a fundamental to the relationship with TPR.

**Legal Requirements**

All public service pension schemes have to be registered with TPR. On request from TPR, schemes must submit a scheme return, containing prescribed information. The Scheme Manager must also keep TPR informed of any changes to registrable scheme details.

Note the requirements in section A are not included in the TPR Code but are a requirement for all schemes.

No.	TPR Requirement	TPR Code Ref	London Borough of Havering Approach / Evidence	Frequency of Review	Last Review Date	Check Completed	Compliant	Notes	Action
A1	Is your scheme registered with the Pension Regulator?	n/a	Yes - the Pensions Projects and Contracts Manager is the contact on the registration.	n/a already registered		Fully completed	Fully compliant		
A2	Is the information held on the Pensions Regulator's website about the scheme up-to-date?	n/a	The scheme return was submitted to TPR with details of all scheme employers.	Annual check	17/11/2020	Fully completed	Fully compliant		
A3	Have you completed this latest Scheme Return in the required timescale?	n/a	The scheme return was submitted on 17/11/2020 prior to the deadline of 15/12/2020	Annual check	17/11/2020	Fully completed	Fully compliant		

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**B - Knowledge and Understanding**

**Legal Requirements**

A member of the pension board of a public service pension scheme must be conversant with:

- the rules of the scheme, and
- any document recording policy about the administration of the scheme which is for the time being adopted in relation to the scheme.

TPR Code Ref 34

A member of a pension board must have knowledge and understanding of:

- the law relating to pensions, and
- any other matters which are prescribed in regulations.

TPR Code Ref 35

The degree of knowledge and understanding required is that appropriate for the purposes of enabling the individual to properly exercise the functions of a member of the pension board.

TPR Code Ref 36

No.	TPR Requirement	TPR Code Ref	London Borough of Havering Approach / Evidence	Frequency of Review	Last Review Date	Check Completed	Compliant	Notes	Action
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B1	Are there policies and arrangements in place to support pension board members in acquiring and retaining knowledge and understanding?	38	A joint training strategy has been developed and was agreed by the Pensions Committee on the 24 November 2015 and presented to the Local Pension Board (LPB) at its meeting on the 6 January 2016. The Training Strategy covers both committee and board members. To assist in achieving the training strategy objectives the fund will aim for full compliance with the CIPFA Knowledge and Skills Framework. Training register is maintained throughout the year detailed in the annual report.	Annual check	31/03/2020	Fully completed	Fully compliant		Once the Good Governance Guide has been finalised and formally adopted, the training strategy will be revised to cover all areas within the recommendations. The timetable will depend on the capacity within MHCLG and other LGPS stakeholders to progress to implementation of the proposals and consult on formal guidance given their other current priorities.
B2	Has a person been designated to take responsibility for ensuring the framework is developed and implemented?	38	On a day to day basis the Pension Fund Manager (Onesource Pensions and Treasury) maintains compliance with the policy and annual reporting. Training is also arranged by Pensions Administration as applicable.	As and when required		Fully completed	Fully compliant		
B3	Is the Fund providing assistance to pension board members to determine the degree of knowledge and understanding required?	48	The CIPFA Knowledge and Skills self assessment was undertaken when the LPB was first set up. The LPB also undertook induction training held by Hymans (generic to the LGPS) and followed up by officers (Havering Pension Fund focus). Ongoing training is provided and attendance published in the Pension fund Annual report.	Ongoing		Fully completed	Fully compliant	Induction training has been carried out for all existing board members.	Do Board Members wish to comment here? Would it be useful to review the self assessment (See B10)?
B4	Are the roles and responsibilities of pension boards and members of pension board clearly set out in scheme documentation?	47	The roles and responsibilities are set out in the Board Members Terms of Reference and are provided to new members on appointment.	Annual check	31/08/2020	Fully completed	Fully compliant		Documentation to be published to the new havering.gov pensions web pages
B5	Are pension board members aware of their legal responsibility in terms of Knowledge and Understanding?	50	This is detailed in Terms of Reference which is provided to each member on appointment to the Board. The Training Strategy also outlines the legal requirements relating to knowledge and skills.	Ongoing		Fully completed	Fully compliant		Do Board Members wish to comment here?
B6	Have all pension board members got access to copies of the scheme rules and relevant Fund documentation?	40	Scheme Regulations are available on the lgsregs.org website. All key fund documentation is also available to view on the havering.gov pensions web pages	Ongoing		Fully completed	Fully compliant		Documentation to be published to the new havering.gov pensions web pages
B7	Is there an up-to-date list of the Fund specific documents with which pension board members need to be conversant in?	46	LBH Has created and will maintain a list of documents that the Board members will need to be conversant with.	As and when required but at least annually	31/08/2020	Fully completed	Fully compliant		Revised list to be circulated

B8	Are all pension board members investing sufficient time in their learning and development?	55	A number of training sessions have been arranged and attendance to date is good. A log is maintained of who has attended training and this is published in the annual report. The CIPFA Knowledge and Skills Framework self-assessment form will also become a personalised training plan for each member and will be used to document areas of learning and continued development.	Ongoing		Fully completed	Fully compliant		Do Board Members wish to comment here?
B9	Does the Fund offer pre-appointment training for new pension board members or mentoring by existing members?	56	Pre-appointment training and mentoring has not been offered, but potential members are invited to discuss the roles and referred to the website where the roles and responsibilities are set out. Induction courses are designed to meet the needs of new members	As and when required		Fully completed	Fully compliant		
B10	Is there a process in place for regularly assessing the pension board members' level of knowledge and understanding is sufficient for their role, responsibilities and duties?	57	See comments in B3 - the knowledge and skills analysis will be carried out annually.	Annual check	30/11/2017	Fully completed	Fully compliant		A review of the self assessment should be undertaken. Do Board Members wish to comment here?
B11	Are records of learning activities being maintained?	60	A log is maintained of who has attended training and this is published in the annual report.	Annual check	31/03/2020	Fully completed	Fully compliant		
B12	Have the pension board members completed the Pension Regulator's toolkit for training on the Code of Practice number 14?	59	The modules within the Pensions Regulator online toolkit are available to Board Members and completed courses have been recorded in the training log. In addition, to the COP14 training, general online training is also available via the Pensions Regulator	Annual check	31/03/2020	In progress	Partially compliant		There is generic training available for trustees plus additional training specific to public service schemes and the COP14. Links to be provided

## C - Conflicts of interest

### Legal Requirements

The Public Service Pensions Act 2013 sets out the legal requirements for scheme managers and pension boards for conflicts of interest. In relation to the pension board, scheme regulations must include provision requiring the scheme manager to be satisfied:

TPR Code Ref 62

- that a person to be appointed as a member of the pension board does not have a conflict of interest and
- from time to time, that none of the members of the pension board has a conflict of interest.

Scheme regulations must require each member or proposed member of a pension board to provide the scheme manager with such information as the scheme manager reasonably requires for the purposes of meeting the requirements referred to above.

TPR Code Ref 63

Scheme regulations must include provision requiring the pension board to include employer representatives and member representatives in equal numbers.

TPR Code Ref 64

No.	TPR Requirement	TPR Code Ref	London Borough of Havering Approach / Evidence	Frequency of Review	Last Review Date	Check Completed	Compliant	Notes	Action
C1	Does the Fund have a conflict of interest policy and procedure, which includes identifying, monitoring and managing potential conflicts of interest?	76	A conflicts of interest Policy for the Local Pension Board (LPB) was adopted at a Council meeting held on the 25 March 2015. This is available to view on Havering.gov pensions web pages.	Annual	31/12/2020	Fully completed	Fully compliant		Documentation to be published to the new havering.gov pensions web pages

C2	Do pension board members have a clear understanding of their role, the circumstances in which they may have a conflict of interest and how to manage potential conflicts?	78	The LPB are aware of their roles and responsibilities and some of the LPB members have completed the TPR online toolkit module covering conflicts of interest.	Ongoing		Fully completed	Fully compliant		Do Board Members wish to comment here? Some training is outstanding (see B12)
C3	Have all Pension Board members provided appropriate information for the Administering Authority to determine whether a conflict exists (on appointment and from time to time)?	79	The Council maintain appropriate records of declared conflicts of interest and manage any potential conflicts to ensure they do not become actual or perceived conflicts of interest. Records will be lodged in advance of the Board Member's appointment and will be maintained by the Council's Monitoring Officer.	Ongoing		Fully completed	Fully compliant		
C4	Does the appointment process for pension board members require disclosure of interests and responsibilities which could become conflicts of interest?	80	There is a duty on all prospective Local Pension Board members to declare interests prior to their appointment to the Board. No declarations to have been received to date in the appointment process under any pension Fund requirement (this is looked at once appointed by way of the Council Code of Conduct declaration). Conflicts of interest is a standing item on all Board agendas	Ongoing		Fully completed	Fully compliant		
C5	Is the conflicts policy regularly reviewed?	76	There is an agreed and documented conflicts policy and procedure which includes identifying monitoring and managing potential conflicts of interest and keep under review from time to time.	As and when required		Fully completed	Fully compliant		
C6	Does the Fund have a conflicts register and it is circulated for ongoing review and published?	84	There is a conflicts register that covers all Councillors that is reviewed annually and published on the Havering Website. Declaration of interest is a standing item on the LPB agenda and when a conflict arises, this will be disclosed and recorded in a Pension Board conflicts register. There is no requirement for Board Members to publish their declarations of interest on the Council website			Fully completed	Fully compliant		
C7	Is appropriate information included in the register?	84	The Local Pension Board register is based on the Pensions Regulator template and has all required information	Annual	31/12/2020	Fully completed	Fully compliant		
C8	Is there a standing item on the agenda for declaring conflicts of interest?	85	There is a standing item on each LPB agenda	Ongoing		Fully completed	Fully compliant		
C9	Do those involved know how to report a conflict of interest?	78	There is an agreed and documented conflicts policy and procedure which includes identifying monitoring and managing potential conflicts of interest.	Ongoing		Fully completed	Fully compliant		
C10	Is the number of employer and member representatives on the board in line with legal requirements?	90	The board is made up of 2 member representatives and 2 employer representatives which meets the minimum legal requirements. All positions are currently filled.	Ongoing		Fully completed	Fully compliant	Positions are advertised as they become available.	
C11	Is the board made up of the appropriate mix of representatives in order to minimise potential conflicts?	91	The Board is made up of a suitable scheme representation.	Ongoing		Fully completed	Fully compliant		

# LPP

Local Pensions Partnership  
Administration



Havering Pension Fund

## Quarterly Administration Report

1st April – 30th June 2021

[lppapensions.co.uk](http://lppapensions.co.uk)

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# Definitions

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## **Total Fund Membership**

Total Fund Membership is the number of Member records held on the LPPA pensions administration system that are contributing to, awaiting benefits, or receiving benefits from the pension fund.

## **Current age demographic**

The age profile of the Membership is split across three types of status:

**Active Members** – Members who are currently contributing toward their pension benefits.

**Deferred Members** – Members who hold a deferred benefit in the fund.

**Pensioner Members** – Pensioners and Dependants who are currently receiving a pension.

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## **Casework Performance Against SLA**

Performance is measured once all information is made available to LPPA, to enable them to complete the process. All casework has a target timescale in which to complete the process, and performance is measured as the % of cases that have been completed within that timescale.

Page 11 & 12

## **Casework Performance Against SLA**

The category of 'Other' on this page covers cases including, but not limited to:

- Benefit revisions
- Maternity/paternity cases
- Ill Health cases
- Scheme Opt-Out cases
- Cases raised to cover 'My Pension Online' registration queries
- P60 queries
- 50/50 scheme changes
- APC / AVC queries

Please note the number of cases brought forward, does not match the corresponding number of outstanding cases reported in the previous quarter (due to reasons including the deletion of cases during the current reporting period).

