



Havering

L O N D O N B O R O U G H

LOCAL PENSION BOARD AGENDA

4.00 pm

**Tuesday
8 February 2022**

Zoom

Members 5: Quorum 2

Mark Holder, Scheme Member Representative
Yasmin Ramjohn, Scheme Member Representative
Dionne Weekes, Scheme Member Representative
Denise Broom, Scheme Employer Representative
Andrew Frater, Scheme Employer Representative

**For information about the meeting please contact:
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luke.phimister@onesource.co.uk**

AGENDA ITEMS

1 CHAIR'S ANNOUNCEMENTS & INTRODUCTION OF MEMBERS

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 - 4)

To approve as correct the minutes of the meeting held on 28th September 2021 (attached) and authorise the Chair to sign them.

5 TO RECEIVE FEEDBACK FROM RECENT MEETINGS OF THE PENSIONS COMMITTEE

6 CODE OF PRACTICE 14 - SECTIONS A TO E (Pages 5 - 10)

Report attached

7 Q3 PENSION FUND ADMINISTRATION & RISK + COMPLIANCE (Pages 11 - 60)

Reports attached

8 LPPA ANNUAL INTERNAL CONTROL ASSURANCE (Pages 61 - 106)

Report and appendix attached

9 RISK REGISTER (Pages 107 - 130)

Register attached

10 PROJECT PACE

Verbal update to be given

11 POSITION OF CHAIRMAN

Verbal update to be given

12 UPCOMING TRAINING

Verbal update to be given

Zena Smith
Democratic and Election Services Manager

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**MINUTES OF THE MEETING OF THE
LOCAL PENSION BOARD
Town Hall, Main Road, Romford
28 September 2021 (4.05 - 5.30 pm)**

Present:

Denise Broom
Andrew Frater
Mark Holder

83 CHAIR'S ANNOUNCEMENTS

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

84 APOLOGIES FOR ABSENCE

There were no apologies for absence.

85 DISCLOSURE OF INTEREST

There were no disclosures of interests.

86 MINUTES OF THE MEETING

The minutes of the meeting held on 3rd August 2021 were agreed as a correct record and, due to the COVID-19 pandemic, the chairman would sign at a later date.

87 TO RECEIVE FEEDBACK FROM RECENT MEETINGS OF THE PENSIONS COMMITTEE

Members of the Board received feedback from the previous Pensions Committee meeting held on 14th September 2021.

Members noted that the Committee had agreed the Pension Fund Admin Strategy and the Charging Policy with both policies remaining in place for the next 3 years. The Board noted the Data Improvement Plan was agreed with annual monitoring and investment in the London CIV PEPA fund agreed also.

Members **noted** the feedback.

88 **PROJECT PACE UPDATE**

The Board was presented with an update on Project PACE.

Members noted the new CIVICA UPM product would go live in Havering in September – October 2022 with features such as tracking cases and the ability to retire deferred members online. Risks related to the migration of the system would be detailed and ordered at a future Board meeting and would need to be added to the Havering Risk Register.

Members **noted** the presentation.

89 **COP14 CHECKLIST**

Members were presented with the COP14 Checklist.

Officers explained that there had not been any significant changes. Caroline Berry would circulate links regarding to B3 and would provide an update at the next meeting of the Board. Members noted that to complete C1 a new webpage would need to go live first.

Members **noted** the checklist.

90 **Q1 2021/22 PERFORMANCE REPORT**

The Board was presented with the Performance Report for Q1 2021/22.

Members noted that there had been a decrease in standards relating to retirements and deaths due to staff sickness and the increase in workloads but this would not be carried forward into Quarter 2.

Members **noted** the report.

91 **RISK REGISTER**

Board members were presented with Havering's Pension Fund Risk Register.

Officers explained that there were no new risks but the register had a new layout which would be presented to the Pensions Committee at the November meeting. Members noted the only risk that was amber was MATS transferring out of the Pension Fund Members were asked to provide feedback to officers outside of the meeting.

Members **noted** the register.

Members were updated on the membership of the Board. Officers explained that LinkedIn was the main method of advertising for the role of Chairman Regarding the current Scheme Member vacancy - a letter to be sent to all Pension Scheme Members in due course. A deadline of the 31st October 2021 had been set for applications before the next meeting of 21st December 2021.

Chairman

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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	03/11/2021	Fully completed	Fully compliant		
A3	Have you completed this latest Scheme Return in the required timescale?	n/a	The scheme return was submitted on 03/11/2021 prior to the deadline of 10/11/2021	Annual check	03/11/2021	Fully completed	Fully compliant		

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
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	31/03/2021	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.	Training will be reviewed following the May 2022 elections as the training budget is shared with Pensions Committee.
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	31/01/2022	Fully completed	Fully compliant	Documentation is included in the induction pack and is also available on the pensions webpage: https://www.havering.gov.uk/info/20044/council_data_and_spending/222/pension_fund	
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		
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 lgpsregs.org website. All key fund documentation is also available to view on the havering.gov pensions web pages	Ongoing		Fully completed	Fully compliant	Key documents, policies and guidance are on the Havering Pensions Website: https://www.havering.gov.uk/info/20044/council_data_and_spending/222/pension_fund	
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	31/01/2022	Fully completed	Fully compliant	Now included as part of the induction pack. The reading list will be re-circulated as and when it is revised	
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		
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	An Induction Pack has been introduced to accompany the induction training provided by officers	
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		Training will be reviewed following the May 2022 elections as the training budget is shared with Pensions Committee.
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	31/03/2021	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	31/03/2021	In progress	Partially compliant		There is generic training available for trustees plus additional training specific to public service schemes and the COP14. New members to complete training
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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	31/12/2021	Fully completed	Fully compliant	published on the Havering Pensions Website: https://www.havering.gov.uk/info/20044/council_data_and_spending/222/pension_fund	
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		In progress	Partially compliant		New members to complete training
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		In progress	Partially compliant		New members to submit declaration of interests form
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		In progress	Partially compliant		New members to submit declaration of interests form
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	31/12/2021	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 3 member representatives and 3 employer representatives which meets the minimum legal requirements. As at January 2022 there is a vacancy for a scheme employer representative	Ongoing		Fully completed	Fully compliant	Positions are advertised as they become available.	Membership recently increased to 6 work will be underway shortly to recruit to the vacant positions
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 and is lead by an independent Chairperson (as at January 2022 this position is vacant)	Ongoing		Fully completed	Fully compliant		Role of Independent Chair to be advertised

D - Publishing information about schemes

Legal Requirements

The scheme manager for a public service scheme must publish information about the pension board for the scheme(s) and keep that information up-to-date.

TPR Code Ref 92

The information must include:

TPR Code Ref 93

- who the members of the pension board are
- representation on the board of members of the scheme(s), and
- the matters falling within the pension board's responsibility

No.	TPR Requirement	TPR Code Ref	London Borough of Havering Approach / Evidence	Frequency of Review	Last Review Date	Check Completed	Compliant	Notes	Action
D1	Does the Administering Authority publish information about the pension board?	95	The havering.gov website provides information relating the LPB Members	As and when required but at least annually	31/01/2022	Fully completed	Fully compliant	Information is published on either the Havering pension page or the democracy page of the havering.gov.uk website	
D2	Does the Administering Authority publish other useful related information about the pension board?	96	The Havering website provides the names, contact details and biographies of the LPB Members. The website includes information regarding the roles and responsibilities of both scheme member and scheme employer roles and the terms of reference. The appointment process is not currently on the website, however adverts for new representatives are uploaded onto the site when applicable which give the required information.	As and when required but at least annually	31/01/2022	In progress	Partially compliant	Information is published on either the Havering pension page or the democracy page of the havering.gov.uk website	What contact information would members like to be published here? Biographies required for new Board members

D3	Is all the information about the Pension Board kept up to date?	98	All the information currently held on the website is up to date.	As and when required but at least annually	31/01/2022	Fully completed	Fully compliant	Information is published on either the Havering pension page or the democracy page of the havering.gov.uk website	
D4	Does the Administering Authority publish information about pension board business?	97	All papers are pubic and published on the democracy pages of the Havering website, however some items may be restricted.	As and when required		Fully completed	Fully compliant		

E - Managing risk and internal controls

Legal Requirements

The scheme manager must establish and operate internal controls which adequately ensure the scheme is administered and managed in accordance with the scheme rules and the requirements of the law.

TPR Code Ref 101

Internal controls are defined in the legislation as:

- arrangements and procedures to be followed in the administration and management of the scheme
- systems and arrangements for monitoring that administration and management
- arrangements and procedures to be followed for the safe custody and security of the assets of the scheme

TPR Code Ref 102

The legal requirements apply equally where a scheme outsources services connected with the running of the scheme.

No.	TPR Requirement	TPR Code Ref	London Borough of Havering Approach/ Evidence	Frequency of Review	Last Review Date	Check Completed	Compliant	Notes	Action
E1	Is there an agreed process for identifying and recording scheme risks?	105	The Administering Authority's overall policy on risk is to identify all risks to the Fund and to consider the position both in aggregate and at an individual risk level. The Administering Authority monitors the potential risks to the Fund, and will take appropriate action to mitigate the impact of these on the fund wherever possible. Risks are identified and assessed in line with the Authority's risk management process, with risks being identified within Service Plans. Internal Controls operate in the day to day activities that fall under the administration and management of the scheme. Internal controls of the scheme assets include monitoring these quarterly and presenting formal reports to the Pensions Committee and risk is addressed as part of the quarterly monitoring processes. Risk implications are a standard inclusion in reports to the Pensions Committee and the Local Pension Board. LPPA have recruited a Head of Risk and Compliance and provide a monthly risk and compliance report wick is presented to the Board	Ongoing		Fully completed	Fully compliant	LPPAs Annual Internal Control Assurance report received November 2021	

E2	Does the Fund have an adequate process to evaluate risks and establish internal controls?	107	The Pension Fund Manager (Onesource Pensions and Treasury) has produced a risk register to include, initially, 7 areas of risk. Risks have been identified based on failure to comply, manage, govern, sign up new employers and to detect fraud within the LB Havering pension fund. A traffic light system is used to highlight areas of high, medium and low risk. In order to place reliance on the Pension Fund processes, internal controls are continually reconciled and reviewed. New risks may be detected and the traffic light system be updated where action has been taken to reduce a risk. The Risk Register is a living document and a standing item on the Local Pension Board agenda.	Ongoing		In Progress	Partially compliant	It is recognised that there are good internal controls in place in many areas but there is no formal identification/documentation of these. There is a Risk Register for the purpose of monitoring risk.	Consider documenting internal controls.
E3	Does the Administering Authority have a risk register to record all risks identified and action taken?	108	A Risk Register was adopted in June 2015 to record identified risks and required action. It is included in the Annual Report.	Annual check	09/11/2021	Fully completed	Fully compliant	Risk register reviewed and agreed by Pensions Committee November 2021	
E4	Does the Administering Authority review the effectiveness of the risk management and internal control systems of the Fund?	111	There is no formal process for the review of the effectiveness of the internal controls we have identified. However as identified below (E7) there are substantial internal controls in place including a number of ongoing monitoring areas that are reported to Pensions Committee (investment matters and administration).	Annual check	09/11/2021	In Progress	Partially compliant		To consider having a documented process to meet the requirement of this part of the code
E5	Does the Administering Authority regularly review the risk register?	115	A Risk Register was adopted in June 2015 to record identified risks and required action. Additions to the register are presented to the Board and the Committee are asked to agree the risk register annually	Annual check	09/11/2021	Fully completed	Fully compliant	Risk register reviewed and agreed by Pensions Committee November 2021	
E6	Is there a standing item on the Pension Board agenda to review scheme risks?		The review of the risk register is a standing item on the Local Pension Board agenda	Ongoing		Fully completed	Fully compliant		
E7	Does the Administering Authority have adequate systems, arrangements and procedures (internal controls) in place for the administration and management of the Fund and are they documented?	116	There are a large range of internal controls in place. Some examples are: - Restricted access to the building - Altair (pension admin system) is tested at a national level and has a 2 tier login - Calculations are independently checked - National Fraud Initiative checks - Annual benefit statements request members check their details. - Payments made via BACS - Triennial valuation identifies data issues which are resolved. - Quarterly reconciliation of payments in and out and pension fund strain costs. Not all procedures are documented	Ongoing		In Progress	Partially compliant		To ensure documented procedures are in place where required and ensure that the LPPA Annual Assurance Report provides the evidence required to satisfy this point
E8	Do these procedures apply equally to outsourced services, are internal controls reflected in contracts with third party providers and is there adequate reporting in relation to those controls?	119	LBH and LPPA work together to ensure that all internal controls are reflected in the work that LPPA undertake although it is recognised that there are good controls in place	Ongoing		In Progress	Partially compliant		To ensure that the LPPA Annual Assurance Report provides the evidence required to have confidence in their approach to this area

LPP

Local Pensions Partnership
Administration



Havering Pension Fund

Quarterly Administration Report

1st October – 31st December 2021

lppapensions.co.uk

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Definitions

Page 7

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.

Page 10

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

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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.

Page 18-21

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'.

Page 23 & 24

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.

Page 26

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 29 & 30

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 37 & 38

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.



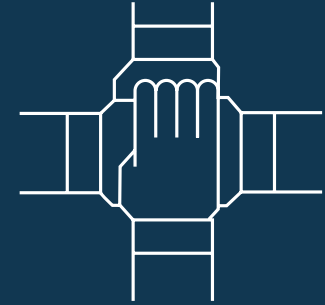
Annual Plan 2021/22

✓ COMPLETED  DUE

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	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22
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				✓	✓				✓			