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## **Elapsed Times**

Elapsed days represent the total number of working days between the case being set up, and when it was completed by LPPA.

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## **Retirements**

Shows how quickly pension and lump sum payments are paid to Members – distinguishing between late/early notifications and Members with AVC's. Individual tables provide further detail.

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## **Helpdesk Performance**

Average wait time measures the time taken from the caller being placed into the queue, to them speaking with a Helpdesk adviser. The percentage of calls answered does not include calls that are abandoned by the caller where the wait time is less than 2 minutes. The Annual Calls answered performance figures are not Client specific (as we are unable to measure abandoned calls by Client).

A 'resolved' call or email requires no further action, as the enquiry has been answered in full. Any that are 'unresolved' will require an action of either a case or chase case to be created, or documents that need to be added to an existing case.

As the needs of our business, Clients and Members change, we adapt our reporting to suit the current trends and ensure sight of common topics. For this reason it is necessary to update and add new topics in the reason for calls. To accommodate the multitude of reasons we have created a "Other" category which includes (but not limited to) 'Information Only', 'Website', 'Resend Documents'.

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## **Customer Satisfaction Scores**

The Helpdesk satisfaction scores (telephone and retirement) are the percentage of people who completed the survey with a satisfied (green) or neutral (amber) response. The Retirement satisfaction score illustrates the total surveys taken, split by response of Dissatisfied or Satisfied.

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## **My Pension Online (MPO)**

The number and % of Members who have signed up to "My Pension Online" (online Member portal), including a quarterly view and a comparison with the overall LPPA sign up rate (all Members).

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## **My Pension Online (MPO)**

The number of Members that are registered for My Pension Online, split by Member status and age profile.

Page 31 & 32

## **Telephone Numbers**

The number and % of telephone numbers held by Member status (this is important as LPPA use telephone contact details where possible to reduce elapsed times).

## **Existing e-mail addresses**

The number and % of emails held by Member status (this is important as LPPA utilise email as the preferred method of written communication).

## **E-Communications Opt-outs**

The number and % of Members who have chosen not to receive email communications.

Page 38 & 39

## **Common/Conditional Data Fails**

The Pension Regulator requires Administrators to keep Member data up to date to ensure benefits are accurately paid. This is split by Common Data (details that are specific to the Member) and Conditional Data (data that is related to the pension). Individual Fails shows the total number of unique Members that have a single or multiple number of Common Data or Conditional Data fails. On both charts, the Accuracy Rate (%) then compares the number of Individual Fails to the total number of Scheme Members.

For more detail on the Data Items / Error types presented in these charts, please visit either the [TPR](#) or [PASA](#) (The Pension Administration Standards Association) websites.

# Our Core Values

This administration report is produced in accordance with the Service Level Agreement (SLA) for the provision of pension administration services.

The report describes the performance of Local Pensions Partnership Administration (LPPA) against the standards set out in the SLA.

Within LPPA, our values play a fundamental role in guiding our behaviour as we grow our pensions services business and share the benefits with our Clients.

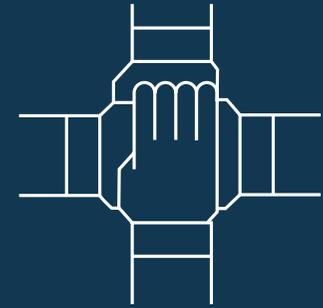


# Annual Plan 2021/22

✓ COMPLETED    📅 DUE

Page 19

	Apr 20	May 20	Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20	Jan 21	Feb 21	Mar 21
Annual Benefit Statement and Newsletter to Deferred Members			✓									
Pension Increases		✓										
Annual Benefit Statement and Newsletter to Active Members					📅							
Pension Saving Statements							📅					
HMRC Scheme Returns							📅					
IAS19 data				📅	📅				📅			📅



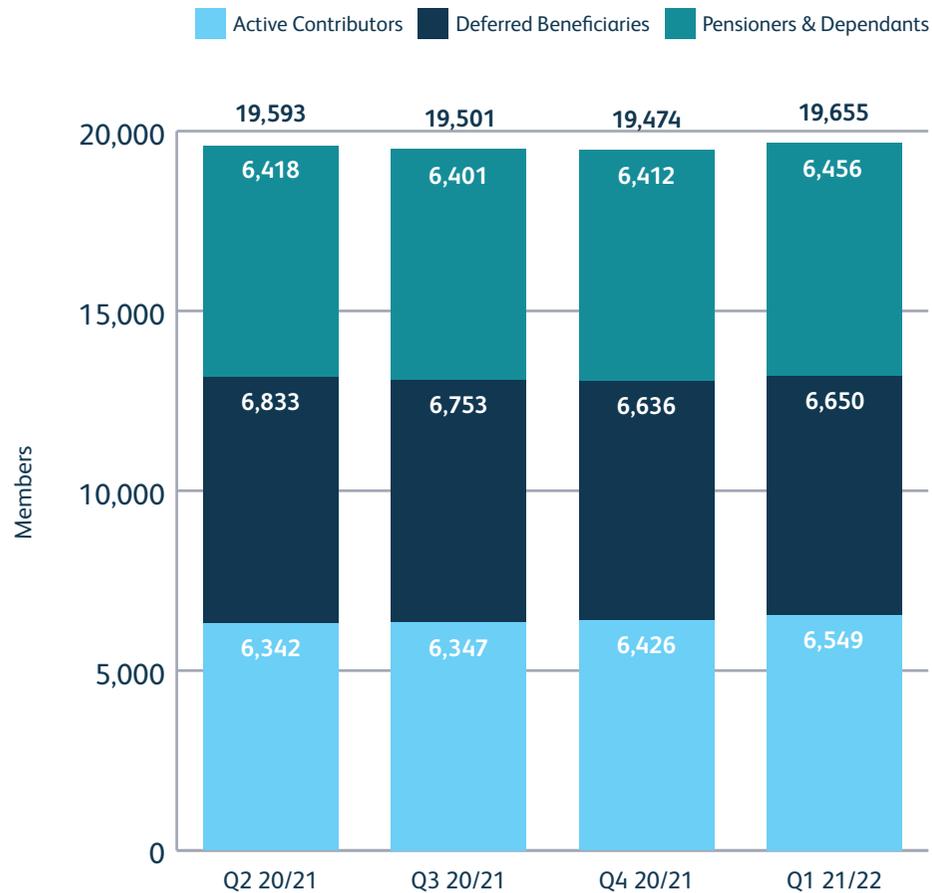
Working Together

Page 20

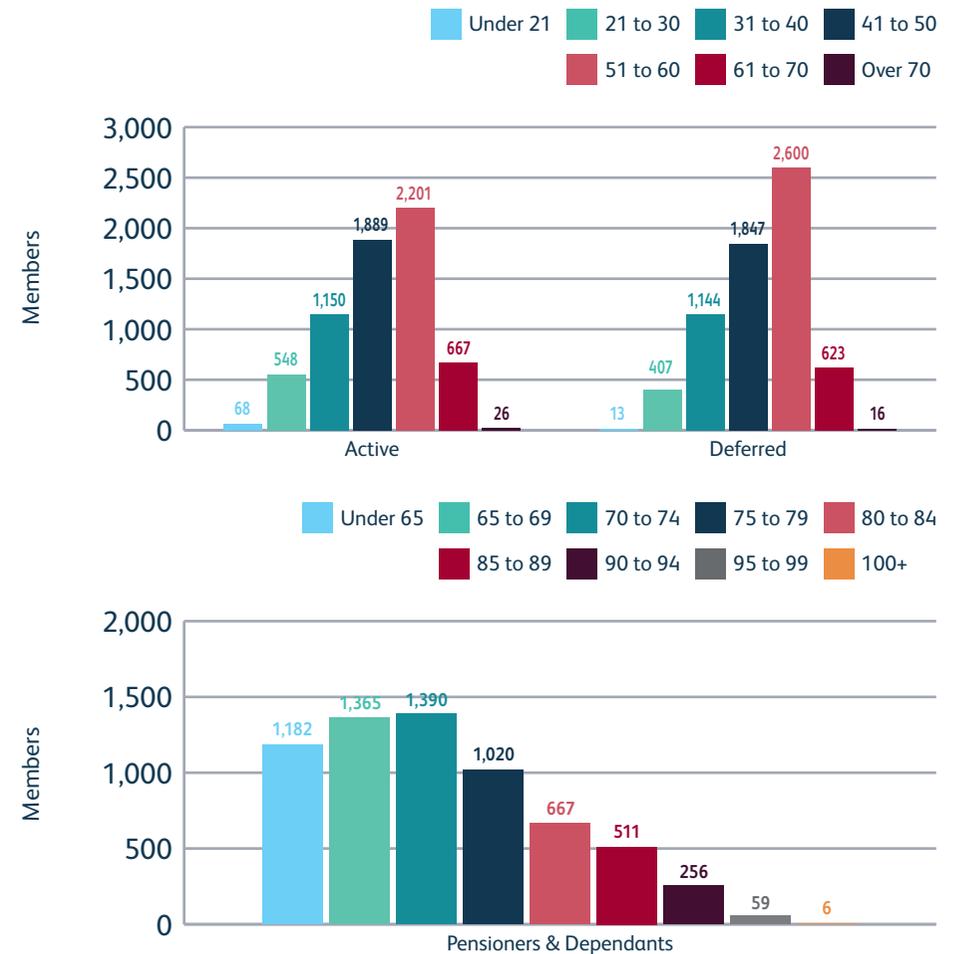
# Fund Membership

# Fund Membership

## TOTAL FUND MEMBERSHIP



## CURRENT AGE DEMOGRAPHIC



# Fund Membership

## LEAVERS

These leavers are currently included in the active membership figures in the previous page.

Total Current Leavers	Received*	Pending**
444	52	392

\* Received from Employer and due to be worked by LPPA in line with SLA

\*\* Awaiting information from Employer



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# Casework Performance Against SLA

# Casework Performance Against SLA

## PERFORMANCE – ALL CASES

--- Target (98%)    The quarterly SLA performance was 98.73%

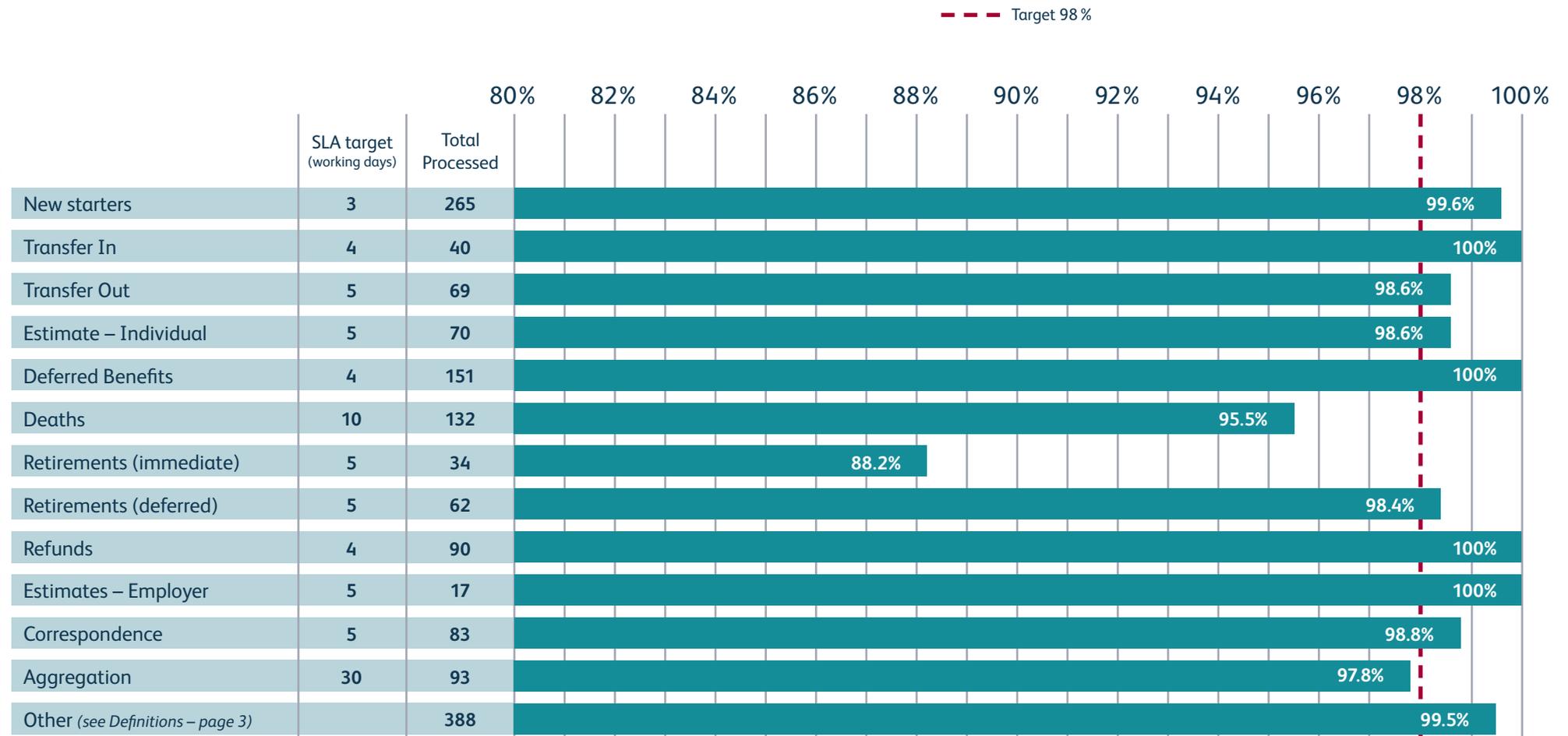
Page 24



# Casework Performance Against SLA

## PERFORMANCE STANDARD

Page 25



# Casework Performance Against SLA

## ONGOING CASEWORK AT THE END OF THE REPORTING QUARTER

	Brought Forward at 01/04/21	Completed	Received	Outstanding as of 30/06/21
New Starters	6	265	266	7
Transfer In	84	40	76	120
Transfer Out	35	69	84	50
Estimate - Individual	8	70	71	9
Deferred Benefits	69	151	199	117
Deaths	159	132	78	105
Retirements (Immediate)*	25	43	51	33
Retirements (Deferred)*	48	92	90	46
Refunds	16	90	111	37
Estimates - Employer	0	17	18	1
Correspondence	13	83	79	9
Aggregation	47	93	101	55
Other (see Definitions – page 3)	200	388	276	88
<b>TOTALS</b>	<b>710</b>	<b>1,533</b>	<b>1,500</b>	<b>677</b>

\* In Q4 20/21, we trialed a new way of prioritising retirement cases. This resulted in the retirement process being split out into it's two component parts 1) the options stage 2) the payment stage. The number of completed cases reported in this table may therefore vary to the number of retirements processed on page 11, which are reportable against the SLA. We have since re-designed the workflow so that the two component parts of the process can be handled under the one case type.



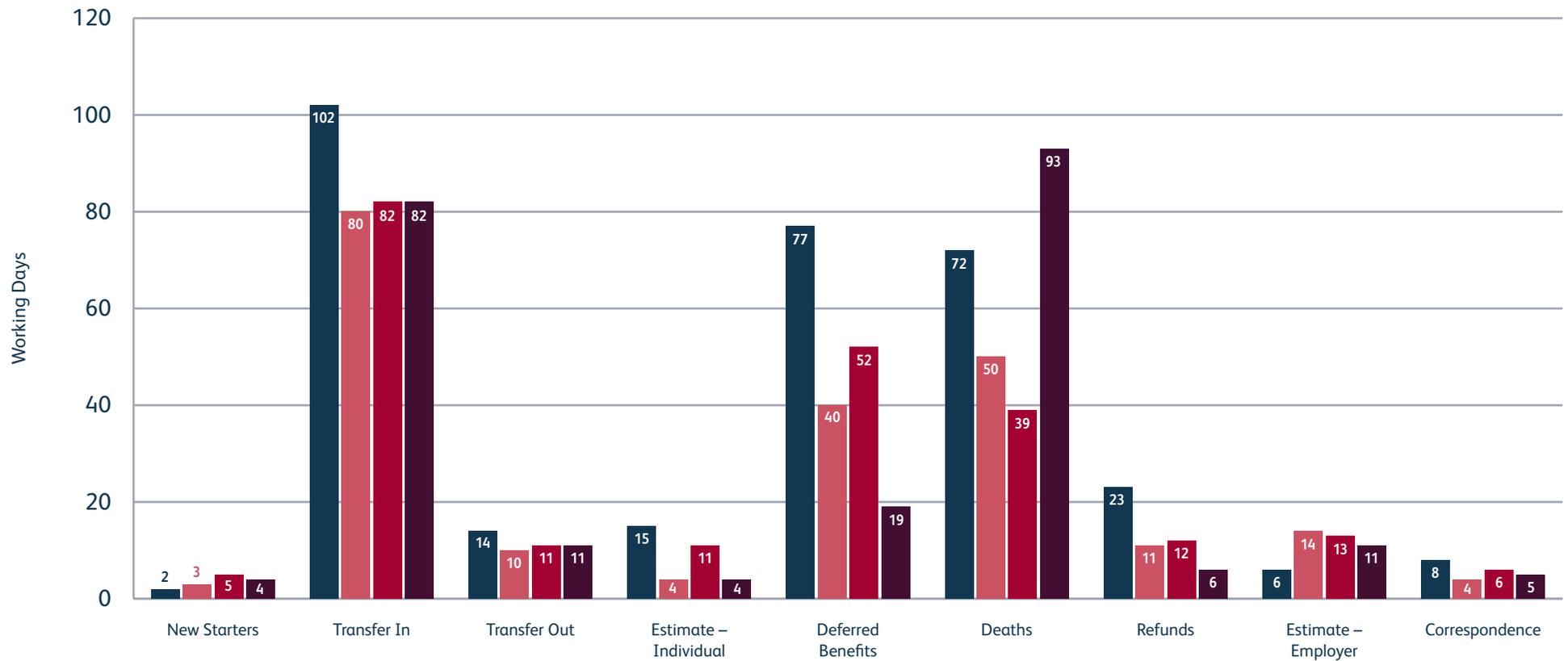
Doing The Right Thing

# Elapsed Times

# Elapsed Times

## ELAPSED DAYS BY QUARTER

■ Q2 – 20/21  
 ■ Q3 – 20/21  
 ■ Q4 – 20/21  
 ■ Q1 – 21/22





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# Retirements

# Retirements

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	Retirements (Deferred)*			Retirements (Immediate)*		
	Total cases	On Time	SLA	Total cases	On Time	SLA
July 20	27	27	100%	14	14	100%
August 20	29	29	100%	11	11	100%
September 20	17	17	100%	26	26	100%
October 20	31	31	100%	27	27	100%
November 20	59	59	100%	28	28	100%
December 20	22	22	100%	15	15	100%
January 21	25	25	100%	14	14	100%
February 21	29	29	100%	12	12	100%
March 21	26	26	100%	20	20	100%
April 21	18	18	100%	12	10	83.3%
May 21	22	21	95.5%	12	11	91.7%
June 21	22	22	100%	10	9	90%

\* In Q4 20/21, we trialed a new way of prioritising retirement cases. This resulted in the retirement process being split out into it's two component parts 1) the options stage 2) the payment stage. The number of completed cases reported in this table may therefore vary to the number of retirements processed on page 11, which are reportable against the SLA. We have since re-designed the workflow so that the two component parts of the process can be handled under the one case type.



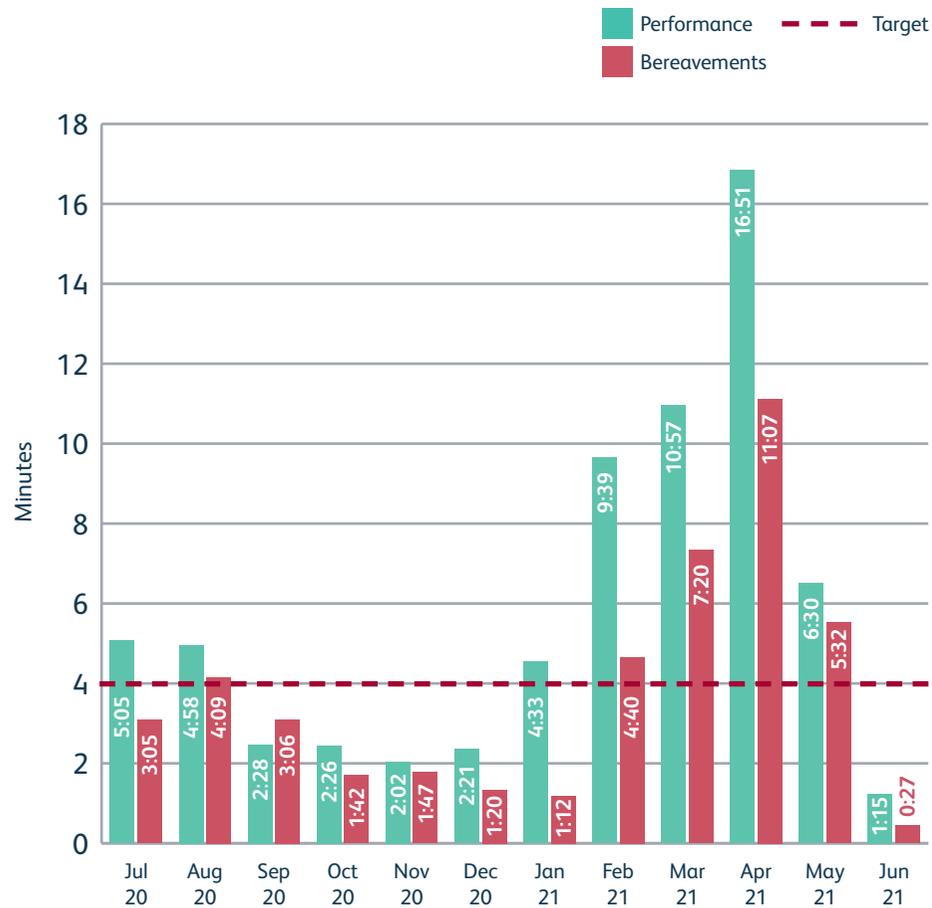
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# Helpdesk Performance

The Helpdesk deals with all online enquiries and calls from Members for all funds that LPPA provide administration services for.