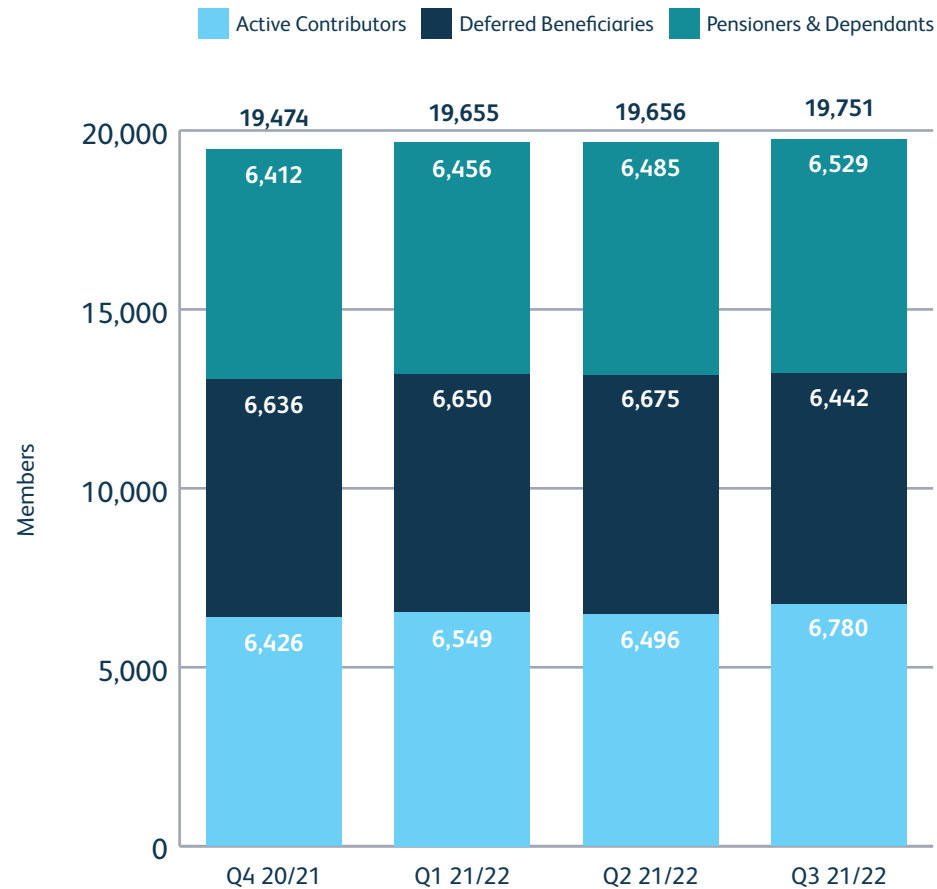
Fund Membership



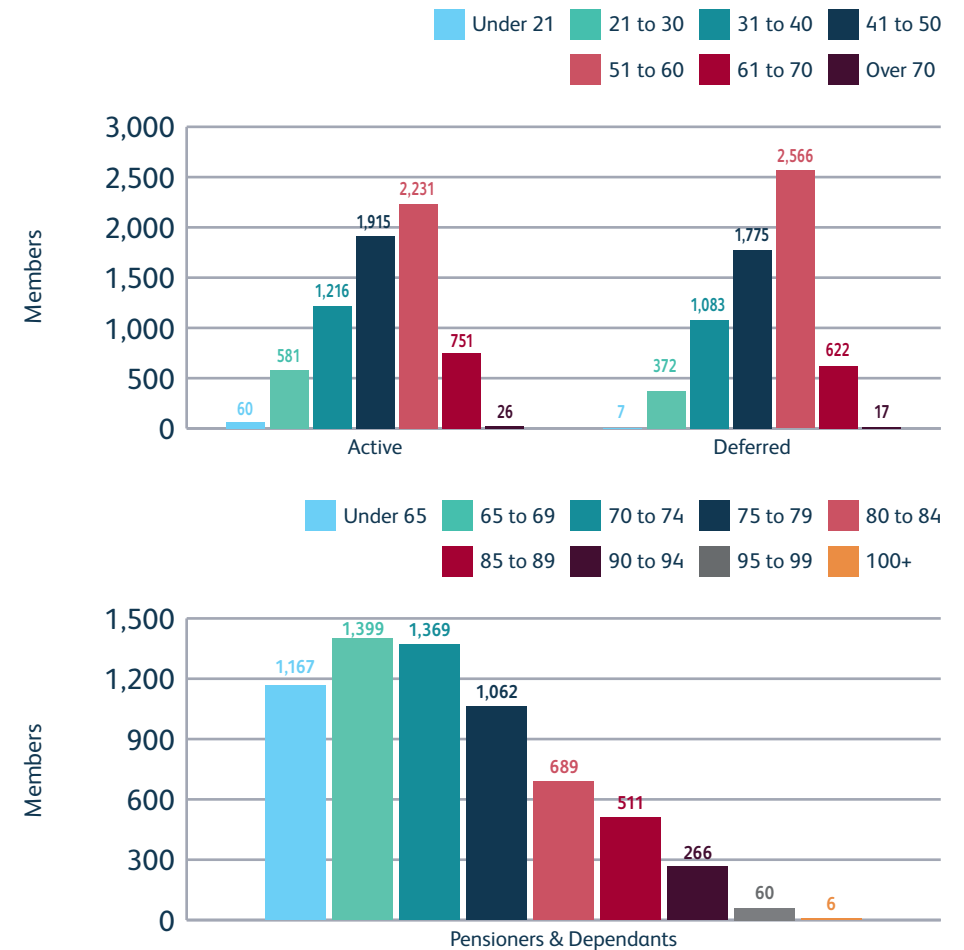
Working Together

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**
383	3	380

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

** Awaiting information from Employer



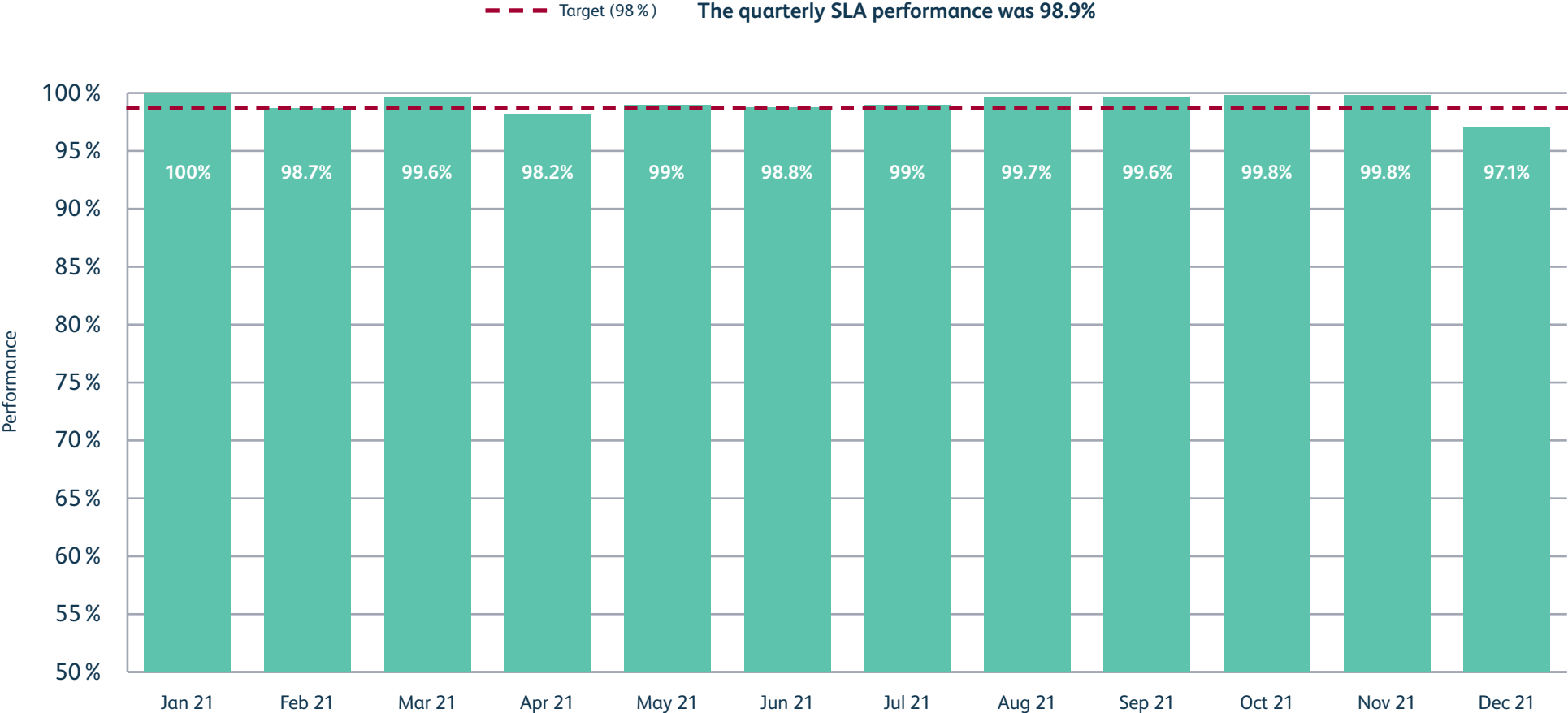
Committed to Excellence

Casework Performance Against SLA

Casework Performance Against SLA

PERFORMANCE – ALL CASES

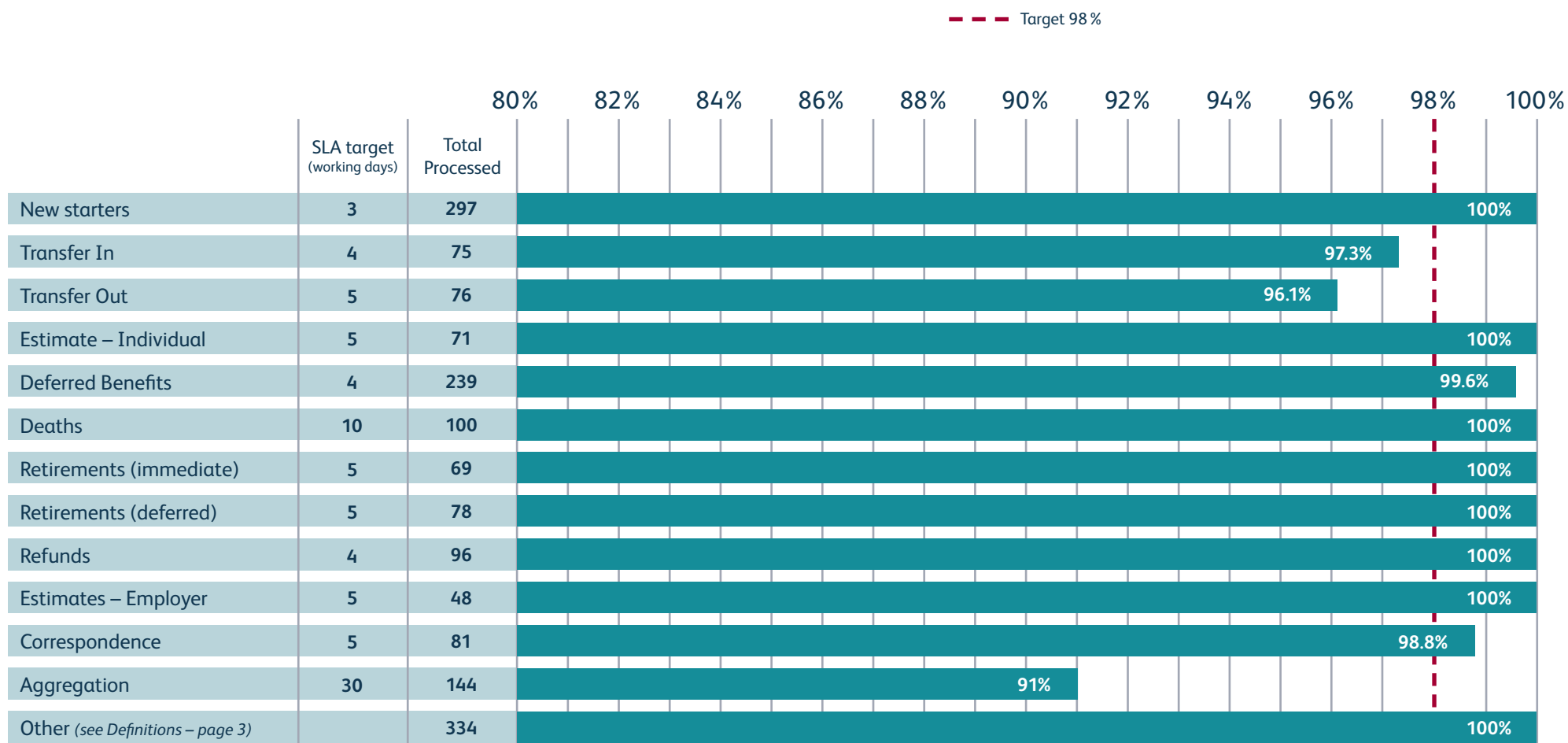
Page 20



Casework Performance Against SLA

PERFORMANCE STANDARD

Page 21



Casework Performance Against SLA

ONGOING CASEWORK AT THE END OF THE REPORTING QUARTER

	Brought Forward at 01/10/21	Completed	Received	Outstanding as of 31/12/21
New Starters	16	297	297	16
Transfer In	137	75	51	113
Transfer Out	64	76	84	72
Estimate - Individual	11	71	68	8
Deferred Benefits	162	239	241	164
Deaths	97	100	102	99
Retirements (Immediate)*	44	69	62	37
Retirements (Deferred)*	56	78	71	49
Refunds	31	96	97	32
Estimates - Employer	1	48	49	2
Correspondence	17	81	70	6
Aggregation	54	144	191	101
Other (see Definitions – page 3)	52	334	325	43
TOTALS	742	1,708	1,708	742

* In Q4 20/21, we trialed a new way of prioritising retirement cases. This resulted in the retirement process being split out into its 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 reported 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.



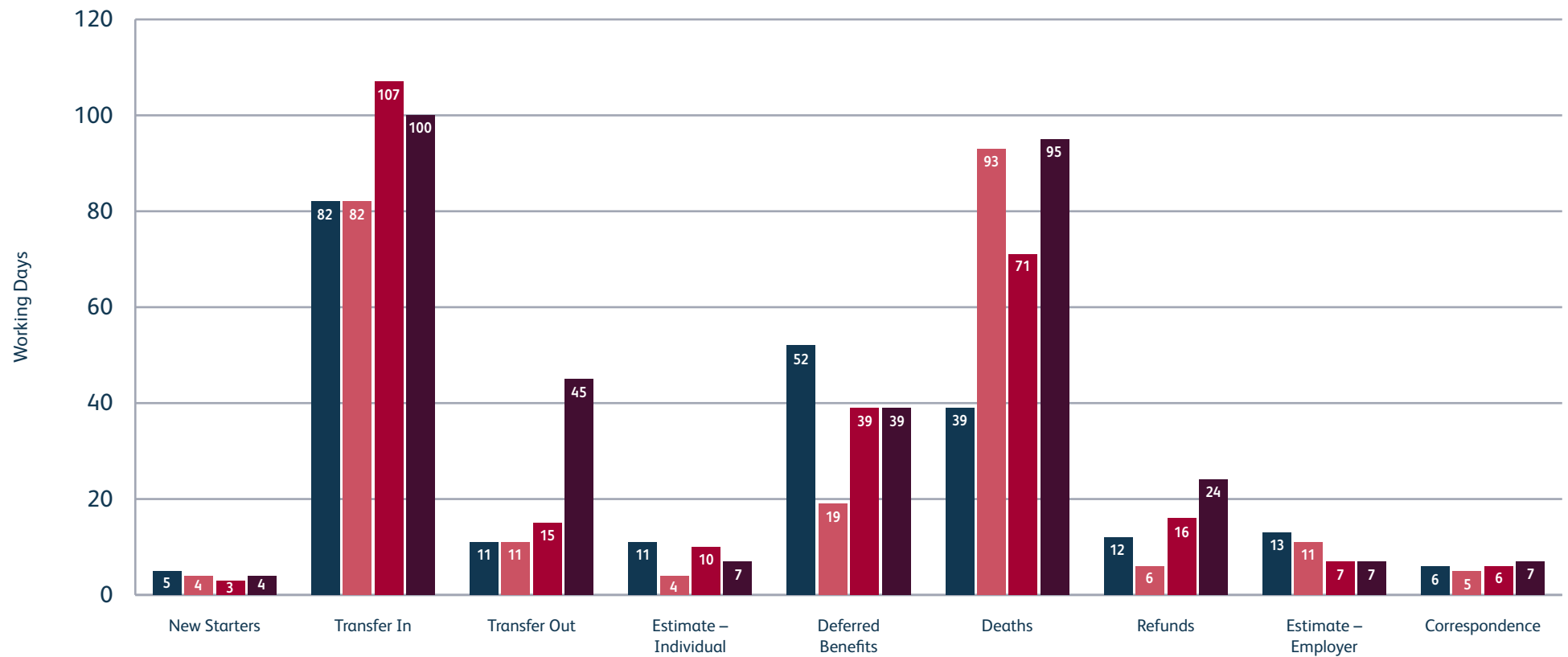
Doing The Right Thing

Elapsed Times

Elapsed Times

ELAPSED DAYS BY QUARTER

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





Committed to Excellence

Retirements

Retirements

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	Retirements (Deferred)*			Retirements (Immediate)*		
	Total cases	On Time	SLA	Total cases	On Time	SLA
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%
July 21	13	13	100%	15	15	100%
August 21	15	15	100%	8	8	100%
September 21	18	18	100%	21	21	100%
October 21	27	27	100%	33	33	100%
November 21	27	27	100%	24	24	100%
December 21	24	24	100%	12	12	100%

* 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.