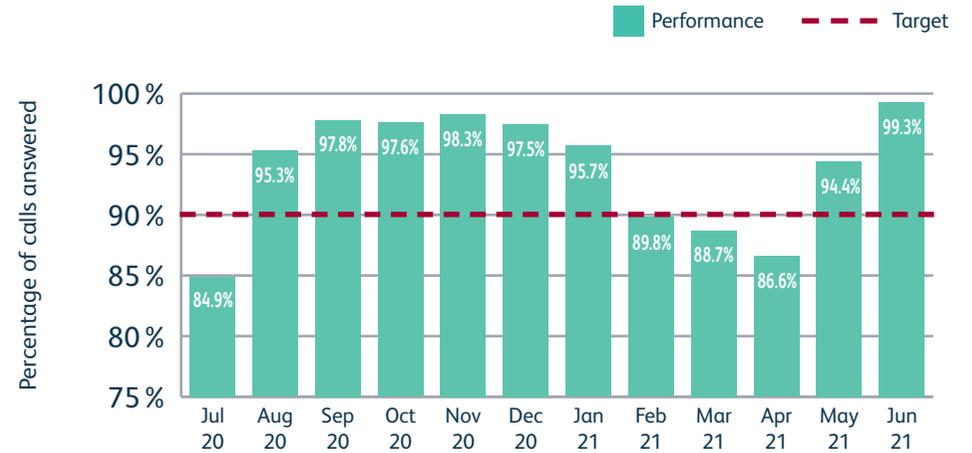
# Helpdesk Performance - Calls

## AVERAGE WAIT TIME

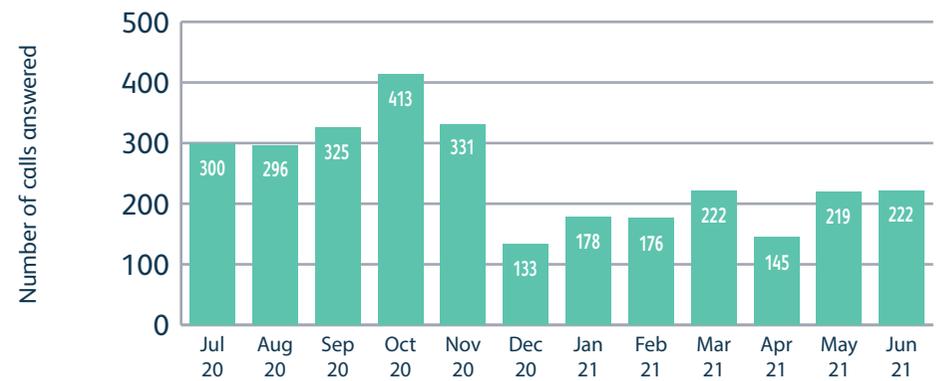


## CALLS ANSWERED

(ALL LPPA)

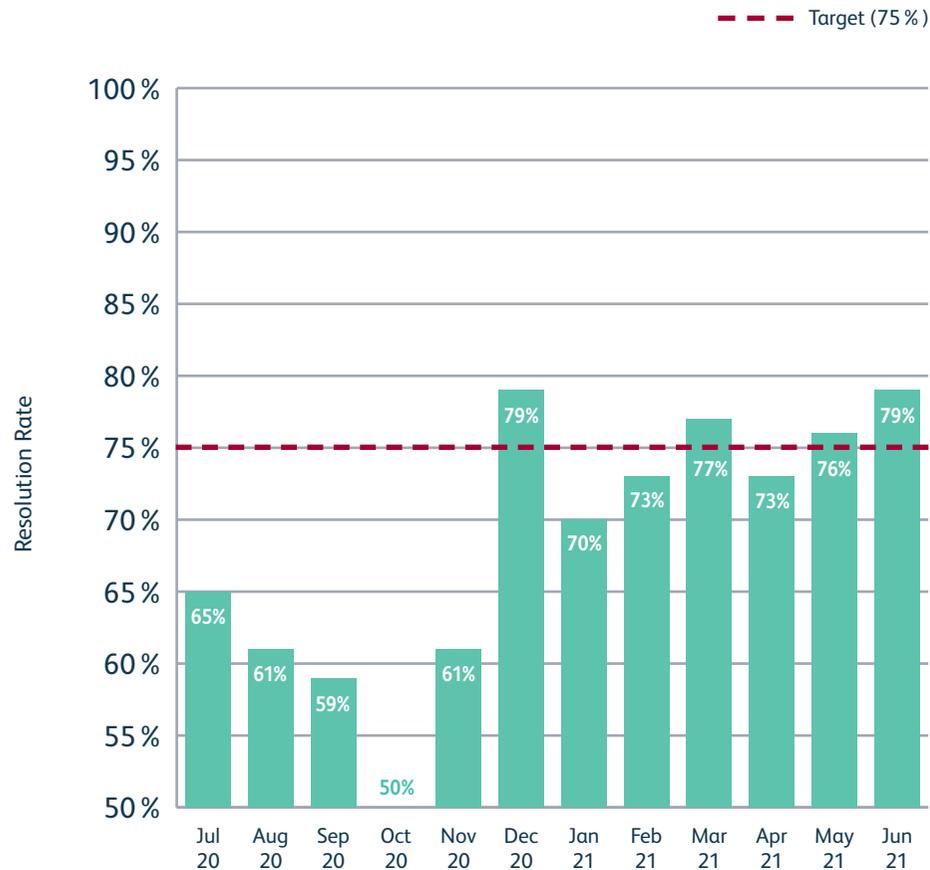


## CALL VOLUMES



# Helpdesk Performance - Calls

## RESOLUTION RATE\*



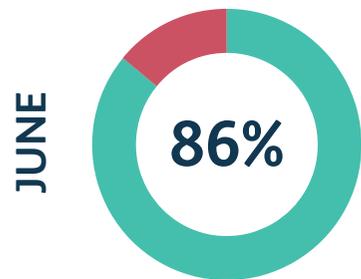
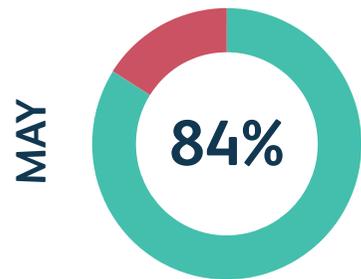
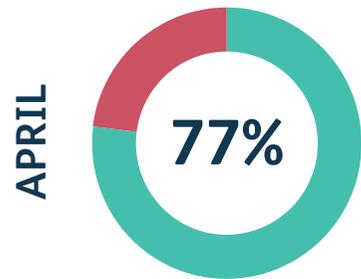
\*Queries not resolved at first point of contact had a subsequent case setup. Our operations team then respond within agreed contractual time-scales.

## WHAT DO MEMBERS CALL ABOUT?

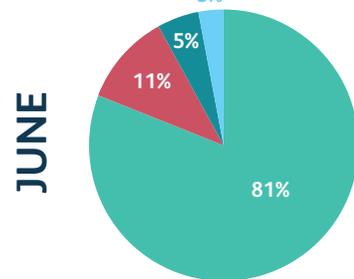
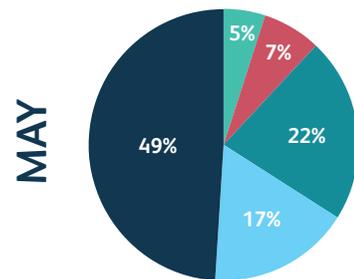
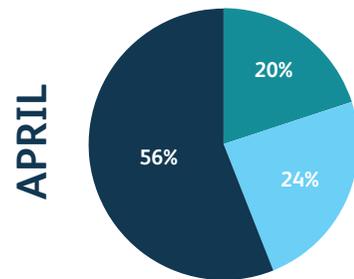
	APR 21	MAY 21	JUN 21
Annual Benefit Statement	0	4	2
Annual Allowance	1	0	0
Additional Voluntary Contributions / Additional Pension Contributions	3	5	4
Bereavement	19	22	17
Deferred	0	3	5
Divorce	2	6	5
Estimate	15	18	15
Life Certificates	0	0	0
McCloud	0	0	0
My Pension Online	18	12	17
P60	3	2	2
Payslip	14	16	18
Pension Increase	1	2	1
Refund	8	5	7
Retirement	32	56	77
Transfer	13	14	16
Update Details	16	18	12
Other	0	36	24
<b>TOTALS</b>	<b>145</b>	<b>219</b>	<b>222</b>

# Helpdesk Performance - Web Enquiries

## RESOLUTION RATE\* (TARGET 75%)



## ENQUIRY HANDLING RATE



Under 1 Day  
1 to 2 Days  
2 to 3 Days  
3 to 5 Days  
Over 5 Days

## WHAT DO MEMBERS ENQUIRE ABOUT?

	APR 21	MAY 21	JUN 21
Annual Benefit Statement	4	3	1
Annual Allowance	0	1	2
Additional Voluntary Contributions / Additional Pension Contributions	1	4	0
Bereavement	6	4	3
Deferred	4	5	0
Divorce	4	0	0
Estimate	14	17	8
Life Certificates	1	0	0
McCloud	1	0	0
My Pension Online	25	17	36
P60	5	3	1
Payslip	6	0	3
Pension Increase	0	0	0
Refund	10	1	3
Retirement	41	30	34
Transfer	30	16	1
Update Details	15	20	18
<b>TOTALS</b>	<b>167</b>	<b>121</b>	<b>110</b>

\*Queries not resolved at first point of contact had a subsequent case setup. Our operations team then respond within agreed contractual time-scales.



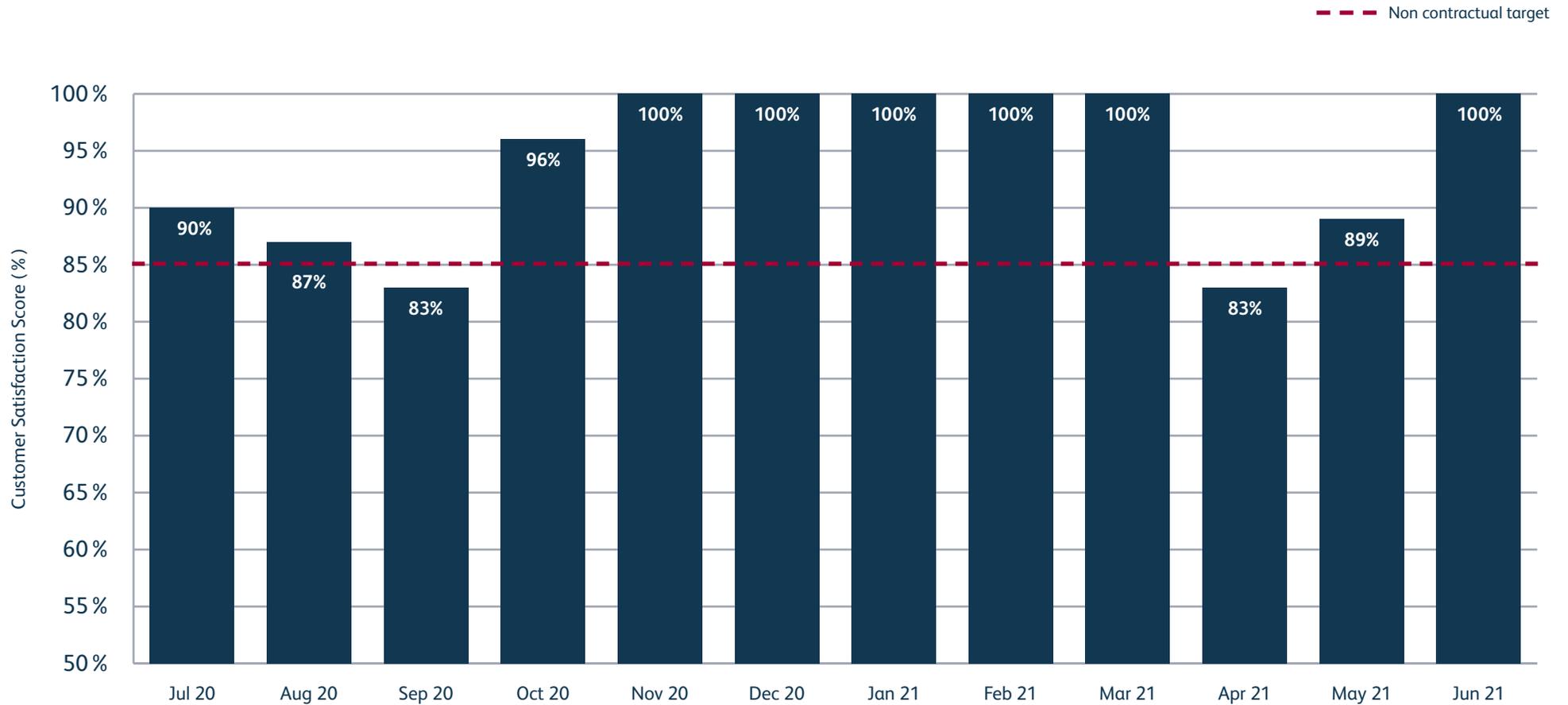
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# Customer Satisfaction Scores

# Customer Satisfaction Scores

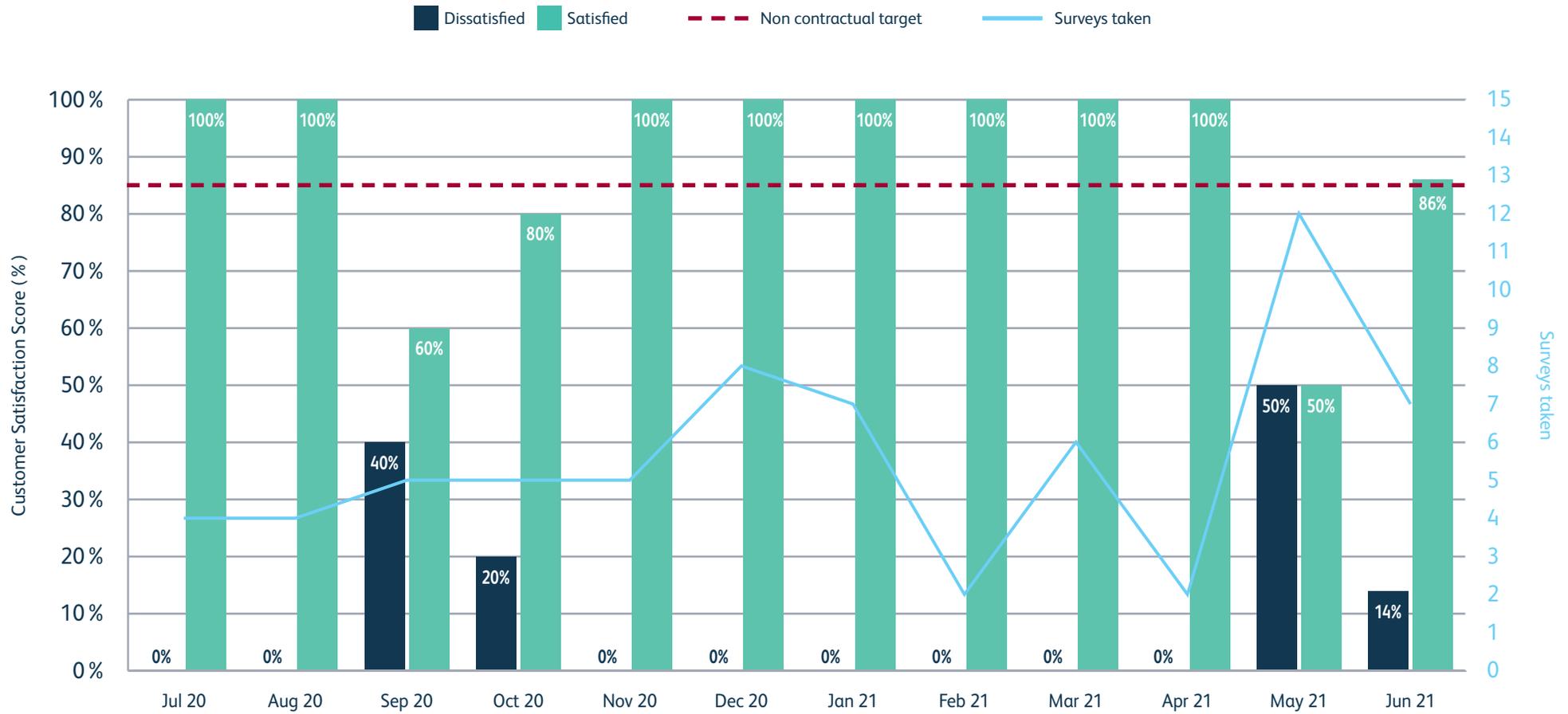
## HELPDESK SATISFACTION (CALLS)

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# Customer Satisfaction Scores

## RETIREMENTS





Forward Thinking

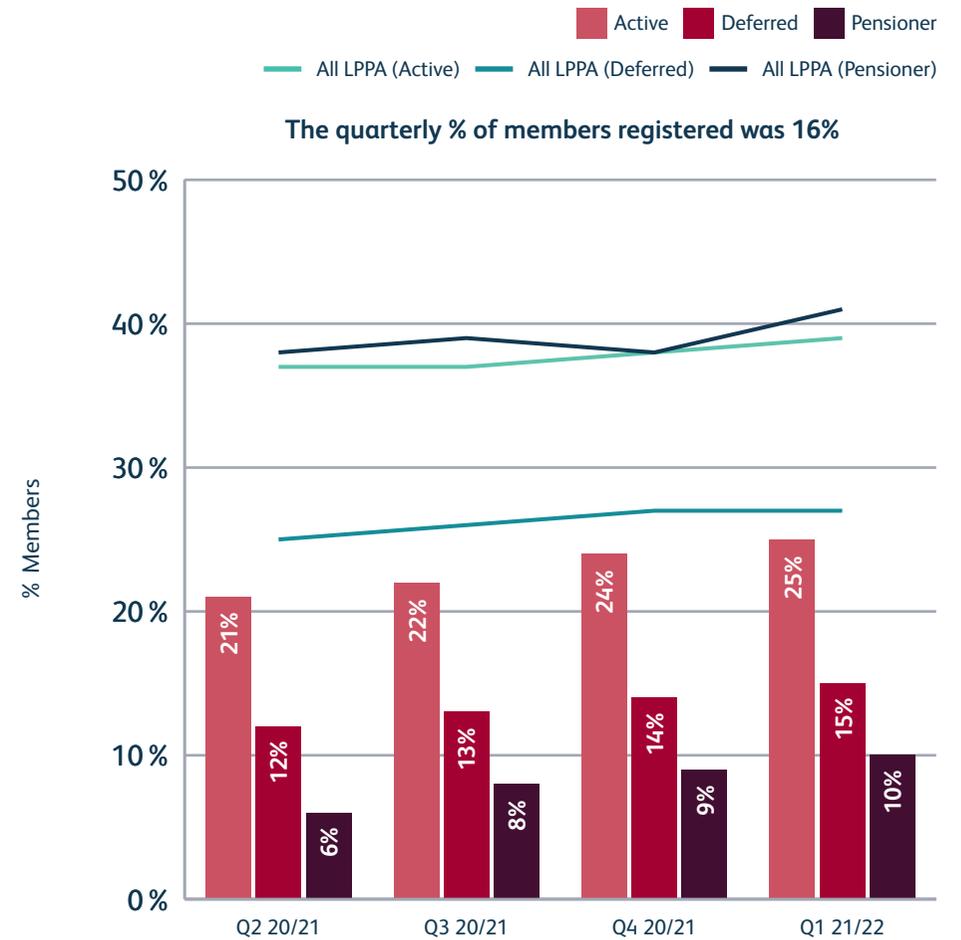
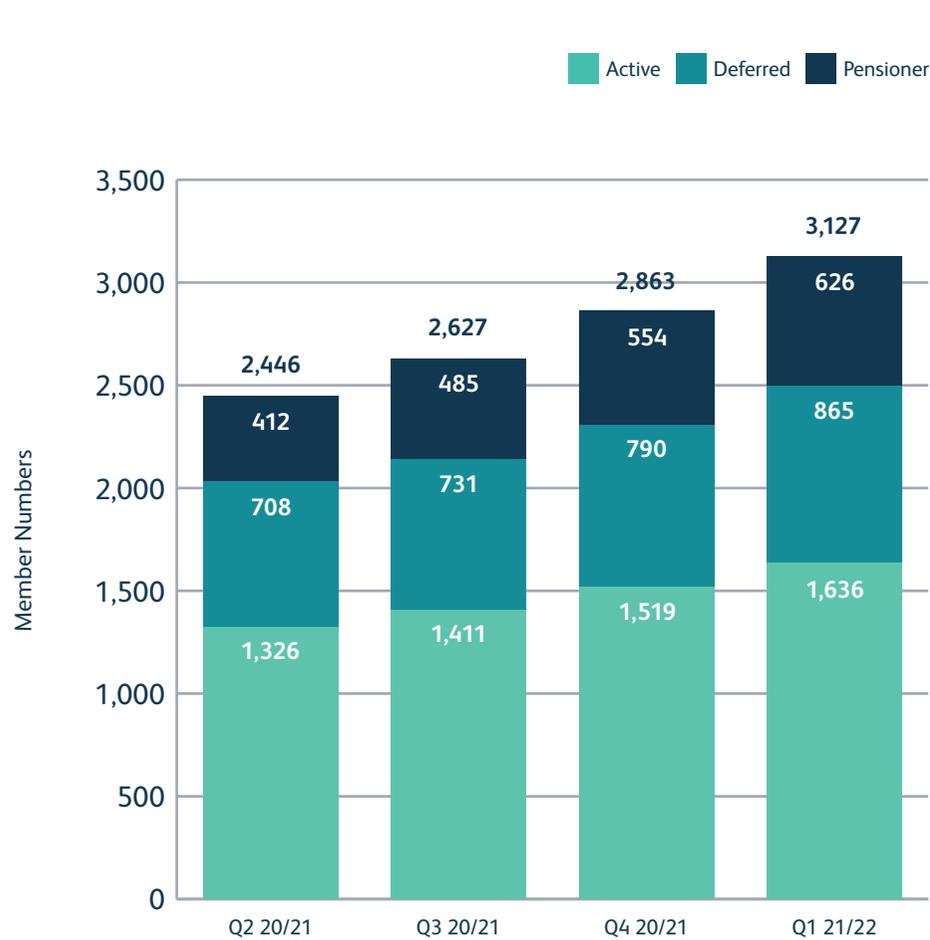
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# My Pension Online (MPO)