Helpdesk Performance

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

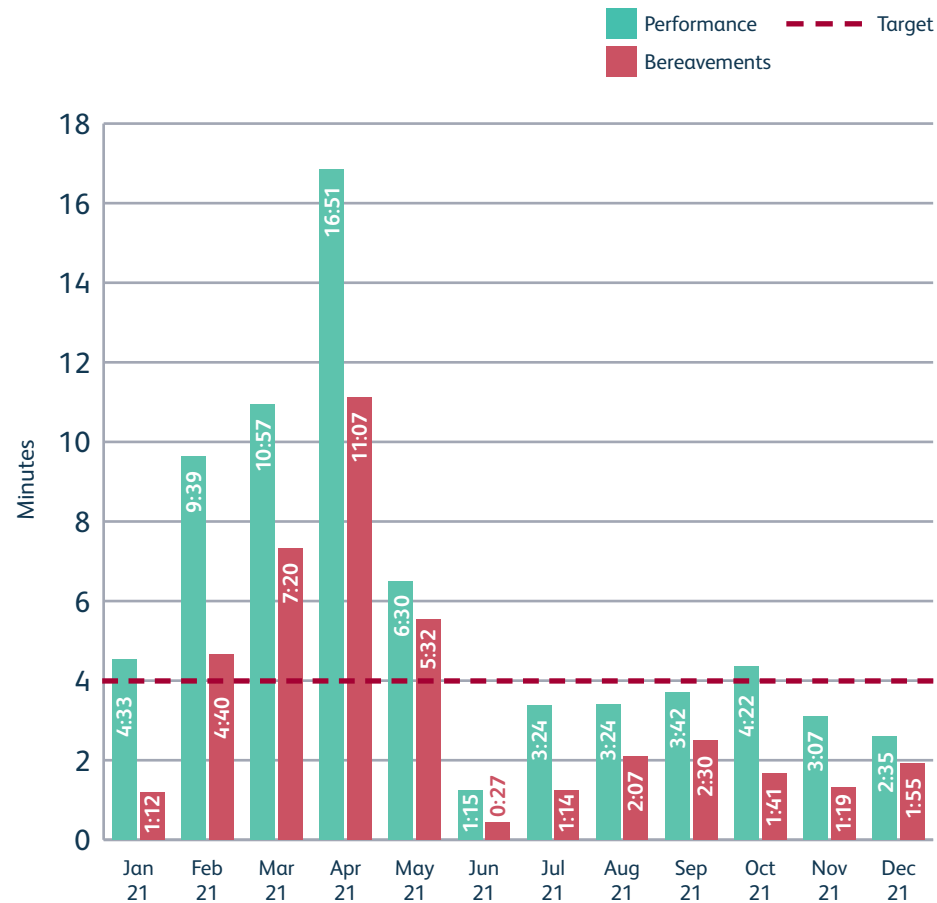


Committed To Excellence

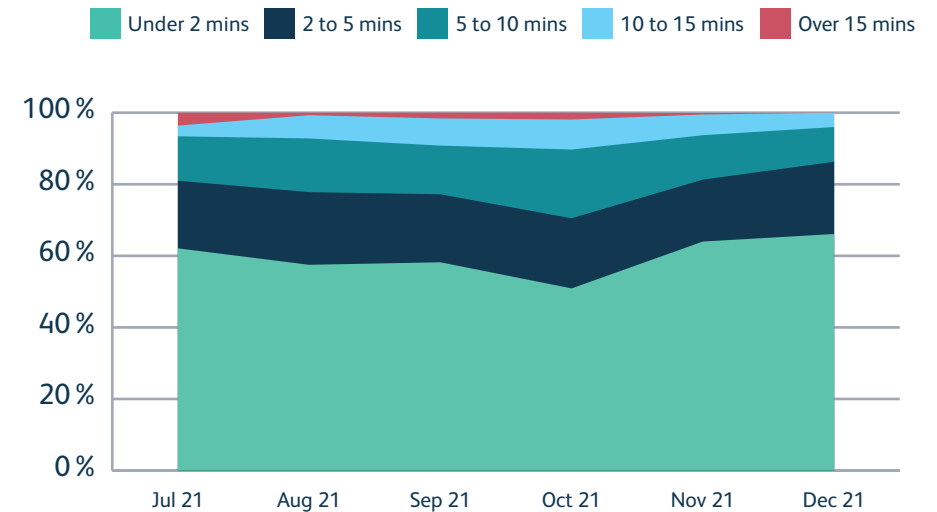
Helpdesk Performance - Calls

AVERAGE WAIT TIME

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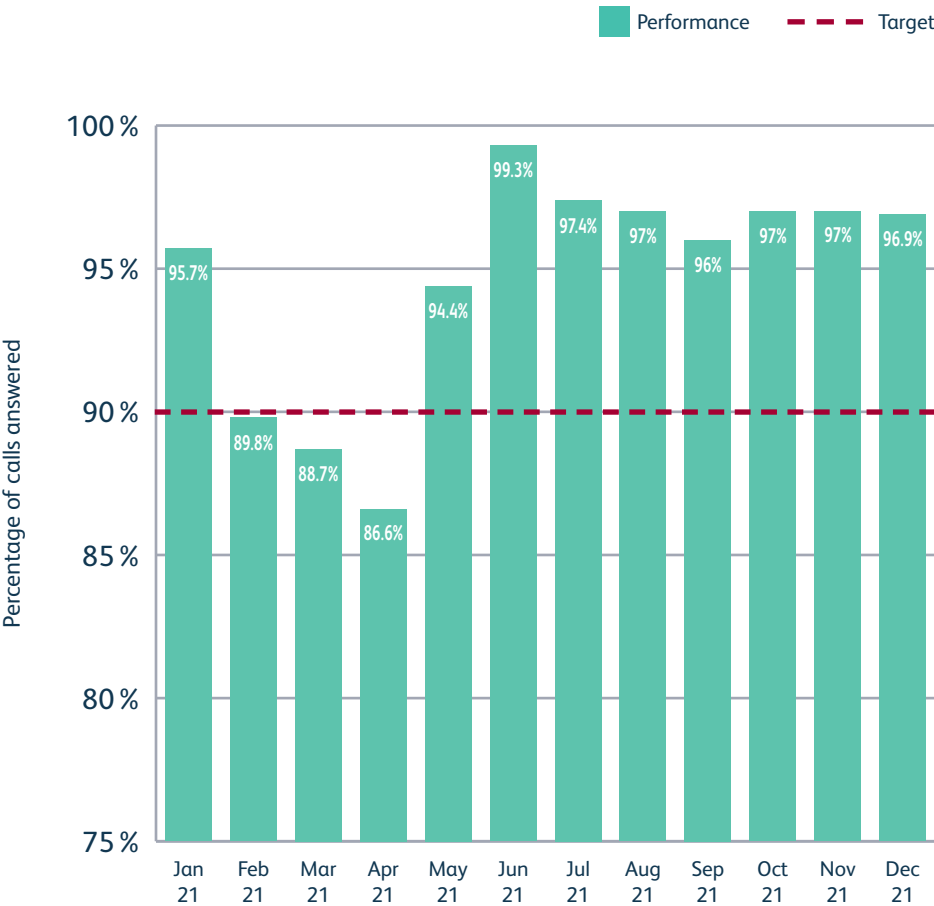
WAIT TIME RANGE



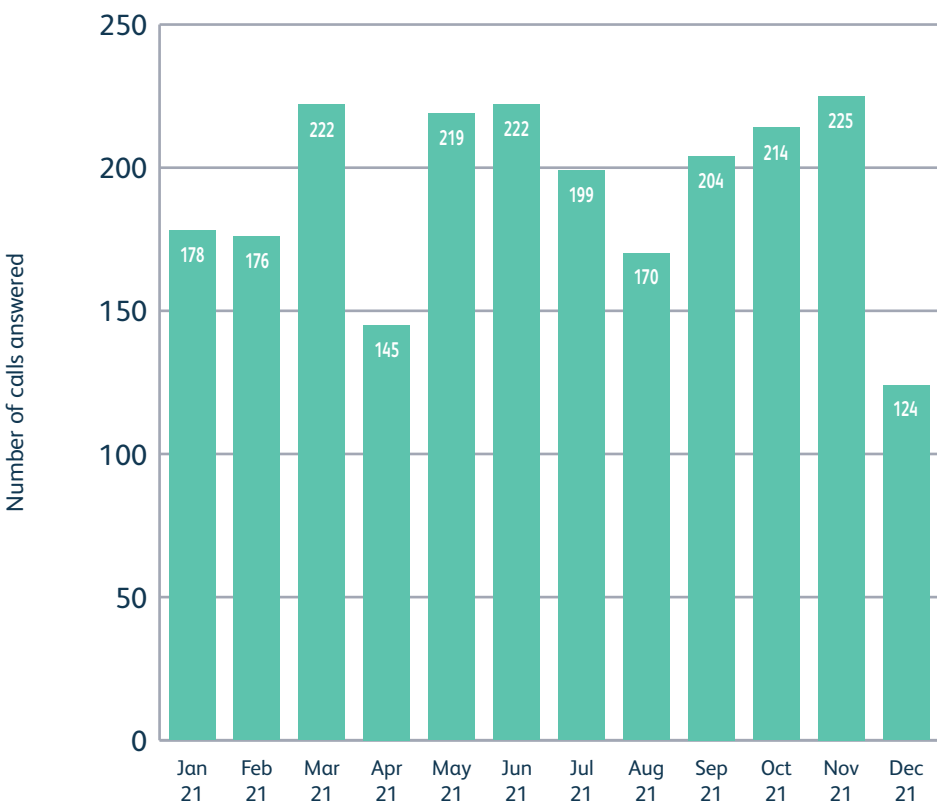
	Under 2 Mins	2 to 5 Mins	5 to 10 Mins	10 to 15 Mins	Over 15 Mins
Jul 21	62.1 %	18.9 %	12.4 %	3.0 %	3.6 %
Aug 21	57.5 %	20.3 %	15.0 %	6.5 %	0.7 %
Sep 21	58.2 %	19.0 %	13.6 %	7.6 %	1.6 %
Oct 21	50.9 %	19.6 %	19.2 %	8.4 %	1.9 %
Nov 21	64.0 %	17.3 %	12.4 %	5.8 %	0.4 %
Dec 21	66.1 %	20.2 %	9.7 %	4.0 %	0 %

Helpdesk Performance - Calls

CALLS ANSWERED (ALL LPPA)

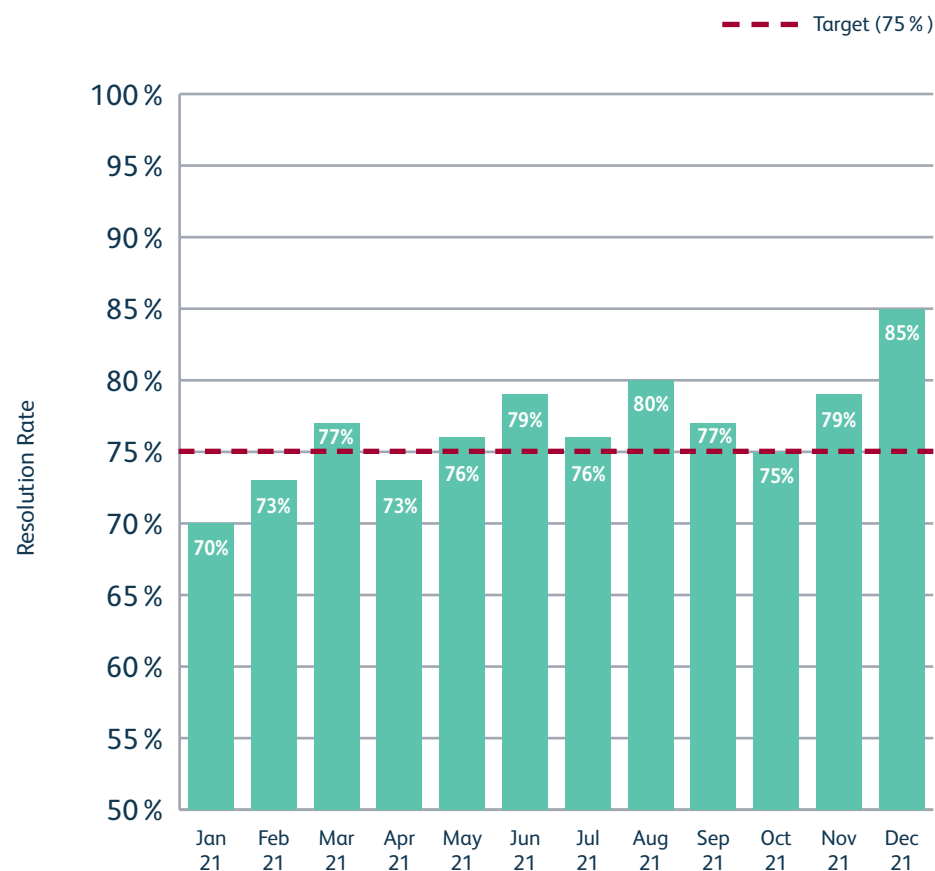


CALL VOLUMES



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 timescales.

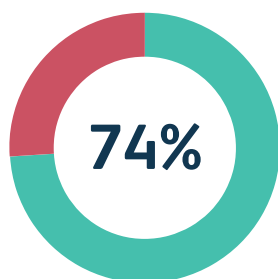
WHAT DO MEMBERS CALL ABOUT?

	OCT 21	NOV 21	DEC 21
Annual Benefit Statement	7	2	0
Annual Allowance	0	1	0
Additional Voluntary Contributions / Additional Pension Contributions	3	3	2
Bereavement	8	19	21
Deferred	3	9	1
Divorce	1	3	1
Estimate	13	11	8
Life Certificates	0	0	0
McCloud	0	0	0
My Pension Online	18	18	10
P60	4	1	2
Payslip	20	19	11
Pension Increase	0	0	0
Refund	0	9	3
Retirement	75	66	39
Transfer	20	23	8
Update Details	18	15	9
Other	24	26	9
TOTALS	214	225	124

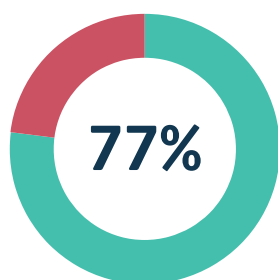
Helpdesk Performance - Web Enquiries

RESOLUTION RATE* (TARGET 75%)

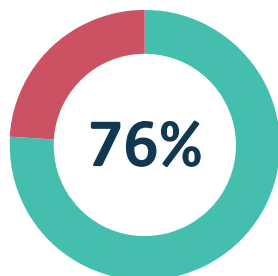
OCTOBER



NOVEMBER

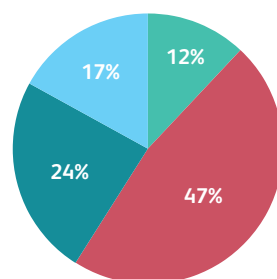


DECEMBER

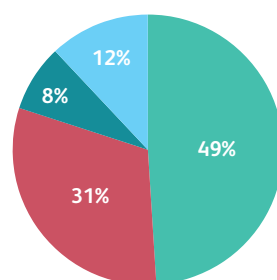


ENQUIRY HANDLING RATE

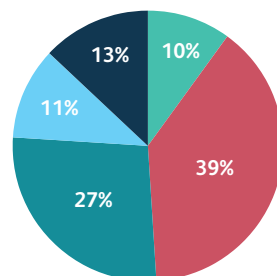
OCTOBER



NOVEMBER



DECEMBER



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

WHAT DO MEMBERS ENQUIRE ABOUT?