# My Pension Online

## MEMBERS REGISTERED

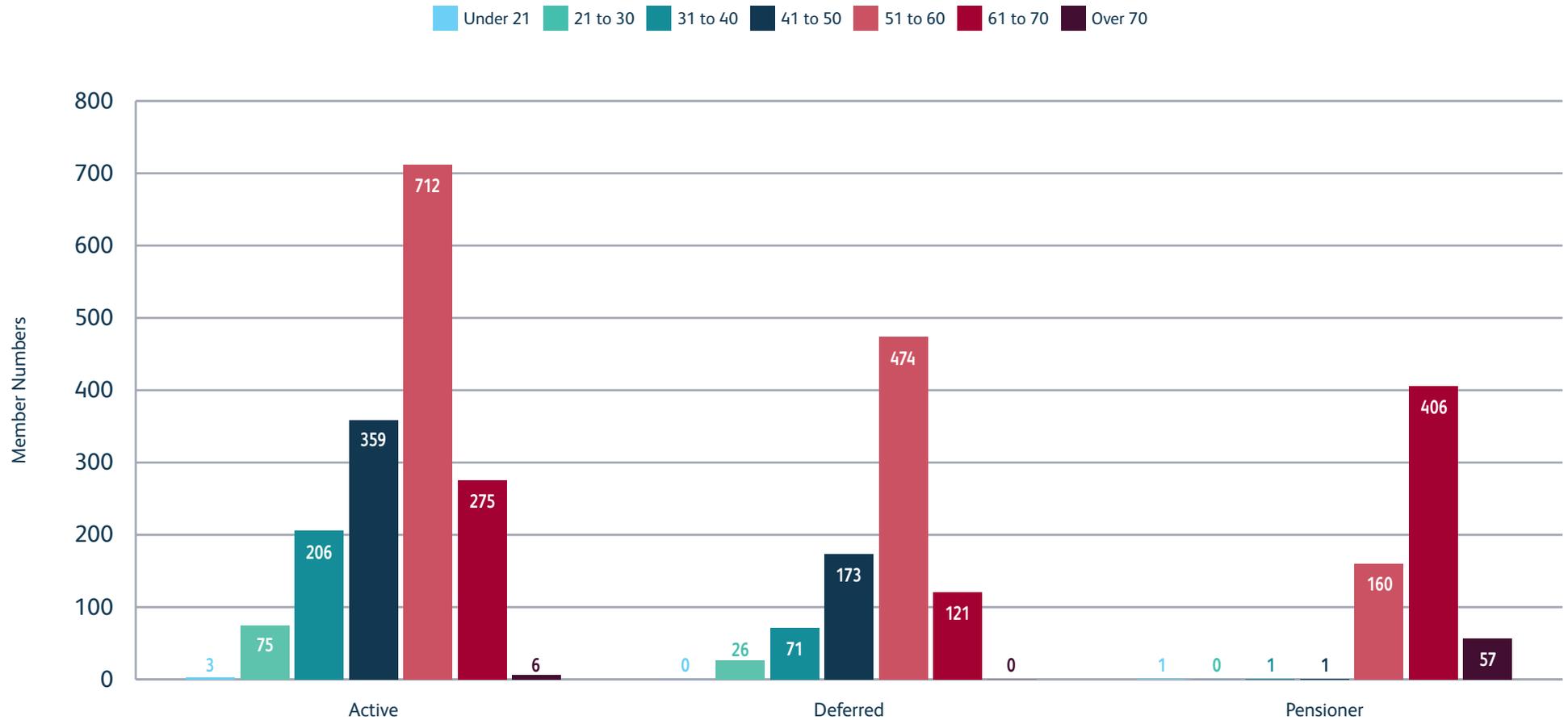
Page 39



# My Pension Online

## AGE DEMOGRAPHIC

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Forward Thinking

# Service Improvements

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# Service Improvements

## DELIVERED

*Note: the following outlines improvements to our service that has benefited all Clients.*

1. Removal of email into the AskPensions mailbox and launch of an improved 'Contact LPPA' webform, including multiple enquiry (drop-down) options and document uploads. This will enable LPPA to provide quicker and more accurate responses to queries (as the form includes mandatory information fields, and enables all ongoing enquiries to be tracked)
2. ABS notification activity started in Q1, with the deadline for completion of 31st August
3. Launch of several 'Member Experience' self-service videos including:
  - [Sign up to My Pension Online](#)
  - [Reset Your My Pension Online Password](#)
  - [How to Use the Pension Payments Calculator](#)
4. My Pension Online queries have been routed from the IVR to our improved website self-service resources (highlighted in previous point)
5. Pensions documents (descriptions) in My Pension Online have been simplified to improve Members understanding of what information they include
6. Launch of an Employer Contact Form, which also enables multiple document attachment, and options to ensure queries are handled quicker, more effectively, and more securely
7. Triage of Retirement forms on receipt (included as part of improvements to process and case type)
8. LPPA signed a Pension Scams pledge to help improve how we protect Members. The pledge is set up by The Pensions Regulator and aims to encourage administrators to protect pension scheme Members from scams (and follows LPPA joining the Pension Scams Industry Forum in November last year)
9. AVC statements loaded onto Members' My Pension Online records

# Service Improvements

## SCHEDULED

1. Improvements made to Member Surveys, to deliver better engagement and an increased number of responses (review will start with the Retirement survey)
2. Review Welcome programme (new starters) to consider improved Member experience, with the introduction of a Welcome survey
3. Launch of '[LPPA – Who We Are](#)' animated video that will feature on the website, and will also be used for the enhanced Welcome programme



Forward Thinking

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# Member Contact Data

# Member Contact Data

## EMAIL ADDRESSES

	Q2 – 20/21	Q3 – 20/21	Q4 – 20/21	Q1 – 21/22
Active Contributors	2,942 (46.39%)	2,972 (46.83%)	3,134 (48.77%)	3,326 (50.79%)
Deferred Beneficiaries	1,699 (29.70%)	1,719 (30.33%)	1,750 (31.36%)	1,803 (32.28%)
Pensioner and Dependents	1,229 (19.15%)	1,344 (21.00%)	1,457 (22.72%)	1,551 (24.02%)

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## TELEPHONE NUMBERS

	Q2 – 20/21	Q3 – 20/21	Q4 – 20/21	Q1 – 21/22
Active Contributors	1,182 (18.64%)	1,199 (18.89%)	1,338 (20.82%)	1,351 (20.63%)
Deferred Beneficiaries	962 (14.08%)	998 (14.78%)	1,088 (16.40%)	1,111 (16.71%)
Pensioner and Dependents	1,039 (16.19%)	1,101 (17.20%)	1,236 (19.28%)	1,330 (20.60%)

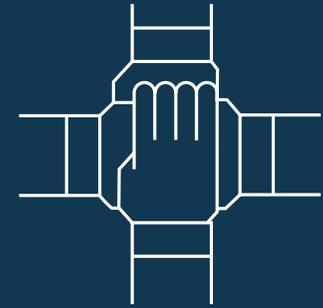
# Member Contact Data

## DEATH NOMINATION

	Q2 – 20/21	Q3 – 20/21	Q4 – 20/21	Q1 – 21/22
Active Contributors	2,481 (39.12%)	2,467 (38.87%)	2,506 (39.00%)	2,520 (38.48%)

## E-COMMUNICATIONS OPT-OUT

	Q2 – 20/21	Q3 – 20/21	Q4 – 20/21	Q1 – 21/22
Active Contributors	91 (1.43%)	87 (1.37%)	85 (1.32%)	84 (1.28%)
Deferred Beneficiaries	101 (1.48%)	95 (1.41%)	94 (1.42%)	89 (1.34%)
Pensioner and Dependants	56 (0.87%)	64 (1.00%)	67 (1.04%)	75 (1.16%)



Working Together

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# Engagement Activity

# Engagement Activity

## ENGAGEMENT & COMMUNICATIONS OVERVIEW – ALL CLIENTS

- Updated Q4 Covid-19 impact reports issued to Clients, to provide a full year view of weekly bereavement notifications, compared to the previous year
- LPPA Helpdesk was shortlisted for two UK National Contact Centre awards, with nominations in both the Contact Centre of the Year category, as well as the Team Manager of the Year category (Rising Star)
- The LPPA Retirement campaign 'Life is for Living' was launched, which included:
  - Member research (to understand Member attitudes towards retirement)
  - Video animation to help Members understand the retirement process (and what they and their Employer needs to do to ensure everything runs smoothly)
  - Top 10 Tips for Retiring Members
- Retirement Essentials – a programme of online sessions for Members were launched, to help them navigate the retirement process (includes tips and useful support on things like how to complete the retirement form)
- Employer Retirement Notification workshops – these 1-1 Employer sessions have been launched to look at reasons for delays in Employer driven notifications (intention to retire), so that better support and communications can be implemented (ultimately so that Members can be paid their first pension payment on time)
- A pilot email campaign was issued to active Employers (of a single selected Client) to encourage contacts to confirm McCloud data submissions (from 2014, including changes to hours data and notification of service breaks) and general data confidence. This activity will be rolled out to all Employers of LG Clients in Q2
- The LPPA Practitioners Conference was delivered online to a total of c. 70 Employer contacts on the 23/24 June. Presentations included updates from Operation Team Managers, an Engagement and Communications 12 month review (and focus for the next 12 months) and also a demonstration of the new UPM administration IT platform from Civica
- The Communications team launched a set of new and improved Member Retirement letters (several variations) and forms, aimed at improving the language, and making the content more understandable for the Member
- A new 'next steps' email was created and sent to Members on notification that they are planning to retire – includes retirement video and retirement tips

# Engagement Activity

## ENGAGEMENT & COMMUNICATIONS OVERVIEW – CLIENT SPECIFIC

- 2 delegates from Havering Council attended the two day Practitioners Conference event. Topics covered included a technical update, an introduction to the future pensions administration system and a chance to meet the operations managers
- The first retirement essentials workshop was held with key Employers in attendance across all funds with a representative from Havering Council.
- Leaver essentials and year end training were held with 2 Havering Employers in attendance
- Two Scheme essentials sessions were delivered with 16 Havering Members in attendance



# Engagement Activity

## EMPLOYERS

Date	Employer	Activity	Number in attendance
22 April 2021	LIFE Education Trust	Leaver essentials training	1
22 April 2021	L B Havering	Leaver essentials training	1
25 May 2021	L B Havering	Virtual visit	1
23 June 2021	LB Havering	Practitioner Conference	1
24 June 2021	LB Havering	Practitioner Conference	1
29 June 2021	Marshalls Park Academy	Virtual visit	1
30 June 2021	L B Havering	Retirement essentials workshop	1

## MEMBERS

Date	Employer	Activity	Number in attendance
20 April 2021	L B Havering	Scheme Essentials	14
24 May 2021	L B Havering Members	Scheme Essentials	2

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## EMAILS – EMPLOYERS

Date	Message / Campaign	Call to Action
APRIL	Keep Customer Contact up to date	Complete form
	Removal of askpensions mailbox	Notification
	End of Year reminder	Information
	Ill Health Webinar	Booking
MAY	End of year reminder	Information
	PACE: Introducing Project PACE	Information
	Employer Newsletter	Information
JUNE	Practitioners conference 2021	Booking
	Retirement Essentials Training	Booking
	Leaver Form Training	Booking
	Introducing Retirement Campaign	Information
	Employer contact form	Information
	PACE: Introducing Project PACE	Information
	Practitioners conference (reminder)	Information

## EMAILS – MEMBERS

Date	Message / Campaign	Call to Action
JUNE	Life is for Living (retirement campaign)	Survey
	ABS Notifications (deferred )	Information



Doing The Right Thing

# Data Quality

# Data Quality (TPR scores)

## QUARTERLY COMMON DATA

Data Item	Active	Deferred	Pensioner / Dependant
NI Number	1	5	19
Surname	0	0	0
Forename / Initials	0	0	0
Sex	0	0	0
Date of Birth	0	0	0
Date started pensionable service / Policy / Contributions	0	0	0
Expected retirement / maturity / target retirement date	0	0	0
Membership status	0	0	0
Last event status	0	0	0
Address	15	425	67
Postcode	17	444	99
<b>Total fails</b>	<b>33</b>	<b>874</b>	<b>185</b>
<b>Individual fails</b>	<b>18</b>	<b>449</b>	<b>118</b>
<b>Total members</b>	<b>6,549</b>	<b>6,650</b>	<b>6,456</b>
<b>Accuracy rate</b>	<b>99.7%</b>	<b>93.2%</b>	<b>98.2%</b>

**Total accuracy rate**

**97%**

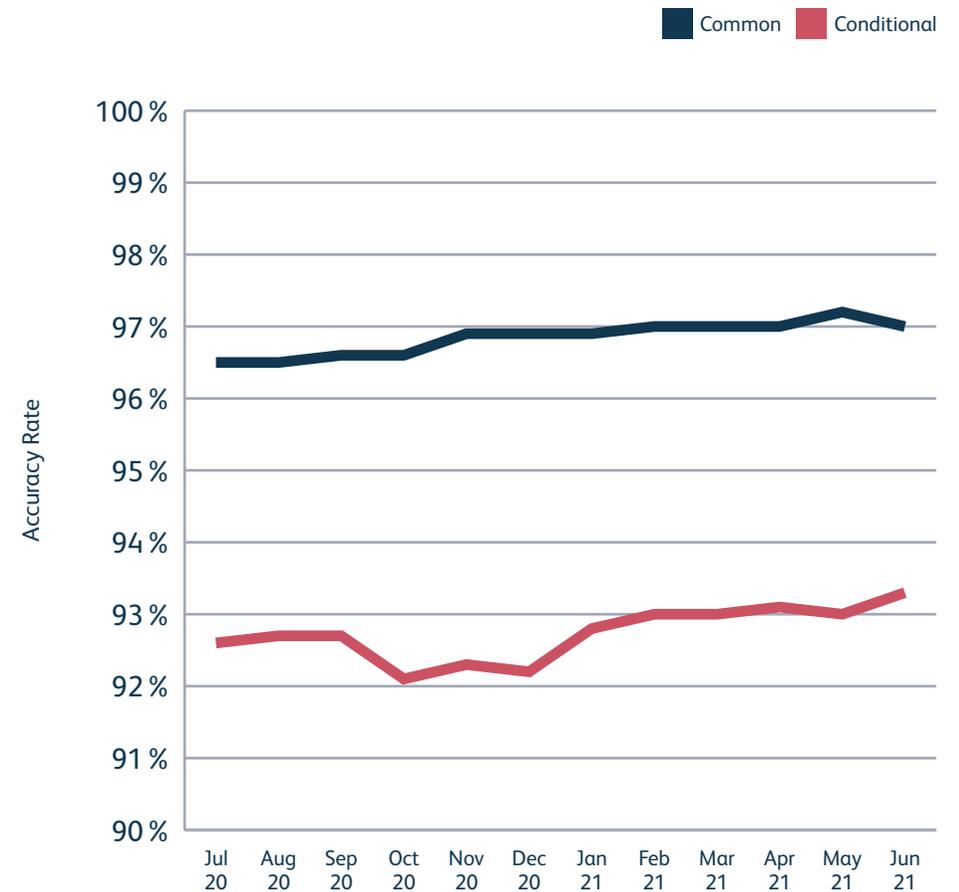
# Data Quality (TPR scores)

## QUARTERLY CONDITIONAL DATA

Data Item	Fails
Divorce records	0
Transfer In	7
AVC's / Additional Contributions	1
Deferred Benefits	0
Tranches (DB)	421
Gross Pension (Pensioners)	1
Tranches (Pensioners)	34
Gross Pension (Dependants)	3
Tranches (Dependants)	1
Date of leaving	3
Date Joined Scheme	0
Employer Details	1
Salary	225
Crystallisation	40
Annual Allowance	171
LTA Factors	0
Date Contracted Out	51
Pre-88 GMP	97
Post-88 GMP	438
<b>Total fails</b>	<b>1,494</b>
<b>Individual fails</b>	<b>1,312</b>
<b>Total members</b>	<b>19,655</b>

**Total accuracy rate 93.3%**

## ANNUAL COMMON & CONDITIONAL ACCURACY RATE



# LPP

Local Pensions Partnership  
Administration



# Pension Fund Risk Register

## Havering

September 2021

# Pension Fund Risk Register oneSource – Havering

## Generic Pension Fund Risk Register

The pension fund uses a 4 x 6 matrix to plot risk likelihood and impact and has set its risk appetite. The green shaded area on the matrix shows the risks where there is good control and the Council is comfortable with the risk. Risks in the amber and red zones are those over which closer control is needed.

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Likelihood	A				
	B				
	C				
	D				
	E				
	F				
		4	3	2	1
		Impact			

<p><b>Risk Likelihood</b></p> <p>F = Very Unlikely</p> <p>E = Unlikely</p> <p>D = Possible</p> <p>C = Likely</p> <p>B = Very likely</p> <p>A = Certainty</p> <p><b>Risk Impact</b></p> <p>4 = Negligible</p> <p>3 = Moderate</p> <p>2 = Serious</p> <p>1 = Major</p>
---

**Pension Fund Risk Register oneSource – Havering**

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
<b>RISK TITLE</b>							
<b>No 1. Risk of Inaccurate three yearly actuarial valuation</b>							
<b>Upper Level: S151 Officer/Director of Exchequer and Transational Services</b>							
1.1	Lower Levels: PFM/CMO	Inappropriate assumptions used by actuary in calculations for valuation.	Inappropriate investment risk may be adopted.	Valuation completed by a qualified professional actuary.	D/2		
			Deficit not reduced	Assumptions for valuation are in compliance with regulation			
			Potential for Council Tax increases to plug funding gap.	Actuarial assumptions are open to challenge by officers and GAD			
				Valuation results are checked for consistency across LGPS funds by GAD via the S13 report.			
				Local Government benchmarking/comparisons of assumptions			
				Annual review of actuary performance undertaken by Pensions Committee.			
				Robust, open procurement process in place for appointment of actuary.			
1.2	PFM/CMO	Poor quality data provided /personal data	Poor quality or Incomplete data could result in an Increase to	Data cleansing/ Controls in place to ensure accuracy and completeness of data.	D/2		

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
		not maintained (gaps/incorrect)	employer contributions/ inappropriate contribution percentages calculated.				
<b>RISK TITLE</b>							
<b>No 2. Risk of Incorrect / Inappropriate Investment Strategy</b>							
<b>Upper Level:S151 Officer</b>							
2.1 Page 58	Lower Levels: PFM/CMO	Lack of or poor professional investment advice given or not taken	Potential for financial loss.	Investment Advisor appointed to advise the Fund and is instrumental in setting Investment Strategy.	D/2		
			Loss of investment opportunities and adverse performance				
			Growth opportunities are not maximised				
2.2	PFM	Poor governance of Investment Advisor	Potential for financial loss.	Robust, open procurement process in place for appointment of Investment Advisor.	D/3		
				Investment Advisor performance is annually reviewed by the Pensions Committee and conforms to Competitive Markets Order			

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
				Independent advisor was appointed for a one off exercise following adoption of the 2017 Investment Strategy to undertake a health check and add robustness to the investment strategy.			
2.3 Page 59	PFM	Lack of understanding and awareness (Pension Committee)	More investment risk may be taken to bridge a gap that doesn't actually exist and could generate inefficiencies and unintended risks if not fully understood.	Investment strategy /risks continually assessed as part of the quarterly monitoring process by the Pensions Committee	D/2		
				Investment Advisor attends each quarterly Pension Committee meeting			
				Knowledge and skills training of LPB and Committee Members/Inductions carried out for new LPB and Pension Fund Committee member.		Pensions Committee -Training / Awareness ongoing - working towards full compliance with CIPFA Knowledge and Skills framework.	
2.4	PFM	Concentration risk by asset, region and sector/Lack of clear risk appetite.	Potential for a more risk adverse Investment Strategy when more risk is required or more investment risk may be	Investment strategy /risks continually assessed as part of the quarterly monitoring process by the Pensions Committee.	D/2		

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/Impact	Actions/Recommendations	Review of Actions taken to date and further actions identified
			taken to bridge a gap that doesn't actually exist	Diverse portfolio to reduce concentration			
2.5	PFM	Based upon inaccurate actuarial valuation	Pension deficit not reduced and potential for Council Tax increases.	Liabilities analysed during inter-valuation period in addition to every three years.	D/2		
				Close working relationship is encouraged between actuaries and investment advisor in the development of the investment strategy.			
<b>RISK TITLE</b> <b>3. Risk of Failure of Investments to Perform In-Line with Growth Expectations</b>							
<b>Upper Level: S151 Officer</b>							
3.1	Lower Levels: PFM	Poor Fund Manager selection	Potential for losses to be incurred	Robust, Fund Manager selection process in place	D/3		
			Reputational risk from poor investments.				
3.2	PFM	Underperformance by Fund Manager (Non LCIV)	Deficit reduction targets not met/Increased employer contributions	Fund Managers attend Pension Committee to present quarterly performance reports and challenge by the Committee and Fund Investment Advisor.	D/3		
3.3	PFM	Poor investment advice provided to the fund or not taken.	Deficit reduction targets not met	Investment Advisor performance is annually reviewed by the Pensions	D/3		

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## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
				Committee and close working relationship maintained with officers.			
3.4	PFM	Negative financial market impacts/external factors/increased market volatility (i.e. 2008)/uncertainty of Brexit, COVID 19 Pandemic.	Economy downturn could result in general fall in investment values.	Diverse portfolio to reduce effects from market volatility.	D/3		
3.5	PFM	Delays in the implementation of the strategy will reduce the effectiveness of the strategy and may impact growth	The fund's assets are not sufficient to meet its long term liabilities.	Fund performance and asset class targets are reviewed quarterly by investment advisor/Pensions Committee and officers.	D/3		
3.6	PFM	Delays in compliance with capital calls on new illiquid mandates could result in penalty payments	Penalty payments are charged to the pension fund.	Robust processes in place to ensure capital calls are funded in a timely manner.	D/3		
3.7	PFM	Underperformance of LCIV Fund manager. Failure to achieving Asset Under Management Target	The fund's assets are not sufficient to meet its long term liabilities.	Monitoring meetings are held with Officers from Havering and LCIV client relations team regularly.	D/3		
				LCIV attend Pension Committee to present quarterly performance reports			

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
				and challenge by the Committee and Fund Advisor.			
			Annual development charges may not decrease in line with MTFS expectations	Development chages are reported at the LCIV General Shareholder meetings - attended and challenged by shareholder reps ie Councillors from each borough.			
3.8	PFM	Fund Managers –non compliance to the Code of Transparency.	Failure to disclose full management fees in the Pension Fund Annual Report and accounts.	Fund Managers complete the Code of Transarency compliance template annually.	D/3		
				Officers have access to the Byhiras client portal to check submission of templates			
3.9	PFM	Climate Risk Considerations	Failure to consider the extent of climate change could impact on financial outcomes.	The Committee have developed a set of Investment beliefs that recognises that climate change and the expected transition to a low carbon economy represents a long –term financial risk to Fund outcomes.	D/3	Monitor issuance of new TCFD reporting requirements.	
				Investment beliefs incorporated as part of the ongoing implementation of investment strategy.			
				The Pensions Regulator has set up a working party to			

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
Page 63 of 63				consider guidance for pension schemes. The SAB is also expected to incorporate climate change considerations into its guidance for LGPS funds during 2020.		between tPR and Government regarding Climate Change and expected guidance.	guidance, the Committee could consider actions including: <ul style="list-style-type: none"> <li>•Further training</li> <li>•Measuring exposure to and reporting.</li> <li>•Escalating engagement with investee companies on climate-related topics.</li> </ul>
	3.10	PFM	Risk that MATS Consolidate existing Pension Fund memberships funded within various Local Authorities into a Pension Fund outside Havering.	If a request to transfer out from the Fund is granted by MHCLG, this could set a precedent for the sector and the potential wider impact on other employers who may also seek to transfer out. There will be an impact on cash flow and Investment Strategy as it is estimated that c10% of the Fund’s assets and	The Fund has responded to the consultation issued by MHCLG opposing the transfer on the grounds of the wider risks faced by the Fund.  If the Transfer request is granted the Fund will ensure data is correct and work with the actuary to ensure that the settlement of the transfer is valued correctly for exit.	C/2	To monitor MHCLG actions re Transfer request from Oasis Community Learning  To ensure contact with the Actuary regarding transfers and exit valuations