	OCT 21	NOV 21	DEC 21
Annual Benefit Statement	0	0	0
Annual Allowance	1	5	0
Additional Voluntary Contributions / Additional Pension Contributions	0	1	0
Bereavement	2	3	2
Deferred	2	2	0
Divorce	2	1	0
Estimate	4	13	4
Life Certificates	1	0	1
McCloud	0	0	0
My Pension Online	22	21	15
P60	0	0	1
Payslip	5	4	4
Pension Increase	0	0	0
Refund	4	4	0
Retirement	27	28	25
Transfer	8	6	2
Update Details	12	13	6
TOTALS	90	101	60

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

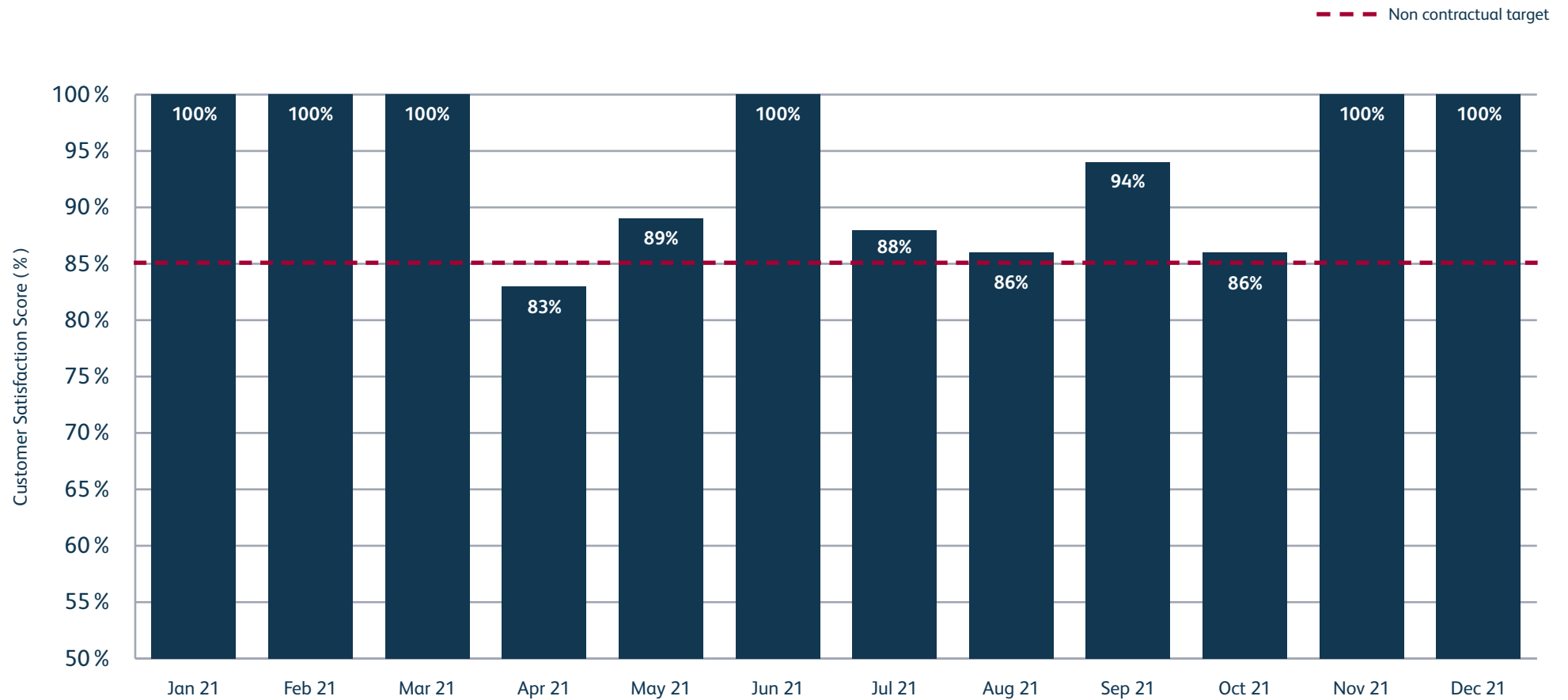


Committed To Excellence

Customer Satisfaction Scores

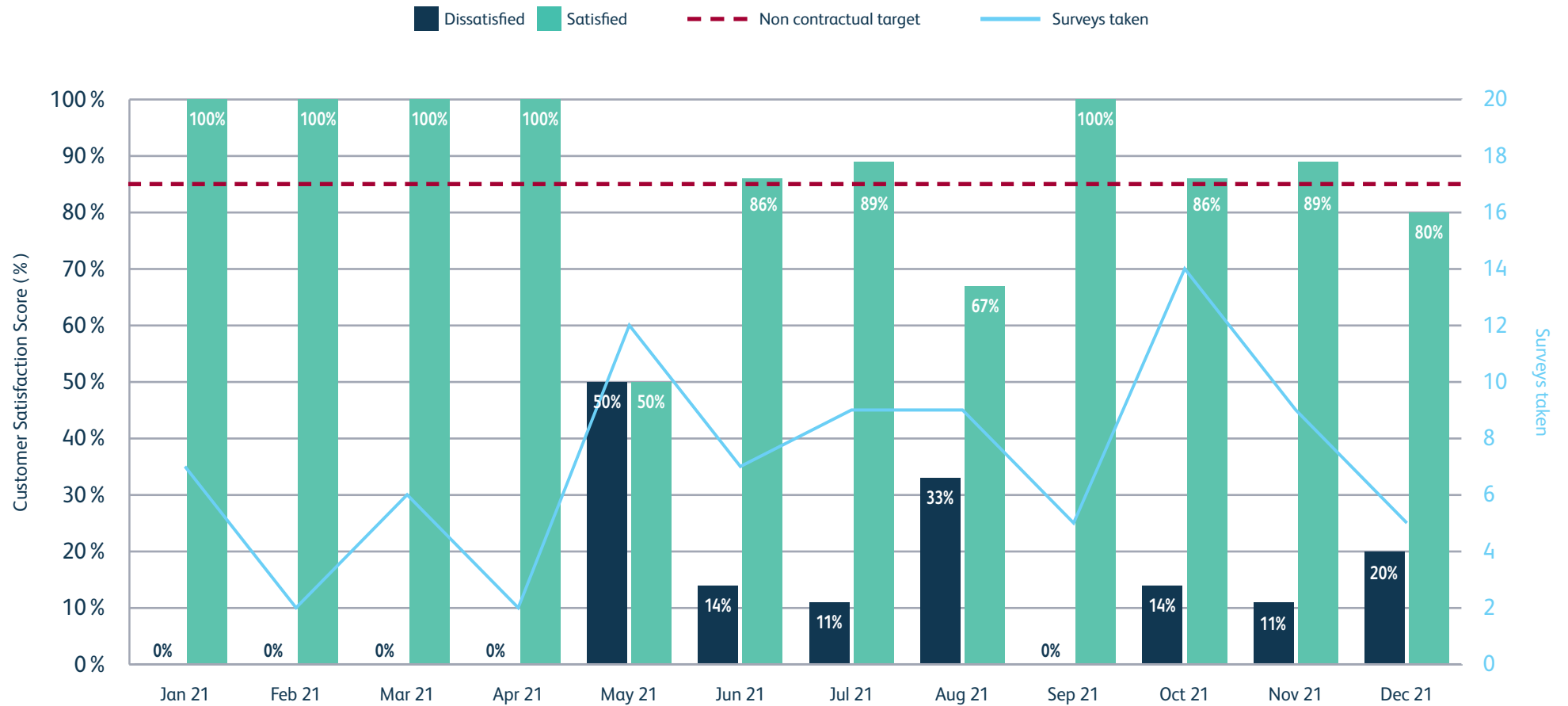
Customer Satisfaction Scores

HELPDESK SATISFACTION (CALLS)



Customer Satisfaction Scores

RETIREMENTS





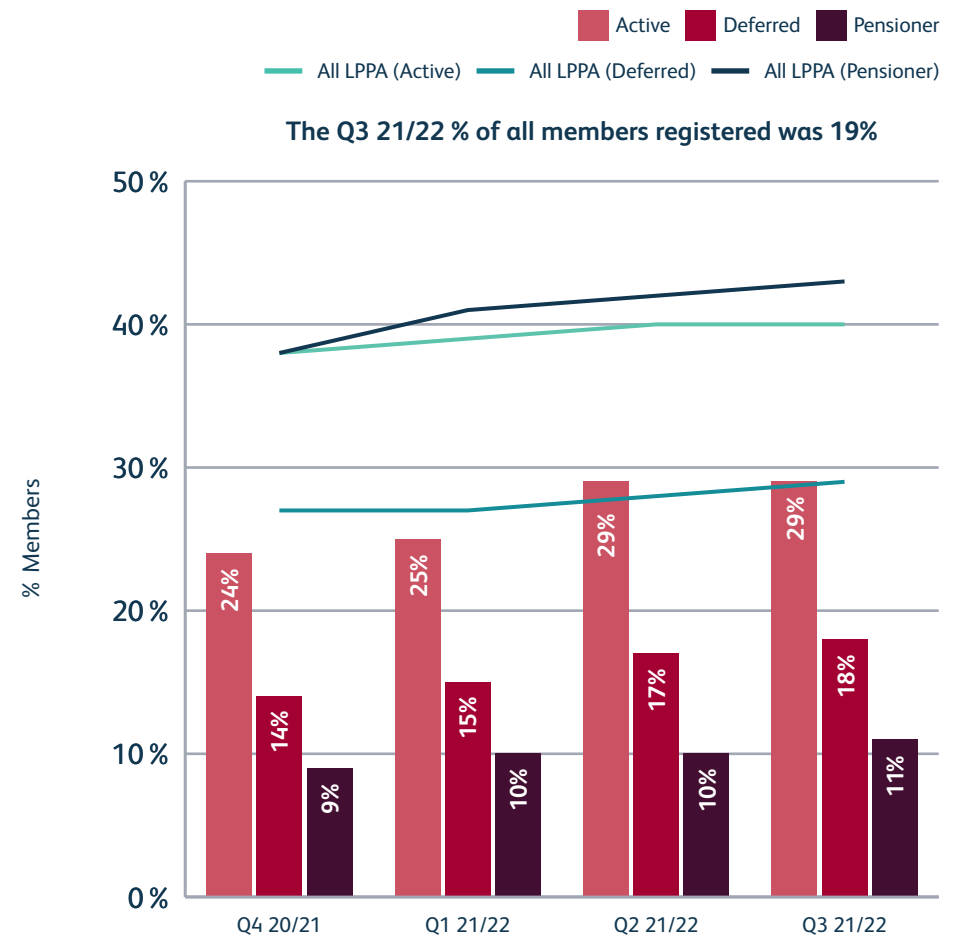
Forward Thinking

My Pension Online (MPO)

My Pension Online

MEMBERS REGISTERED

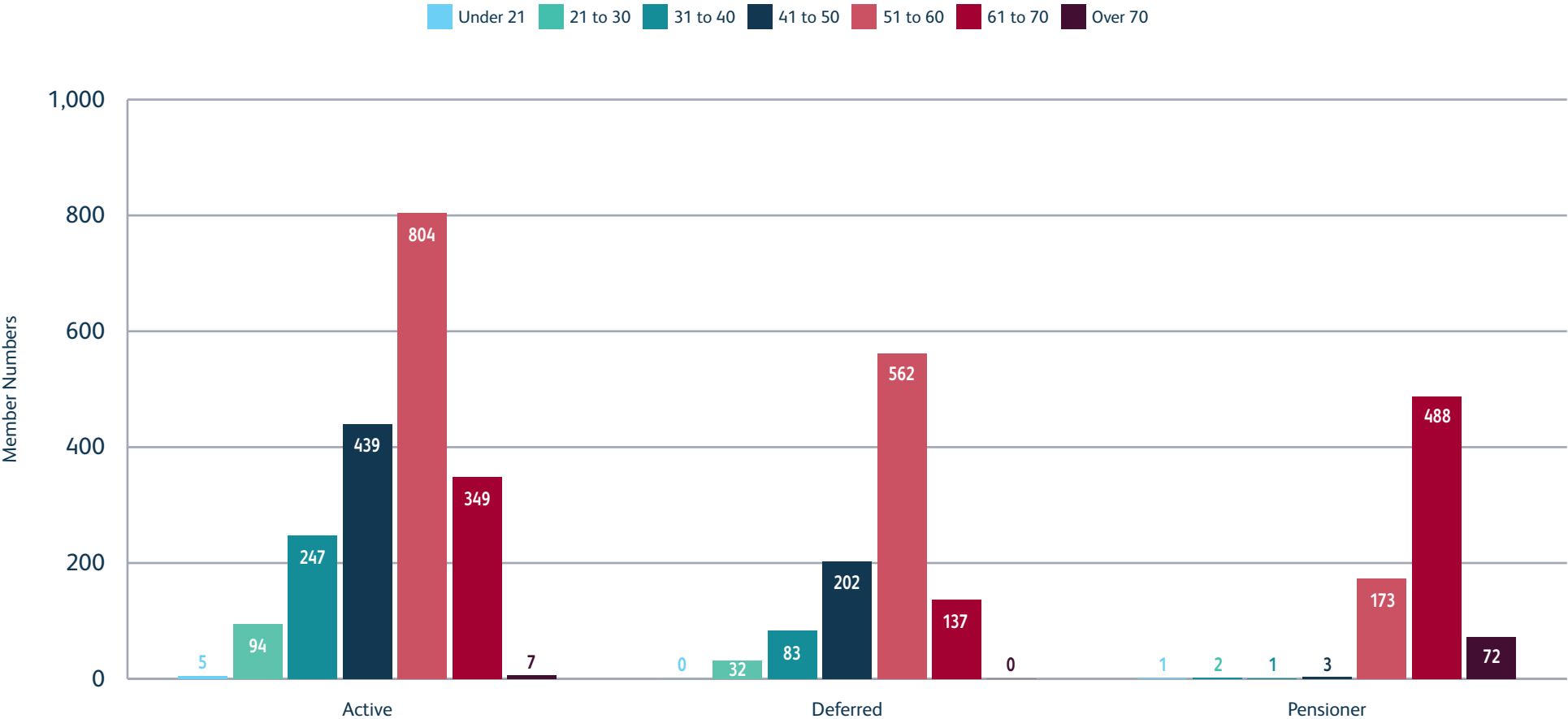
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My Pension Online

AGE DEMOGRAPHIC

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Forward Thinking

Member Contact Data

Member Contact Data

EMAIL ADDRESSES

	Q4 - 20/21	Q1 - 21/22	Q2 - 21/22	Q3 - 21/22
Active Contributors	3,134 (48.77%)	3,326 (50.79%)	3,439 (52.94%)	3,582 (52.83%)
Deferred Beneficiaries	1,750 (31.36%)	1,803 (32.28%)	1,869 (33.29%)	1,975 (34.51%)
Pensioner and Dependants	1,457 (22.72%)	1,551 (24.02%)	1,625 (25.06%)	1,717 (26.30%)

TELEPHONE NUMBERS

	Q4 - 20/21	Q1 - 21/22	Q2 - 21/22	Q3 - 21/22
Active Contributors	1,338 (20.82%)	1,351 (20.63%)	1,437 (22.12%)	1,493 (22.02%)
Deferred Beneficiaries	1,088 (16.40%)	1,111 (16.71%)	1,169 (17.51%)	1,247 (19.36%)
Pensioner and Dependants	1,236 (19.28%)	1,330 (20.60%)	1,405 (21.67%)	1,497 (22.93%)

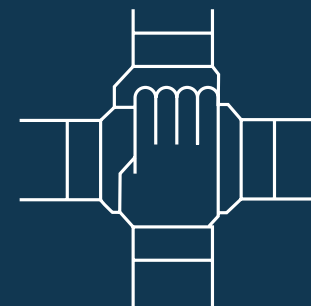
Member Contact Data

DEATH NOMINATION

	Q4 - 20/21	Q1 - 21/22	Q2 - 21/22	Q3 - 21/22
Active Contributors	2,506 (39.00%)	2,520 (38.48%)	2,591 (39.89%)	2,630 (38.79%)

E-COMMUNICATIONS OPT-OUT

	Q4 - 20/21	Q1 - 21/22	Q2 - 21/22	Q3 - 21/22
Active Contributors	85 (1.32%)	84 (1.28%)	80 (1.23%)	82 (1.21%)
Deferred Beneficiaries	94 (1.42%)	89 (1.34%)	89 (1.33%)	89 (1.38%)
Pensioner and Dependants	67 (1.04%)	75 (1.16%)	80 (1.23%)	82 (1.26%)



Working Together

Employer Engagement & Communication Activity

Employer Engagement & Communication Activity

DELIVERED – ALL CLIENTS

1. Our 'Life is for Living' retirement campaign was communicated to all client members. This included a survey asking members for their views on retirement in a single word, sentence, or image. There were over **12,000 responses** (across all clients) and the LPPA Communications Team have [created an online video & report](#) detailing the findings.
2. In addition to our existing Blue Light member panel, **our first LGPS member panel** took place. Both panels will meet quarterly and will continue to grow through ongoing recruitment of members ... they will offer an opportunity to ensure LPPA communications continue to be useful and relevant to members.
3. A news story was published on the LPPA website to coincide with [Get Online Week \(18 Oct 21\)](#). The aim was to provide online tools and resources, to encourage members to visit and make more frequent use of the LPPA website.
4. A new survey was be launched to measure member satisfaction for **New Joiners** (those who have recently joined the pension scheme)
5. A new **monthly Employer bulletin** ([PensionPulse](#)) was launched with the aim of providing more frequent updates on training, LGA regulatory information and LPPA projects
6. A new animated video was made launched on the website for members. '[More than just a great pension](#)' was developed to explain defined benefit pension schemes to members, and the benefits that these schemes offer to Local Government, Police and Fire pension members
7. LPPA launched a [LinkedIn page](#), providing another useful employer engagement channel, in addition to our existing email, website and YouTube digital communications channels

Life is
for Living!



Employer Engagement & Communication Activity

SCHEDULED – ALL CLIENTS

1. The focus for the Engagement and Communications team in Q4 will be **Project PACE**, and delivering training sessions to Phase 1 employers on the new employer portal, as well as providing support for employer enquiries relating to the launch of our new administration system.
2. The launch of **PensionPoint**, the new member online portal which is replacing My Pension Online, will be a focus for our member communications activity in Q4. User guides and videos will be launched on the LPPA website and made available to members who want an overview of the new portal, or would like to understand how to register / gain access to PensionPoint
3. Q4 activity will also include sessions covering pension scheme and retirement essentials (member focused), as well as Year End training for employers.
4. Feedback from the new joiner process will be used to update and improve the new joiner pages on our website.