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
			liabilities would transfer out if all existing MATS followed precedent				
<b>RISK TITLE</b>							
<b>No 4. Risk of Failure to comply with Legislative requirements</b>							
<b>Upper Level for All Risks S151 Officer/Director of Exchequer and Transational Services</b>							
4.1  Page 64	Lower Levels: PFM/CMO	Lack of appropriate skills/knowledge of tPR, MHCLG and CIPFA Guidance, Financial Regulations and accounting standards. Unaware of legislative changes/Poor/inaccurate interpretation of the regulations	Potential for breach of legislation resulting in incurring financial penalties from the tPR/legal challenges/ Reputational Damage	Local Pension Board in place to oversee adherence to the Regulations and guidance.	E/3		
				Statutory policy documents reviewed annually to ensure compliance with legislation.			
				Officers are members of the CIPFA Pensions Network and participate in the CIPFA Pensions Network/Peer forums to share knowledge & awareness			
				Active participation in Legislative Consultations where appropriate. Legislative changes are reported to the Pensions Committee where required			
				Induction carried out for new Pension Fund Committee and Local Pension Board members			

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
Page 65				External and in house training provided where required. Continual personal development for all Committee/LPB members and Officers	E/3	Personal development for all Committee/LPB members and officers is on-going	
						Training matrix in place, however cannot be fully applied until all CIPFA K&S questionnaires are completed by Local Pension Board and Pensions Committee members	
				Access to specialist pension media sources			
				Financial requirements are subject to external and internal audit with no qualifications.			
4.2	PFM/CMO	Key person dependency	Loss of corporate knowledge expertise in both administration and finance management	Experienced personnel in place at present.	E/3	Due to age profile of existing finance team - Succession planning is scheduled.	
4.3	PFM/CMO	Failure/inability to administer the pension	non-compliance could result in an adverse external audit report.	Local Pension Board in place to oversee adherence to the Regulations and guidance.	E/3		

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/Impact	Actions/Recommendations	Review of Actions taken to date and further actions identified
		scheme in accordance with regulations		Experienced personnel in place			
				Attendance at seminars/training to ensure up to date regulatory requirements.			
				Financial statements are subject to external and internal audit with no qualifications.			
<b>RISK TITLE</b> <b>No 5. Risk of inability to Manage/Govern the Pension Fund and Aassociated Services.</b>							
<b>Upper Level for all Risks: S151 Officer/Director of Exchequer and Transactional Services.</b>							
5.1	Lower levels: PFM/CMO	Staffing issues: Loss of corporate knowledge/expertise. Long term sickness absence. Increase in staff turnover. Lack of resource (Staffing/financial). No knowledge base to store experiences/information	Negative impacts upon service provision. Potential for Time delays and . Increased costs due to “buying in” external expertise.	LPP appointed by Havering in November 2017 to adminster the Pension Fund.	D/3	Development of workflow/process management.	
						CMO working to prepare/review procedure manuals.	
						Option being assessed for joint administration with Newham to build resilience	

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
Page 67						Succession planning scheduled for key personnel.	
				Continuous pension training for LPB, Pensions Committee members and staff.			
				Attendance at Annual Pension Managers conference.			
				Participates in the CIPFA Pensions Network/ Peer forums to share knowledge & awareness. Guidance from external agencies (some will be at a cost).			
				Members of Local Authority Pensions Web.			
5.2	PFM/CMO	LCIV resourcing – LCIV staff turnover	Undermines investor confidence in the LCIV.	Continued monitoring of LCIV in place	D/3		
5.3	PFM/CMO	ICT failure/Disaster Recovery	Loss of infrastructure. Failure of all ICT services.	ICT/ Disaster Recovery in place. Constant security upgrades to computer systems.	D/3	Evidence that working from home to maintain service continuity successful after implementation of COVID-19 working restrictions.	
				Use protected portals to send personal information			

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/Impact	Actions/Recommendations	Review of Actions taken to date and further actions identified
				Internal Firewalls recommended.			
				GDPR good practice is undertaken.			
5.4	PFM/CMO	Cyber Security Risk	Ransomware risk	Internal Audit for oneSource Cyber Security carried out in Oct 2018.	D/3		
				LPP have gained a certificate of Cyber Essentials from March 19 – March 20.		Activities are underway to refresh LPP Group’s Cyber Essentials Certification together with obtaining Cyber Essentials Plus Certification	
5.5	PFM/CMO	Implementation of Oracle Cloud causes pension fund system issues	Pension Fund Accounts system malfunction	Oracle expertise aware of Pension fund system requirements.	D/3	Monitoring ongoing with regard to system reconciliations	
				Systems tested at each stage of implementation . Testing was undertaken by Pension Staff.			
5.6	PFM/CMO	Poor Pension fund administration by the outsourced service LPPA	Service Delivery failure leading to client/customer compliants and Reputational damage	Formal agreement in place with administrator, including SLA’s	D/3		
				CMO in post to monitor the administration work of LPPA			

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
				Service is subject to external auditor report of LPP processes. LPP External audit report was received by the CMO on 1st September 20.			
5.7	PFM/CMO	Poor administration by the employers/payroll providers in the fund.	Service delivery failure leading to client/customer compliants and Reputational damage	Local Pension Board is in place to assist the administering authority in effective and efficient governance of the Havering Pension Fund			
			Inaccurate data provided give rise to inaccurate data and financial reputational consequences such as actuary to set contribution rates with a high margin of error.	CMO in post to monitor the administration work of LPPA Actuary undertake data checks/cleaning as part of triennial review process			
			Pension costs and payments delayed or incorrect.	Monthly reconciliations to monitor cash flow carried out.	D/3		
			Admission agreements not completed by the transfer date	Employer onboarding process in place Service handover completed when process of admitting bodies to the fund transferred from LPPA to inhouse on 1 April 2021.		Strengthen the process for onboarding new employers and Bond reviews.	

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
				Bond or guarantee reviews in place and reviewed every three years as part of valuation process.			
5.8	PFM	Failure/inability to undertake the accounting of the pension scheme appropriately	Qualified opinion on the accounts by external auditor.	Pension Fund accounts subject to external audit.			
				Experienced personnel in place.			
				Pension Fund uses the service of an external custodian to verify asset values and performance			
				Fund Managers performance is monitored quarterly. Fund Managers present at Pension Fund Committee meetings.			
				Monitoring of internal control reports of fund managers to ensure operations administered correctly.			
				Attendance at accounting seminars/training to ensure adherence to guidance and regulations			
5.9	PFM/CMO	Poor communications with stakeholders.	Disaffection and actions against the Council	The Council has in place a complaints system to address complaints via the website	D/3		

**Pension Fund Risk Register oneSource – Havering**

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
5.10	PFM	Excessive charges by suppliers	Fund incurring unnecessary costs	Third Party Fee Invoices checked prior to payment	D/3		
<b>RISK TITLE</b>							
<b>No 6. Risk of failure to on board or exit employers/members effectively.</b>							
<b>Upper Level for all Risks:S151 Officer/Director of Exchequer and Transactional Services</b>							
6.1	Lower Levels: PFM/CMO	Delays in internal processing of documentation/ admission agreements	Contribution delays from the employers & members until onboarding has been completed impacts cash flow	Monthly contribution schedules maintained by the Havering Pensions Team	D/2		
				Reconciliations between General Ledger and contribution schedules undertaken monthly			
				Reconciliations between General Ledger and Altair undertaken quarterly with any queries referred to LPPA/CMO for investigation.			
			Late payments of pension benefits	CMO works closely with LPPA. Carries out spot checks to review LPPA work on a regular basis	D/2		
			Adverse External Audit Opinion on internal controls	Service handover completed when process of admitting bodies to the fund transferred			

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
				from LPPA to inhouse on 1 April 2021			
				LPPA performance report presented to the Local Pension Board at every meeting			
				Escalation to Heads of Service where required.	D/2		
6.2 Page 72	PFM/CMO	Poor communications with stakeholders/ lack of understanding by employers with regard to their responsibilities.	Potential breach of regulations and member entitlement. Potential for litigation.	Script in place to deliver to new Academy employers, with feedback process in place.	D/2		
				Admission policy and manual completed in November 2017			
				TUPE manual completed in November 2017			
				Electronic file of required documents forwarded to new employers			
				LPPA website contains information for employers and members			
				Database maintained on all contact details for LGPS communications			
				Employer's liabilities may fall back onto other employers and	Actuarial assessment completed for all new admission requests to assess the level of financial risk.		

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
			ultimately local taxpayers.	Bonds and suitable guarantees put into place to protect the Fund in case of default.			
6.3	CMO	Member data incomplete or incorrect	Incorrect member data causes processing delays	LPPA raise queries with scheme employers	D/2		
				Member self service – online tool for members to check and update personal data			
				Data is reviewed as part of the triennial valuation exercise.			
				Tracing agencies used to locate pension fund members.			
				Reconciliations between General Ledger and Altair undertaken quarterly identifies member mismatches			
				CMO works closely with LPPA. Carries out spot checks to review LPPA work on a regular basis			
<b>RISK TITLE</b>							
<b>No 7. Risk of Pension Fund Payment Fraud</b>							
<b>Upper Level for all Risks: S151 Officer/Director of Exchequer and Transactional Services.</b>							
7.1	Lower Levels:	Pension overpayments arising as a result of non-	Financial loss.	Participate in the National Fraud Initiative (bi-annually)	E/1		

## Pension Fund Risk Register oneSource – Havering

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Controls/Mitigations	Likelihood/ Impact	Actions/ Recommendations	Review of Actions taken to date and further actions identified
Page 74	CMO	notification in change of circumstances.	Reputational damage of Pension Administration and Council.	Signed up for DWP database Tell us Once – DWP inform Havering of deaths relating to members of the Havering LGPS fund			
				September 20 – Mortality Screening outsourced to an external supplier.			
				Address checked for deferred pensions prior to payment			
				Process is in place to investigate return of payment by banks.			
				Internal audit checks carried out.			
7.2	PFM/CMO	Internal staff fraud/ Staff acting outside of their levels of authorisation.	Potential for financial loss.	Segregation of duties	E/1		
				Pension Fund bank account reconciled to General Ledger monthly			
				Internal audit checks carried out			
				Internal disciplinary process in place.			
7.3	PFM/CMO	Conflict of interest	Inappropriate decision making	Register of interests declarations covered at each Local Pensions Board/Committee meetings.	E/1		



## Pension Fund Risk Register oneSource – Havering

CMO	Contract Monitoring Officer - Caroline Berry
CIPFA	Chartered Institute of Public Finance and Accountancy
DWP	Department for Work and Pensions
GAD	Government Actuary's Department
ICT	Information and Communications Technology
LCIV	London Collective Investment Vehicle
LGPS	Local Government Pension Scheme
LPB	Local Pension Board
LPPA	Local Pensions Partnership Administration
MHCLG	Ministry of Housing, Communities and Local Government
PFM	Pension Fund Manager – Finance – Debbie Ford
SAB	Scheme Advisory Board
SLA	Service Level Agreement
TCFD	Task Force on Climate-related Financial Disclosures
tPR	The Pensions Regulator