Employer Engagement & Communication Activity

ENGAGEMENT COMMUNICATIONS – CLIENT SPECIFIC

- Virtual employer visits were held with 2 Havering Pension Fund employers
- 7 Havering Pension Fund employers attended Leaver Essentials training
- 8 Havering Pension Fund employers attended Ill Health Awareness Training



Employer Engagement & Communication Activity

EMPLOYERS

Date	Employer	Activity	Number in attendance
5 October 2021	Coopers Coborn School	Leaver essentials	1
5 October 2021	L B Havering	Leaver essentials	6
10 November 2021	Coopers Coborn School	Ill Health Awareness	1
10 November 2021	London Borough of Havering	Ill Health Awareness	7
24 November 2021	Drapers MAT	Employer Visit (support)	2
22 December 2021	Hornchurch High and Harrow Lodge Primary School	Employer Visit (support)	1

EMAILS – EMPLOYERS

Date	Message / Campaign	Call to Action
OCTOBER	Newsletter	Newsletter
	PACE: Phase 1	Information
NOVEMBER	PensionPulse	Information
DECEMBER	PensionPulse	Information
	LPPA Christmas card	Notification



Doing The Right Thing

Data Quality

Data Quality (TPR scores)

QUARTERLY COMMON DATA

Data Item	Active	Deferred	Pensioner / Dependant
NI Number	0	5	15
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	4	376	36
Postcode	7	396	67
Total fails	11	777	118
Individual fails	7	401	82
Total members	6,780	6,442	6,529
Accuracy rate	99.9%	93.8%	98.7%

Total accuracy rate

97.5%

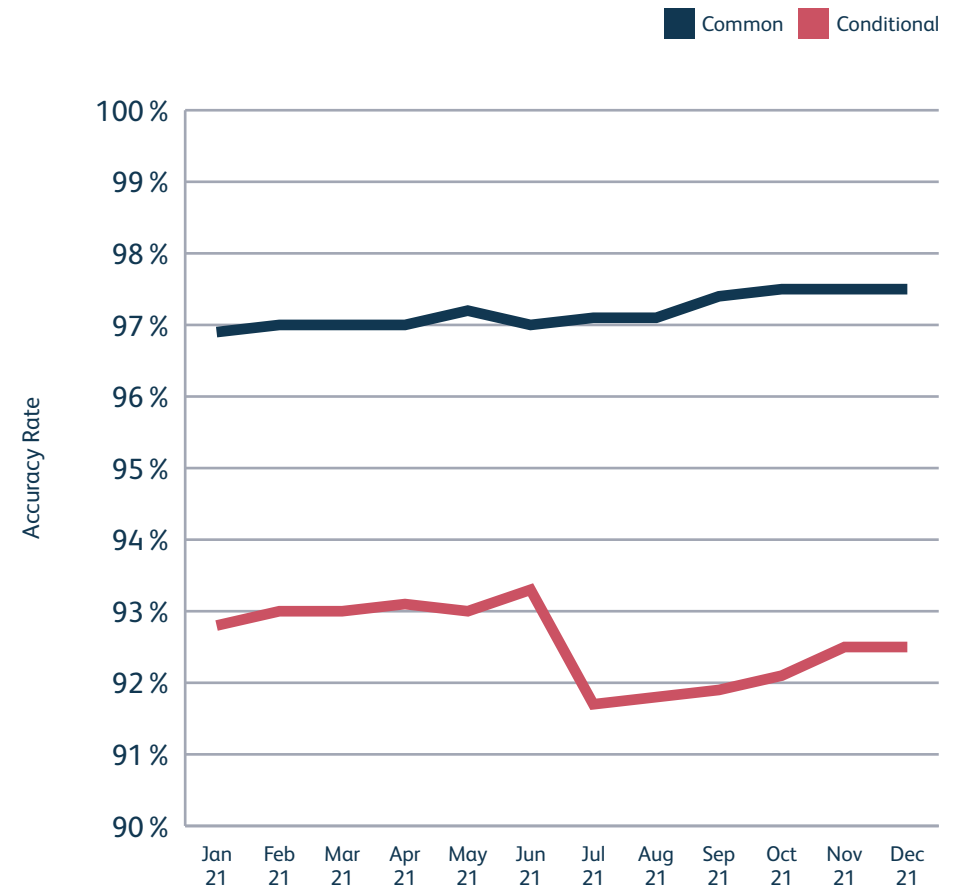
Data Quality (TPR scores)

QUARTERLY CONDITIONAL DATA

Data Item	Fails
Divorce records	0
Transfer In	6
AVC's / Additional Contributions	1
Deferred Benefits	2
Tranches (DB)	110
Gross Pension (Pensioners)	1
Tranches (Pensioners)	35
Gross Pension (Dependants)	6
Tranches (Dependants)	1
Date of leaving	3
Date Joined Scheme	0
Employer Details	0
Salary	731
Crystallisation	39
Annual Allowance	185
LTA Factors	0
Date Contracted Out	52
Pre-88 GMP	88
Post-88 GMP	422
Total fails	1,682
Individual fails	1,488
Total members	19,751

Total accuracy rate 92.5%

ANNUAL COMMON & CONDITIONAL ACCURACY RATE



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Administration

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LOCAL PENSIONS PARTNERSHIP

RISK & COMPLIANCE REPORT

Havering LG

JANET MORVILLE-SMITH
13th January 2022

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Local Pensions Partnership
Administration

CONTENT

Page 52



Compliance Updates

Relevant to the Client during the reporting month.



Complaints

Relevant to the Client during the reporting month.



Breaches

Relevant to the Client during the reporting month.



Overpayments

Relevant to the Client during the reporting month.



Incidents

Relevant to the Client during the reporting month.



Risks & Issues

Any relevant risks or issued not covered in the previous sections.



COMPLIANCE UPDATES

Pension Administration Standards Association (PASA):

LPPA became active members of PASA from September 2021 and are happy to support and champion their work in improving the standards in pension administration.

ISO27001 – Information Security:

LPPA were please to support the work undertaken to achieve re-accreditation for the LPP Group.

Complaint Handling:

With effect from January 2022, LPPA will be adopting the process of offering the Pensions Ombudsman's Early Resolution Service in its final response letters.

This is hoped to achieve a quicker and more equitable outcome for Members, where the Member is not satisfied with the response to their initial Complaint. The Early Resolution Service is available to such Members, helping to resolve pension complaints, informally, at an early stage – avoiding, where possible, the need to follow the Internal Dispute Resolution Process.

Monthly LPPA Risk & Compliance Report:

With effect from February 2022, reporting January 2022 MI, please note that as the content of this report has grown over the past 12 months, some of the data included is not readily available within the first few days of each month. For this reason, this report will be issued within the first 2 weeks of each month.

EXECUTIVE SUMMARY

Havering LG pension administration is being carried out in compliance with the Pensions Regulator Code of Practice 14.



In December 1 complaint has been received, compared to 1 complaint in November, and Nil in October.



Nil breaches occurred in December



8 overpayments reported in December.



There are no incidents to report this month.

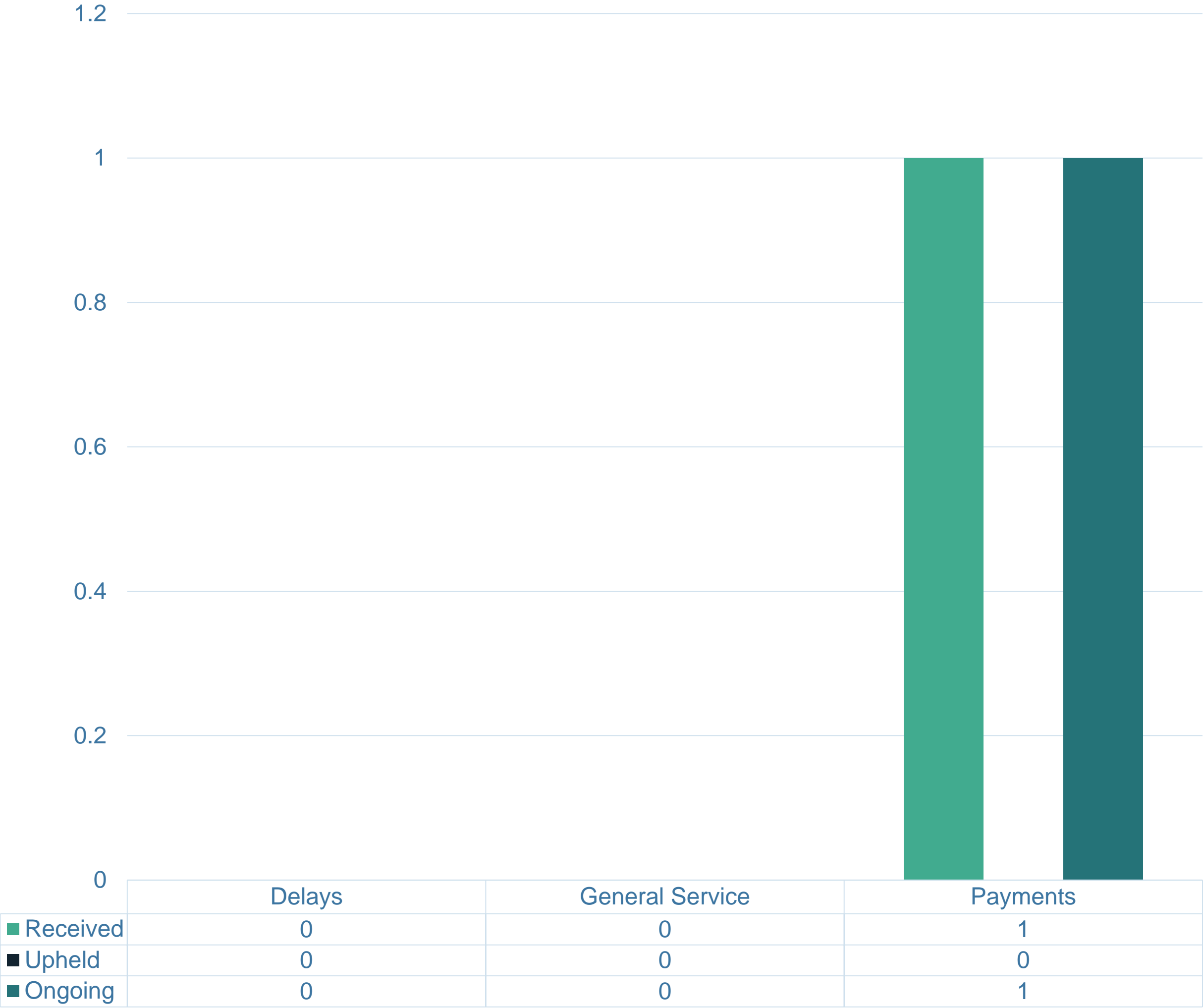


There are no risks or issues to report this month.



COMPLAINTS

Page 55



Upheld includes Partially Upheld cases

Commentary:

1 complaint received in December. The core categories are shown in the chart to the left.

The reasons for the complaint were:

Delays:	General Service:	Payments:
		Havering Council had confirmed that there was an overpayment following the death of the member then retracted this confirmation stating that in fact there was money owing to the estate, the family are not happy as they have spend time looking into the matter.



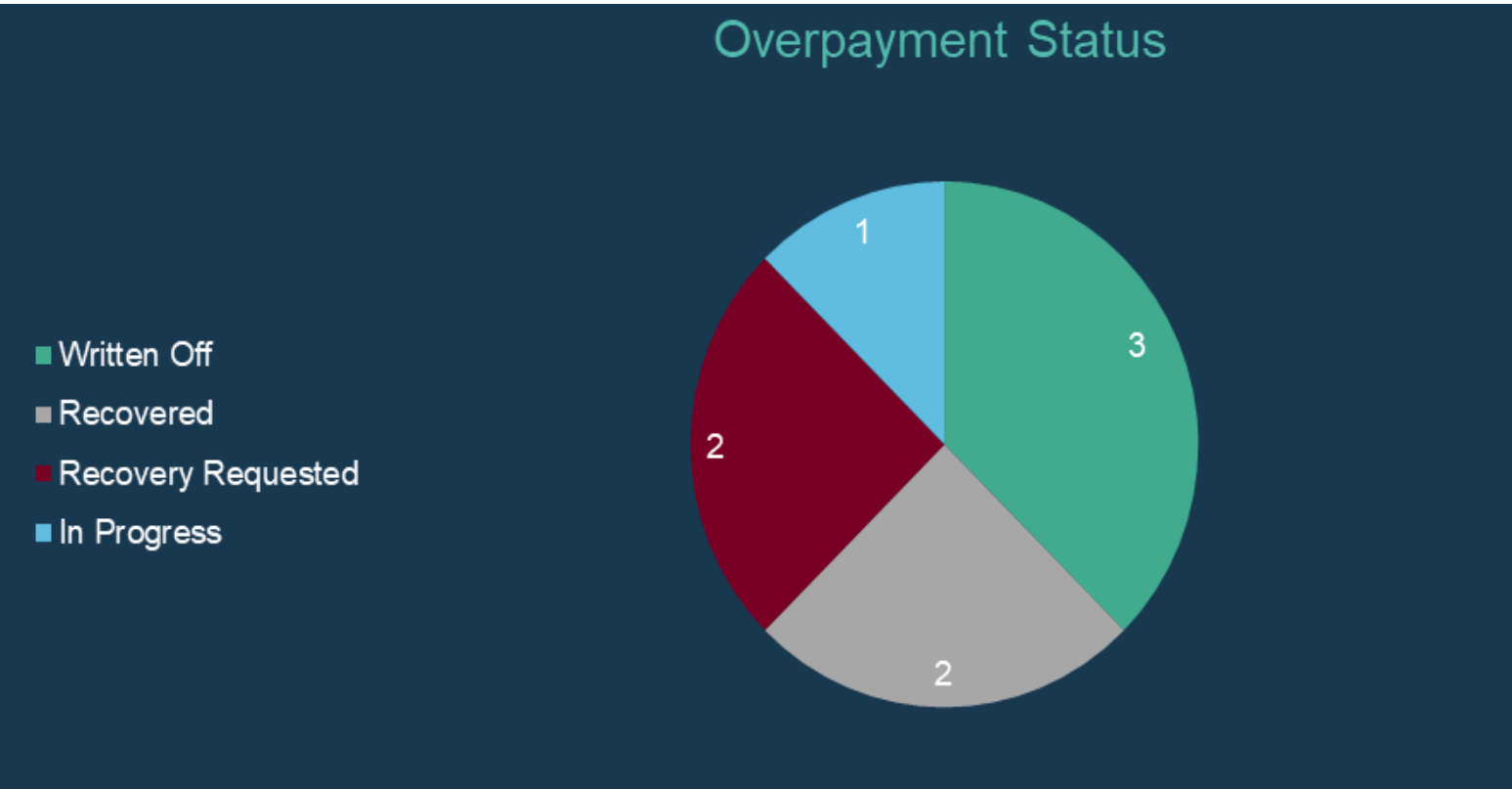
OVERPAYMENTS

Scheme: Havering
Month: December

Total Received:	8	LPP Error:	0	Total Amount:	£1,337.52	
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8 Death overpayments in December.



3 have been written off (£189.41),
2 have been recovered (£221.93),
2 have had recovery requested (£874.89), and
1 is in progress (£51.29).

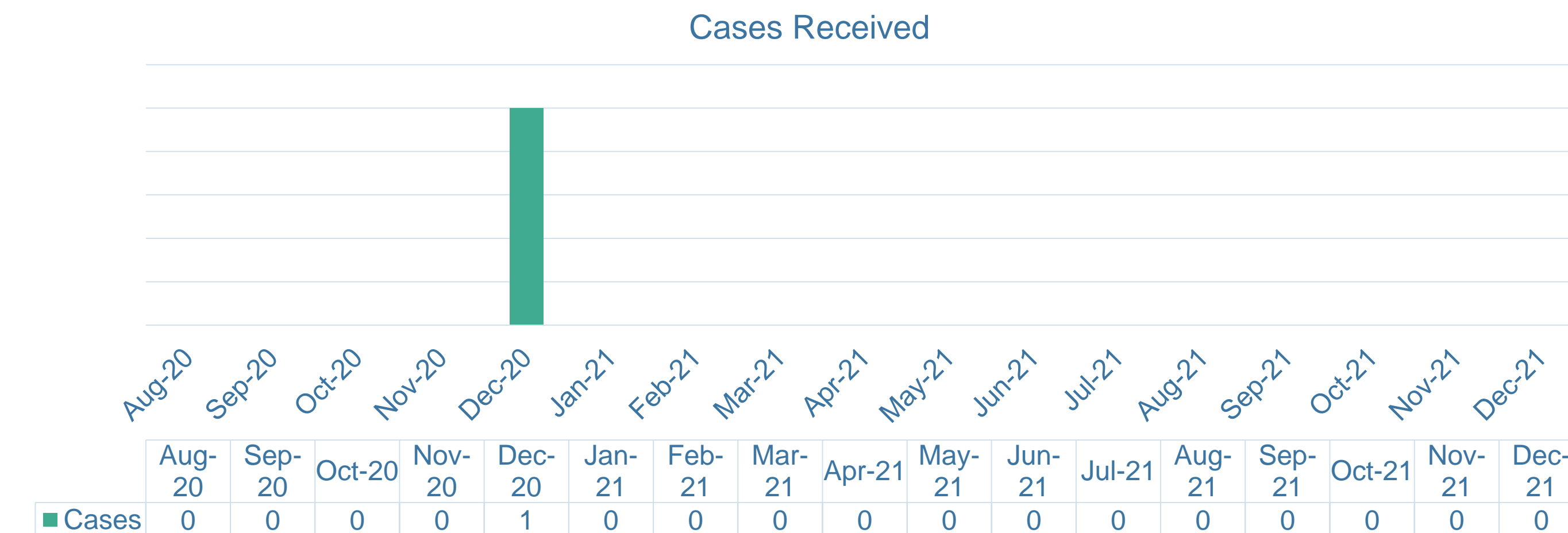


RISKS / ISSUES

Commentary:

Pension Transfer mis-selling has become the next target for Claims Management Companies. They are trying to pursue companies who processed pension transfers, going back to 2012 (and possibly earlier), where the transfer money was paid out to, what now transpires to be, an unauthorised Scheme.

Pension Scams and Pension Liberation were rife in the early 2000's and as those who followed the advice of the scammers now approach retirement, they are finding that they have no pension fund.

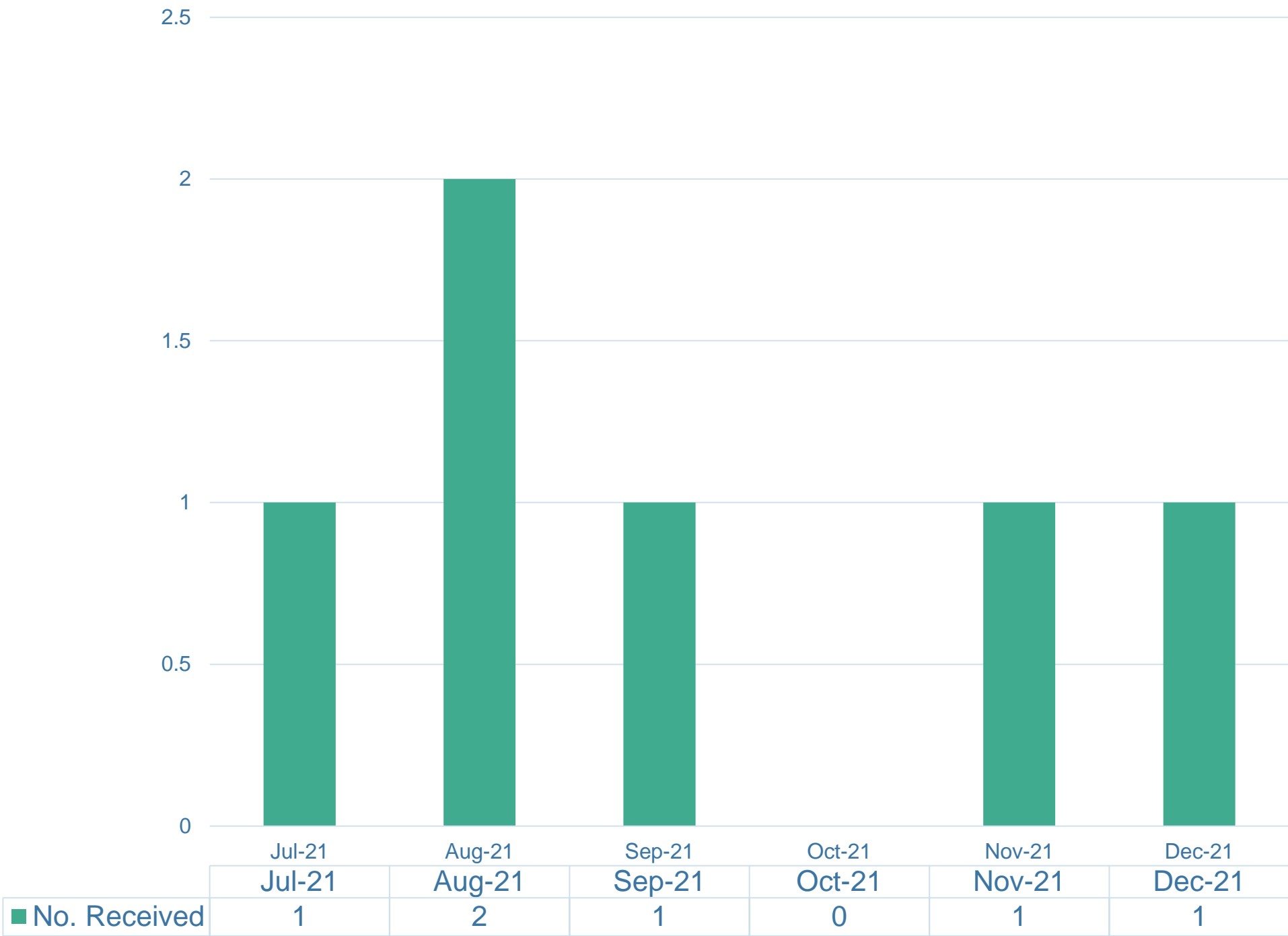


Subject Access Requests have been provided for the above case. To date no claims have been received.

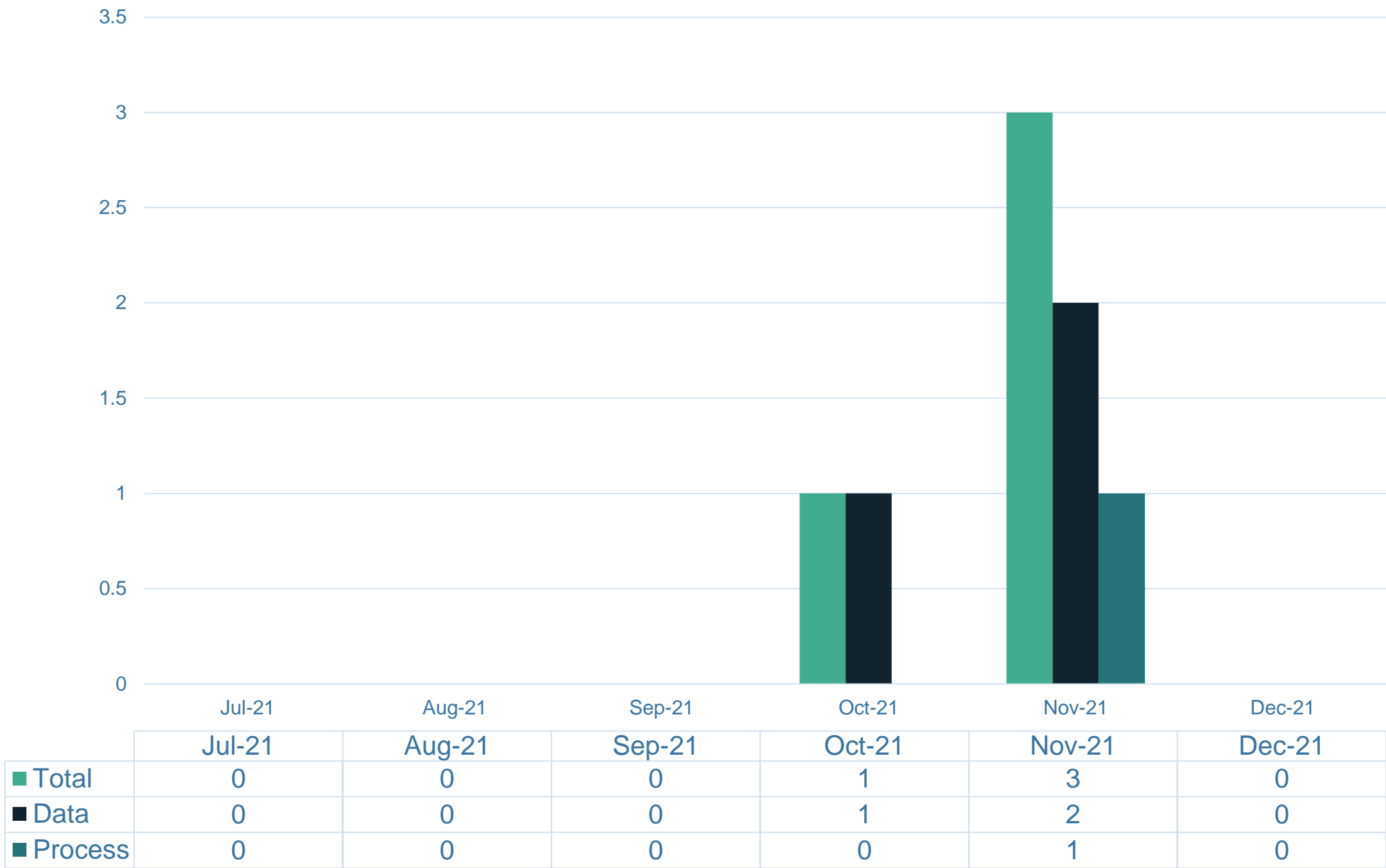
TRENDS



Complaints – No. Received



Breaches – No. Received



IMPORTANT INFORMATION

This presentation has been prepared to inform the intended recipient of information regarding LPPA Ltd only. It does not provide advice on legal, taxation or investment matters and should not be relied upon for any other purpose without seeking independent advice. No investment decisions should be based upon its statements without such advice.

No other parties may rely or make decisions based on the content of this document whether they receive it with or without consent. LPPA and its employees acknowledge no liability to other parties for its content and no representation or warranty is made, expressed or implied, as to the accuracy or completeness of the information provided. This document may not necessarily contain the information that would be provided to another party whose objectives or requirements may be different.

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LPP

Local Pensions Partnership
Administration



Annual Internal Control Assurance Report 2020/21

for the year ending 31st March 2021

August 2021

lppapensions.co.uk

03	Executive Summary
06	Report by the Head of Risk & Compliance
09	LPPA Structure
12	Control Environment
16	Control Objectives
19	Control Testing
21	Overview of Internal Audit Activity 2021/21
24	Overview of LPPA Risk & Compliance Activity 2020/21
36	Accreditations

EXECUTIVE SUMMARY

LPPA, part of the LPP Group, provides pension administration services to over 600,000 members across 1,900 employers for its 17 LGPS and blue light clients.

We deliver high-quality pensions administration services to Local Government, Police and Firefighters Pension Schemes.

EXECUTIVE SUMMARY

From the formation of LPP Group in 2016, our Pension Administration activity was managed within LPP Group (the parent company). When we formed LPP, alongside LPPI (our Investment and separate subsidiary business) we also formed the LPP Administration (LPPA) subsidiary, which had been largely dormant since. We operated with a large overlap in our Executive and Non-Executive management structures. In 2019, we decided that the best way to enable both operating businesses to flourish in the years ahead is to provide both with a similar level of focussed and independent management whilst maintaining the overarching support of the wider LPP Group. By creating focused business unit management, contained within the wider LPP capabilities, we felt able to ensure we calibrate our activities, focussing on what matters for each business unit whilst not losing the DNA that runs through LPP Group.

In June 2020, we re-formed the LPPA subsidiary, and the LPPA Board which is accountable to the LPP Board. All pensions administration staff were TUPE'd across to LPPA along with staff aligned to pensions administration in support functions such as Risk and Compliance, Finance, HR, IT and Change.

The Covid-19 pandemic created additional pressures for LPPA including unplanned peaks in some operational teams (e.g. bereavements) and new opportunities. It has accelerated the move to a more agile working environment for LPPA with all staff having the flexibility to decide, dependent on business needs, whether they return to the office in Preston or continue to work some days from home. LPPA took the decision to close its two satellite offices in Hertford and Havering with all staff moving to be permanent home workers. The pandemic has proved that flexible working can be beneficial in achieving a good work-life balance, without having any adverse impact on the services we provide.





This Report outlines the specific control objectives to support the evolution of LPPA as we move forward into the future.

LPPA's aim is to make pensions simple at a time when our members need us the most. Our scale gives us insight, which puts us in a great place to do more and do it better to be the best public sector pensions administration provider.

We are proud to provide first-class, end-to-end pensions administration services including payroll, and member and employer engagement. Our service consistently exceeds Service Level Agreements and we take a proactive approach to improving administration services across the sector, striving to become a pensions administration Centre of Excellence.

During the year 2020/21 we have developed further the strong, effective and collaborative working relationships we have with our clients. Our focus on member experience combined with working constructively with our clients and their employers enables us to drive continuous improvement in the services we offer.



REPORT BY THE HEAD OF RISK & COMPLIANCE

This Report relates to the pensions administration services provided by Local Pensions Partnership Administration Limited (LPPA).

REPORT BY THE HEAD OF RISK & COMPLIANCE



Janet Morville-Smith
Head of Risk & Compliance LPPA

In addition to the Covid-19 pandemic, an awful lot has happened during 2020/21 with the establishment of a dedicated Risk & Compliance function within the pensions administration business, and the restructure of the LPP Group. And if that wasn't enough, we also started the mammoth task of transitioning over to a new administration system (Project PACE).

Since June 2020, LPPA has come a very long way in a very short space of time. We have engaged with our staff to drive our corporate values and behaviours into everything we do and I am proud of the way our people have embraced the changes and challenges that have been thrown at them and their resolve and dedication to make LPPA the best pension administration service provider in the public sector is a testament to them.

My Quality Assurance & Compliance Monitoring team have done some exceptional work this year reviewing and testing the quality and controls in place across many areas of LPPA. Their programme of work will span the whole of the business over the coming months.

In 2020/21 the team have performed 14 compliance monitoring reviews which have identified areas where we can drive improvements in processes, practices and understanding. Inconsistencies in the operation of processes and documentation across our 17 clients were high on our list of findings, and is on the agenda to streamline as part of Project Pace.



REPORT BY THE HEAD OF RISK & COMPLIANCE



The introduction of compliance monitoring into LPPA has enabled us to assess the efficiency and effectiveness of the activities LPPA perform on behalf of our clients and drive continuous improvements in the services we provide and ultimately to enhance the member experience.

From the evidence provided by my team, Deloitte, client auditors and my own involvement within the business, I can provide full assurance to all clients who have used the pensions administration services that those services are being delivered by LPPA in compliance with the Pension Regulator's Code of Practice 14 and local government and public sector pensions legislation. In addition, I can confirm that those services are being delivered in compliance with the UK data protection and information security requirements.

This report will not omit or distort information relevant to the scope of the services being described in the Control Objectives, whilst acknowledging that it has been prepared to meet the common needs of a broad range of clients and may not therefore include every aspect of the services that each individual client may consider important in its own particular environment.

LPPA STRUCTURE

Organisational Structure

LPPA is a subsidiary of Local Pensions Partnership Limited. LPPA's head office is based in Preston and operates with staff who are either based in our Preston office, or are permanent home workers.

LPPA

LPPA provides pension administration services to LGPS Funds and other public sector schemes. We look after the needs of over 600,000 pension scheme members across a variety of schemes and industries.

As a leading third party pensions administrator, we are responsible for the pension administration services, including calculation and payment of pension benefits, data quality and member and employer engagement.

Internal Controls

The system of internal controls is based upon an ongoing process designed to identify the risks to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically.

A key element of this structure includes formally agreed, clear definitions of the responsibilities and authority delegated to individual managers across all major activities, supported by LPPA's Senior Leadership Team and the LPPA Board.

The LPPA Risk Management Framework includes the Risk Register, which maps and monitors the risks that threaten achievement of the Control Objectives and regularly reviews and tests the Controls to ensure they remain effective in managing those risks.

Governance Structure

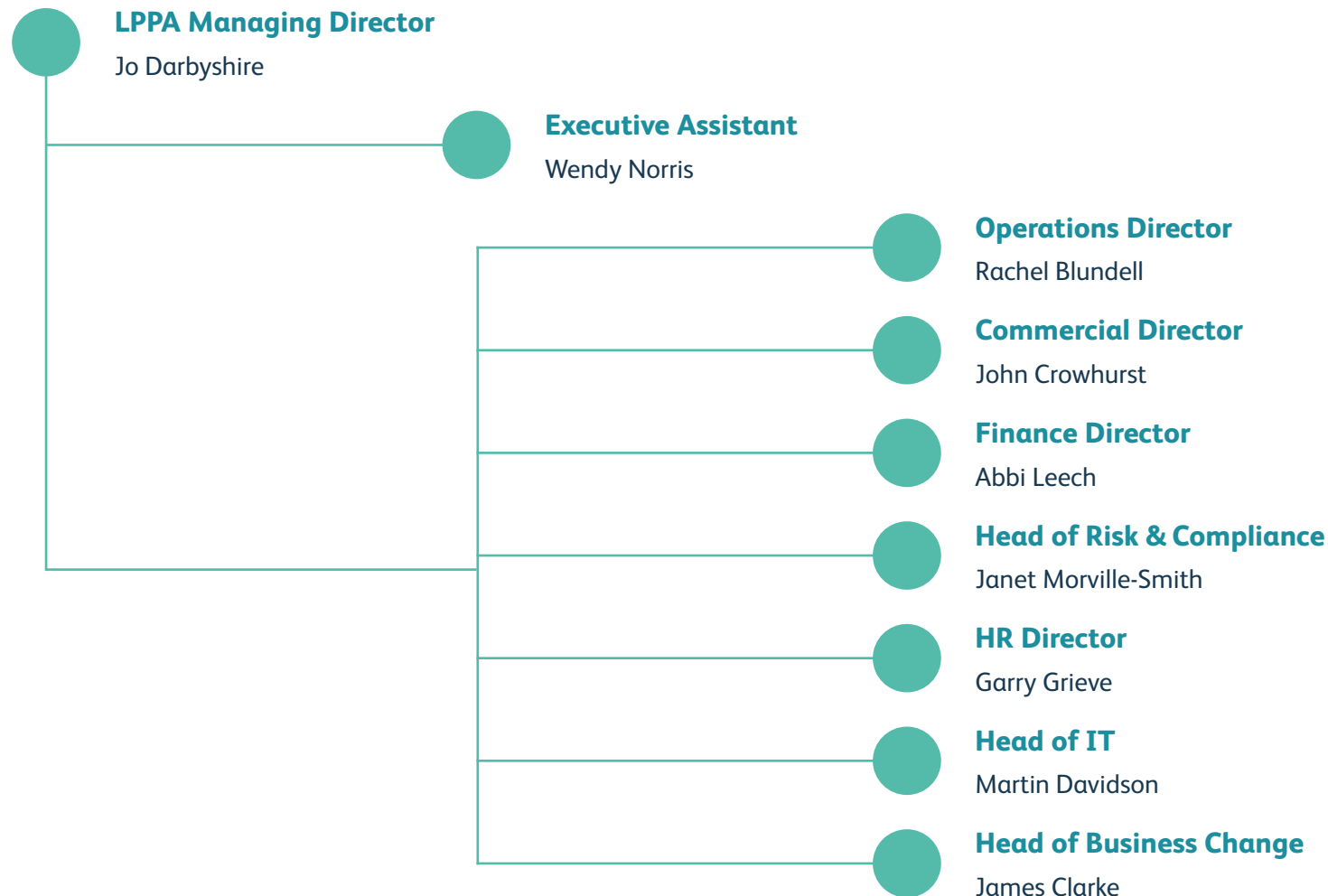
The LPPA Board is chaired by Sir Peter Rogers and includes 4 Non-Executive Directors.

The LPPA Senior Leadership Team is led by Jo Darbyshire, LPPA Managing Director, and includes Senior Executives with the appropriate skills, knowledge and expertise to achieve the strategic objectives of LPPA.

Jo Darbyshire
LPPA Managing Director



LPPA Senior Leadership Team



CONTROL ENVIRONMENT

The senior leadership team of LPPA are committed to deploying a strong control environment for pension administration services through the following measures.

Risk Management Framework

LPPA operates within a risk management framework. This framework uses a “three lines of defence” model with the administration business supported by a dedicated risk function who provide oversight and co-ordinated reporting to the Senior Leadership Team and the LPPA Board. The Risk Management Framework is responsible for ensuring that business level risks are managed effectively and that mandated policies and controls are in place and operating effectively. This covers the following areas relating to administration:

- ✓ Risk management and reporting
- ✓ Internal and external audits
- ✓ Internal control framework
- ✓ Fraud prevention
- ✓ Business continuity
- ✓ Complaints and errors
- ✓ Data Protection and Information Security



LPPA maintains a comprehensive Risk Register which covers:

- ✓ Strategic risks
- ✓ Operational risks
- ✓ Financial risks
- ✓ Commercial risks
- ✓ Risk & Compliance risks
- ✓ IT risks
- ✓ Change risks
- ✓ HR risks

These risks are reviewed on a regular basis by Risk & Compliance with the relevant business areas. We work with clients to identify and understand the key risks which apply to their schemes and how they interact with our own Risk Register so that we can identify and implement measures to effectively mitigate these risks.

Quality Assurance & Compliance Monitoring

We recognise our responsibilities to ensure that the activities of LPPA and our people are carried out properly and with the utmost propriety, and that our managers conduct their activity properly and in accordance with statutory and regulatory requirements.

To ensure administration activities are carried out competently, LPPA has a dedicated Risk & Compliance function. Integral to this function is maintaining an awareness of the external environment to ensure regulatory and legislative changes which impact us are adequately dealt with in our operations. In support of this objective, we issue a number of corporate procedural and policy documents to our staff, including: Code of Conduct; Confidentiality; Gifts and Hospitality Policy; Anti-Money Laundering Procedures; Data Protection Procedures, Vulnerable Member Policy.

The Quality Assurance & Compliance Monitoring team has implemented a programme of regular quality assurance and compliance monitoring reviews to ensure that our policies, processes and procedures are operating effectively, and they report the results of these to the senior leadership team and the LPPA Board.

Internal Audit

LPPA engaged Deloitte to perform internal audit for FY2020/21.

Compliance & Technical

Our compliance and technical teams work together to assesses the impact of legislative and/or regulatory change which may impact our clients and administration processes. Changes are communicated to staff via

technical updates and face-to-face discussions and/or training sessions. LPPA's intranet site is accessible to all administrators and provides a central reference point for technical materials, policies, procedural guidance, standard letter templates and checklists.

Where Government and/or industry bodies publish consultations on proposed legislative change, the compliance and technical teams will carry out an impact assessment and draft responses to the consultation. Where appropriate, the draft responses are shared with our clients and a round-table session is facilitated to discuss the subject matter and share thoughts so that the final response submitted by LPPA is representative of all the relevant stakeholders.

Information Security

Information Security is fundamental to the risk management strategy of the organisation and we take the protection of our information assets and those of our clients very seriously. The Head of IT is responsible for managing IT / information security and has a team of specialists to assist with the management of information security risks across LPPA. LPPA's Data Protection Officer is responsible for monitoring data confidentiality and ensuring compliance with the UK Data Protection Act 2018 and UK GDPR.

The Security Working Group (SWG) is responsible for monitoring Information Security performance on behalf of key stakeholders, and for ensuring that all IT systems and data handling are secured in line with current legislation, industry best practices and ISO 27001 standards.

CONTROL ENVIRONMENT

This is supported by a comprehensive suite of Information Security Management System policies (ISMS), which provide staff with formal guidance on how we protect our information, along with an Annual Information Security and Data Protection Awareness training programme. A range of technical controls are in place to protect our information assets, including next generation firewalls, Security Information and Event Management Software (SIEM), an Intrusion Protection System (IPS) and anti-virus software. These are supported by additional independent Penetration Tests that are carried out by CHECK/CREST approved suppliers. Information Security policies require that users must employ a complex password to access the systems and that they are forced to change their passwords at least every 90 days.

To ensure our service remains highly available and to enhance our business continuity capability, we operate a hosted tier 3 data centre environment with all critical systems and data backed up daily to tape and disk and stored securely off site, ensuring that there are multiple copies of the data available in the event of disruption

All computer systems are only accessible by authorised individuals. All users are assigned a set of unique credentials with access rights that will only allow them access to the information they need to carry out their job function. Access rights for users must be authorised by line managers and specialised technical privileges must be authorised by IT. Access to client databases is further segregated via security groups. Quarterly access reviews of user and privileged access are carried out with the relevant manager / system owner required to review and confirm they are correct.



CONTROL OBJECTIVES

CODE OF PRACTICE 14

1. Accepting clients

- Accounts are set up and administered in accordance with client agreements and applicable regulations.
- Complete and authorised client agreements are operative prior to initiating administration activity.
- Pension schemes taken on are properly established in the system in accordance with the scheme rules and individual elections.

2. Authorising and processing transactions

- Benefits payable and transfer values are calculated in accordance with scheme rules and relevant legislation and are paid on a timely basis.

3. Maintaining financial and other records

- Member records consist of up-to-date and accurate information and are updated and reconciled regularly.
- Contributions and benefit payments are completely and accurately recorded in the proper period.
- Scheme documents (deeds, policies, contracts, booklets) are complete, up to date and securely held.

4. Safeguarding Assets

- Member and scheme data is appropriately stored to ensure security and protection from unauthorised use.
- Funds are safeguarded and payments are suitably authorised and controlled.

5. Monitoring compliance

- Services provided to pension schemes are in line with service level agreements.
- Transaction errors are rectified promptly and Members treated fairly

6. Reporting to clients

- Periodic reports to participants and scheme sponsors are accurate and complete and provided within required timescales.
- Annual reports and accounts are prepared in accordance with applicable law and regulations.
- Regulatory reports are made if necessary.

INFORMATION TECHNOLOGY

7. Restricting access to systems and data

- Physical access to computer networks, equipment, storage media and program documentation is restricted to authorised individuals.
- Logical access to computer systems, programs, master data, transaction data and parameters, including access by administrators to applications, databases, systems and networks, is restricted to authorised individuals via information security tools and techniques.
- Segregation of duties is defined, implemented and enforced by logical security controls in accordance with job roles.

8. Providing integrity and resilience to the information processing environment, commensurate with the value of the information held, information processing performed and external threats

- IT processing is authorised and scheduled appropriately and exceptions are identified and resolved in a timely manner.
- Data transmissions between the service organisation and its counter parties are complete, accurate, timely and secure.
- Appropriate measures are implemented to counter the threat from malicious electronic attack (for example firewalls and anti-virus software).
- The physical IT equipment is maintained in a controlled environment.

9. Maintaining and developing systems hardware and software

- Development and implementation of new systems, applications and software, and changes to existing systems, applications and software, are authorised, tested, approved and implemented.
- Data migration or modification is authorised, tested and, once performed, reconciled back to the source data.

10. Recovering from processing interruptions

- Data and systems are backed up regularly, retained offsite and regularly tested for recoverability.
- IT hardware and software issues are monitored and resolved in a timely manner.
- Business and information systems recovery plans are documented, approved, tested and maintained.

11. Monitoring compliance

- Outsourced activities are properly managed and monitored.

DATA PROTECTION / GDPR

12. Data Security

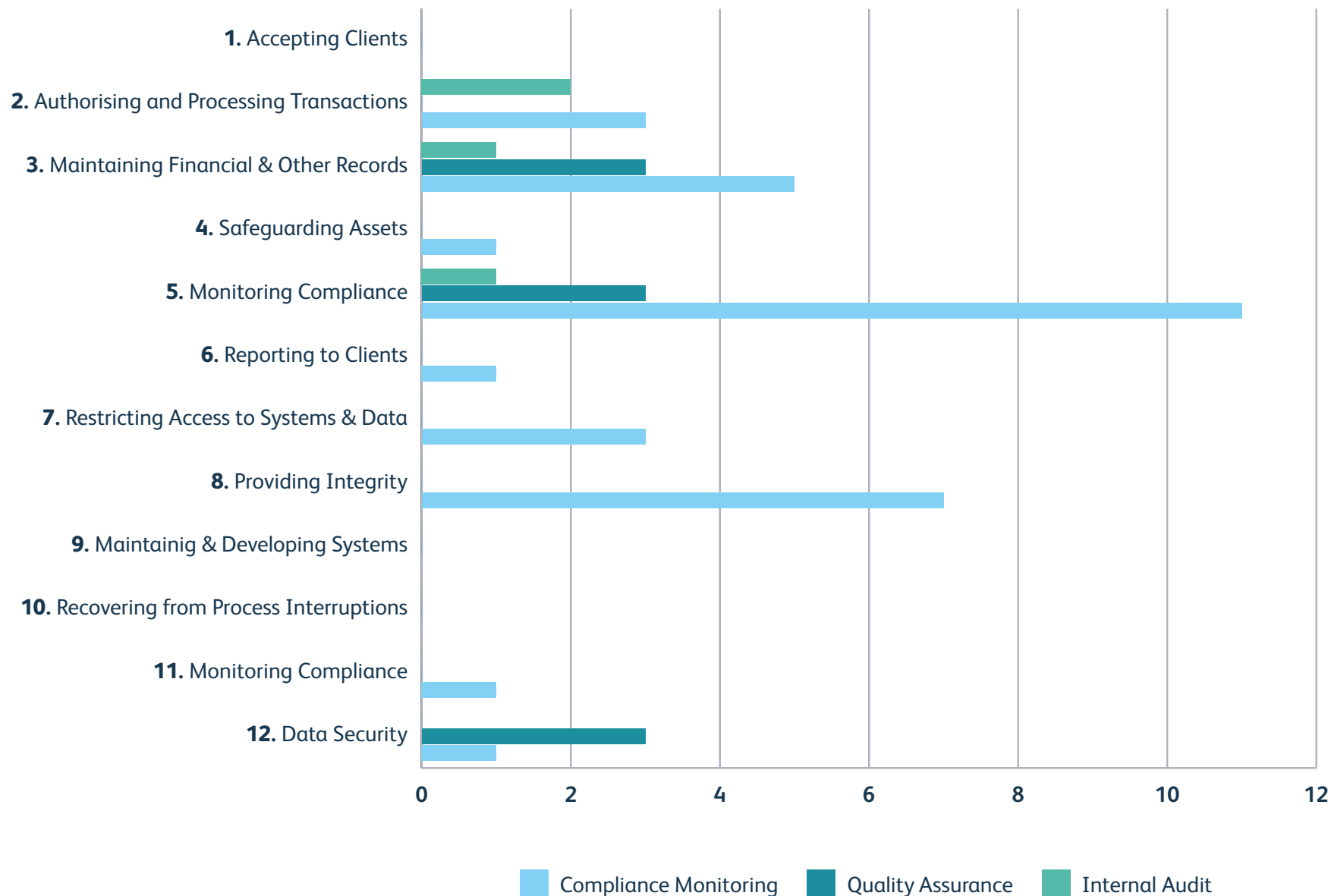
- Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.

CONTROL TESTING

**The control objectives have been tested during
2020/21 via the following methods.**

CONTROL TESTING

Page 80
No. of controls tested



OVERVIEW OF INTERNAL AUDIT ACTIVITY 2020/21

The internal audit activity to assess the control objectives for the financial year ended 31 March 2021 in regard to pension administration processes was undertaken by Deloitte.

OVERVIEW OF INTERNAL AUDIT ACTIVITY 2020/21

Deloitte were engaged to focus on assessing the design adequacy, implementation and operating effectiveness of key controls mitigating certain risks within the operational pension administration business.

The focus of the Audits of operational pension administration in FY20/21 have been around the calculations and payments of benefits to members, in particular, Transfer Values, Retirement and Death Benefits, the quality of the data received from Employers and recorded onto the Member records and the quality assurance of the processes.

Audits Conducted by Deloitte:

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Control Objective 2 – Authorising and Processing Transactions		
Audit	Controls	Exceptions (if any)
Benefit Administration	Benefits payable and transfer values are calculated in accordance with scheme rules and relevant legislation and are paid on a timely basis	No Exceptions

Control Objective 3 – Maintaining Financial and Other Records		
Audit	Controls	Exceptions (if any)
Data Quality	Member records consist of up-to-date and accurate information and are updated and reconciled regularly. Contributions and benefit payments are completely and accurately recorded in the proper period. Investment transactions, balances and related income are completely and accurately recorded in the proper period	No Exceptions

OVERVIEW OF INTERNAL AUDIT ACTIVITY 2020/21

Control Objective 2 – Authorising and Processing Transactions Control Objective 5 – Monitoring Compliance

Audit	Controls	Exceptions (if any)
Benefit Administration – Quality Assurance and on hold process	Services provided to pension schemes are in line with service level agreements. Transaction errors are rectified promptly and clients treated fairly.	Improvements were identified in the checking process which LPPA were already aware of and plans had been put in place to change the process accordingly.

OVERVIEW OF LPPA RISK & COMPLIANCE ACTIVITY 2020/21

This section contains details of the quality assurance and compliance monitoring activity for the financial year ended 31 March 2021 in regard to pension administration processes.

OVERVIEW OF LPPA RISK & COMPLIANCE ACTIVITY 2020/21

Reviews Conducted by LPPA's Quality Assurance & Compliance Monitoring Team:

For the FY20/21 LPPA's Quality Assurance & Compliance Monitoring Team have performed 3 quality assurance reviews on a monthly basis and 14 compliance monitoring reviews.

The remit of the Quality Assurance & Compliance Monitoring team is to ensure that LPPA administers pensions on behalf of it's Clients to the highest standards and in compliance with all rules and regulations that apply to a pension administration business, which includes the pensions legislation, the Pensions Regulator's Code of Practice 14 and Data Security to name but a few. The assessment of this tests the processes and procedures to ensure the appropriate controls are in place to mitigate risks to both LPPA and to the Client, as well as ensuring the LPPA values are being met which together drive a good customer experience.

The definition of Quality Assurance and Compliance Monitoring is:

Quality Assurance	Compliance Monitoring
Purpose: To drive business/process improvements Objective: An internal Management Tool	
Quality Assurance provides an early warning of any procedural/ skills/training gaps	Compliance Monitoring focuses on a process or business area to identify any efficiencies or drive continuous improvement



Quality Assurance

Control Objective 3 – Maintaining Financial and Other Records
Control Objective 5 – Monitoring Compliance
Control Objective 12 – Data Security

Review	Controls	Exceptions (if any)
<p>Helpdesk Calls</p> <p>Helpdesk Emails</p> <p>Check The Checker</p>	<p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Contributions and benefit payments are completely and accurately recorded in the proper period.</p> <p>Investment transactions, balances and related income are completely and accurately recorded in the proper period.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	<p>Process improvements and knowledge gaps identified which are being addressed through the introduction of monthly team training sessions</p>

Compliance Monitoring

Control Objective 2 – Authorising and Processing Transactions • **Control Objective 3** – Maintaining Financial and Other Records
Control Objective 4 – Safeguarding Assets • **Control Objective 5** – Monitoring Compliance
Control Objective 7 – Restricting Access to Systems and Data
Control Objective 8 – Providing integrity and resilience to the information processing environment, commensurate with the value of the information held, information processing performed and external threat
Control Objective 12 – Data Security

Review	Controls	Exceptions (if any)
Payroll Process	<p>Benefits payable and transfer values are paid on a timely basis.</p> <p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Benefit payments are completely and accurately recorded in the proper period.</p> <p>Funds are safeguarded and payments are suitably authorised and controlled.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Physical access to computer networks, equipment, storage media and program documentation is restricted to authorised individuals.</p> <p>Segregation of incompatible duties is defined, implemented and enforced by logical security controls in accordance with job roles.</p> <p>Data transmissions between the service organisation and its counter parties are complete, accurate, timely and secure.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	<p>Standardisation of processes and enhancement to controls were identified and implemented.</p> <p>Control enhancements included the introduction of a second check stage prior to payment release and team training to remove a key person dependency.</p>

OVERVIEW OF LPPA RISK & COMPLIANCE ACTIVITY 2020/21

Control Objective 2 – Authorising and Processing Transactions • **Control Objective 3** – Maintaining Financial and Other Records
Control Objective 4 – Safeguarding Assets • **Control Objective 5** – Monitoring Compliance
Control Objective 7 – Restricting Access to Systems and Data
Control Objective 8 – Providing integrity and resilience to the information processing environment, commensurate with the value of the information held, information processing performed and external threat
Control Objective 12 – Data Security

Review	Controls	Exceptions (if any)
Overpayments	<p>Benefits payable and transfer values are calculated in accordance with scheme rules and relevant legislation and are paid on a timely basis.</p> <p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Benefit payments are completely and accurately recorded in the proper period.</p> <p>Funds are safeguarded and payments are suitably authorised and controlled.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Physical access to computer networks, equipment, storage media and program documentation is restricted to authorised individuals.</p> <p>Segregation of incompatible duties is defined, implemented and enforced by logical security controls in accordance with job roles.</p> <p>Data transmissions between the service organisation and its counter parties are complete, accurate, timely and secure.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	<p>Automation of case review reminders was recommended as an improvement to the process to ensure no cases are overlooked due to a requirement for manual intervention.</p>

OVERVIEW OF LPPA RISK & COMPLIANCE ACTIVITY 2020/21

Control Objective 3 – Maintaining Financial and Other Records
Control Objective 5 – Monitoring Compliance
Control Objective 12 – Data Security

Review	Controls	Exceptions (if any)
Helpdesk Call Handling	<p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	<p>Call opening and closing scripts introduced to ensure consistency and improve data protection checks and validation that data held is up to date.</p>
Helpdesk Email Enquiry Handling	<p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	<p>Inconsistency of manner and format of responding to enquiries. A standardised email template was introduced.</p>

OVERVIEW OF LPPA RISK & COMPLIANCE ACTIVITY 2020/21

Control Objective 3 – Maintaining Financial and Other Records
Control Objective 5 – Monitoring Compliance
Control Objective 12 – Data Security

Review	Controls	Exceptions (if any)
Aggregation	<p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	<p>Improvements were identified in the procedure notes and member correspondence.</p> <p>A record keeping issue was identified which if not addressed could have had an adverse impact on the McCloud remedy work.</p>

Control Objective 5 – Monitoring Compliance
Control Objective 9 – Maintaining and developing systems hardware and software

Review	Controls	Exceptions (if any)
Survey Responses	<p>Clients are treated fairly.</p> <p>Development and implementation of new systems, applications and software, and changes to existing systems, applications and software, are authorised, tested, approved and implemented.</p>	<p>A marked reduction in survey responses was identified by the business. This Review revealed that the survey was not correctly configured and therefore members were not able to respond.</p>

OVERVIEW OF LPPA RISK & COMPLIANCE ACTIVITY 2020/21

Control Objective 3 – Maintaining Financial and Other Records Control Objective 5 – Monitoring Compliance Control Objective 12 – Data Security		
Review	Controls	Exceptions (if any)
DPA Fails	<p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	<p>The use of the disposition 'DPA Fails' was found to be incorrectly used and as a result has been removed.</p>
Control Objective 3 – Maintaining Financial and Other Records Control Objective 5 – Monitoring Compliance Control Objective 12 – Data Security		
Complaint Handling	<p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	<p>Complaint categorisation process implemented to speed up turn around times. Template final response letter developed.</p>

OVERVIEW OF LPPA RISK & COMPLIANCE ACTIVITY 2020/21

Control Objective 3 – Maintaining Financial and Other Records • Control Objective 5 – Monitoring Compliance Control Objective 11 – Monitoring Compliance • Control Objective 12 – Data Security		
Review	Controls	Exceptions (if any)
FCS Post	<p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Outsourced activities are properly managed and monitored.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	No exceptions.
Control Objective 3 – Maintaining Financial and Other Records Control Objective 5 – Monitoring Compliance Control Objective 12 – Data Security		
Review	Controls	Exceptions (if any)
Helpdesk First Contact Resolution	<p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	The definition and process for first contact resolution was not fully documented.

OVERVIEW OF LPPA RISK & COMPLIANCE ACTIVITY 2020/21

Control Objective 2 – Authorising and Processing Transactions • **Control Objective 3** – Maintaining Financial and Other Records
Control Objective 4 – Safeguarding Assets • **Control Objective 5** – Monitoring Compliance

Control Objective 7 – Restricting Access to Systems and Data

Control Objective 8 – Providing integrity and resilience to the information processing environment, commensurate with the value of the information held, information processing performed and external threat

Control Objective 12 – Data Security

Review	Controls	Exceptions (if any)
Bereavements	<p>Benefits payable and transfer values are calculated in accordance with scheme rules and relevant legislation and are paid on a timely basis.</p> <p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Benefit payments are completely and accurately recorded in the proper period.</p> <p>Funds are safeguarded and payments are suitably authorised and controlled.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Physical access to computer networks, equipment, storage media and program documentation is restricted to authorised individuals.</p> <p>Segregation of incompatible duties is defined, implemented and enforced by logical security controls in accordance with job roles.</p> <p>Data transmissions between the service organisation and its counterparties are complete, accurate, timely and secure.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	<p>Process review recommended to drive consistency across all clients.</p> <p>Process notes are old and should be reviewed and updated where appropriate.</p> <p>A review of the short term injury pension process for police & fire was instigated to remove inconsistencies.</p>

OVERVIEW OF LPPA RISK & COMPLIANCE ACTIVITY 2020/21

Control Objective 3 – Maintaining Financial and Other Records • Control Objective 5 – Monitoring Compliance Control Objective 12 – Data Security

Review	Controls	Exceptions (if any)
Helpdesk Complaint Handling	<p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	Member minor dissatisfaction is not being recorded and reported.

Control Objective 3 – Maintaining Financial and Other Records • Control Objective 5 – Monitoring Compliance Control Objective 6 – Reporting to Clients • Control Objective 12 – Data Security

Review	Controls	Exceptions (if any)
Accounting for Tax & Event Reporting	<p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Transaction errors are rectified promptly and clients treated fairly.</p> <p>Periodic reports to participants and scheme sponsors are accurate and complete and provided within required timescales.</p> <p>Regulatory reports are made if necessary.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	<p>Procedure guides require updating.</p> <p>Consideration to be given to improving reporting format to flag duplicate/incorrect data.</p> <p>Inconsistencies identified within services provided to clients.</p>

OVERVIEW OF LPPA RISK & COMPLIANCE ACTIVITY 2020/21

Control Objective 3 – Maintaining Financial and Other Records

Control Objective 5 – Monitoring Compliance

Control Objective 6 – Reporting to Clients

Control Objective 8 – Providing integrity and resilience to the information processing environment, commensurate with the value of the information held, information processing performed and external threat

Control Objective 12 – Data Security

Review	Controls	Exceptions (if any)
Bulk Data	<p>Member records consist of up-to-date and accurate information and are updated and reconciled regularly.</p> <p>Services provided to pension schemes are in line with service level agreements.</p> <p>Clients are treated fairly.</p> <p>Periodic reports to participants and scheme sponsors are accurate and complete and provided within required timescales.</p> <p>Data transmissions between the service organisation and its counterparties are complete, accurate, timely and secure.</p> <p>Processing, storing and transmission of personal data is defined, implemented and enforced by security controls in accordance with job roles.</p>	<p>Identified the need to consider automation to remove the risks with manual intervention and key person dependencies.</p>

ACCREDITATIONS

ACCREDITATIONS

LPPA will continue to maintain the following accreditations in support of its control assurance framework.

Title	Expiry
ISO 27001	LPPA re-certification due in September 2021
Cyber Essentials	Re-certification successful in July 2021



Local Pensions Partnership
Administration

lppapensions.co.uk

This Internal Control Assurance
Report will be issued annually
covering the previous financial year.

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Pension Fund Risk Register

Havering

September 2021

Post LPB 28.09.21

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 Risk Likelihood/Impact score shows in the column “Risk Likelihood/Impact Prior to controls” and the column “Risk Likelihood/Impact Post Controls”. 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.

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

Risk Likelihood

F = Very Unlikely

E = Unlikely

D = Possible

C = Likely

B = Very likely

A = Certainty

Risk Impact

4 = Negligible

3 = Moderate

2 = Serious

1 = Major

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
RISK TITLE								
No 1. Risk of Inaccurate three yearly actuarial valuation								
Upper Level: S151 Officer/Director of Exchequer and Transactional Services								
1.1	Lower Levels: PFM	Inappropriate assumptions used by actuary in calculations for valuation.	Inappropriate investment risk may be adopted and deficit not reduced.	B/2	Assumptions for valuation are in compliance with regulation.	E/3		
					Actuarial assumptions are open to challenge by officers			
					Valuation results are checked for consistency across LGPS funds via GAD S13 report.			
					Local Government benchmarking/comparisons of assumptions.			
		Potential for Council Tax increases to plug funding gap.			Valuation completed by a qualified professional actuary.			
					Robust, open procurement process in place for appointment of actuary.			Next Actuary procurement due 2023 or if current contract extended in 2025
					Annual review of actuary performance undertaken by Pensions Committee.		Service Review submitted to Pensions Committee 09 November 2021	

Pension Fund Risk Register oneSource – Havering

Appendix A

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Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
1.2	PFM/CMO	Poor quality data provided /personal data not maintained (gaps/incorrect)	Poor quality or Incomplete data could result in an Increase to employer contributions/ inappropriate contribution percentages calculated.	B/2	Data cleansing/Controls in place to ensure accuracy and completeness of data.	E/3		
					Annual Data Improvement plan implemented with agreement from LPPA and regular checking of the Pensions Regulator data scores to identify areas to be fed into the plan			
					Pensions Administration Strategy implemented with effect from 01/10/21 to clarify employer responsibilities regarding data accuracy and timeliness			
RISK TITLE								
No 2. Risk of Incorrect / Inappropriate Investment Strategy								
Upper Level:S151 Officer								
2.1	Lower Levels: PFM	Lack of or poor professional investment advice given or not taken	Potential for financial loss.	C/2	Investment Advisor appointed to advise the Fund and is instrumental in setting Investment Strategy.	D/3		
			Loss of investment opportunities and adverse performance.					
			Growth opportunities are not maximised.					

Pension Fund Risk Register oneSource – Havering

Appendix A

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
2.2	PFM	Poor governance of Investment Advisor	Potential for financial loss.	C/2	Robust, open procurement process in place for appointment of Investment Advisor.	E/3		
					Investment Advisor performance is annually reviewed by the Pensions Committee and conforms to Competitive Markets Order.			
					Option to appoint an Independent advisor to undertake a health check and add robustness to the investment strategy as required.			
2.3	PFM	Lack of understanding and awareness (Pension Committee)	More investment risk may be taken to bridge a gap that does not actually exist and could generate inefficiencies and unintended risks if not fully understood.	C/2	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 & LPB - Training / Awareness ongoing - working towards full compliance	

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Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
							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 taken to bridge a gap that does not actually exist.	C/2	Investment strategy /risks continually assessed as part of the quarterly monitoring process by the Pensions Committee. Diverse portfolio to reduce concentration.	E/3		
2.5	PFM	Based upon inaccurate actuarial valuation.	Pension deficit not reduced and potential for Council Tax increases.	C/2	Liabilities analysed during inter-valuation period in addition to every three years. Close working relationship is encouraged between actuaries and investment advisor in the development of the investment strategy.	E/3		

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
RISK TITLE								
No 3. Risk of Failure of Investments to Perform In-Line with Growth Expectations								
Upper Level: S151 Officer								
3.1	Lower Levels: PFM	Poor Fund Manager selection.	Potential for losses to be incurred.	C/2	Fund Manager selection now undertaken by LCIV. Product reviews and due diligence undertaken by Investment Advisor before the Fund invests. Robust, Fund Manager selection process in place (Non LCIV where required)	E/3		
			Reputational risk from poor investments.					
3.2	PFM	Underperformance by Fund Manager (Non-LCIV).	Deficit reduction targets not met/Increased employer contributions.	C/2	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.	C/2	Investment Advisor performance is annually reviewed by the Pensions Committee and close working relationship maintained with officers.	D/3	Service Review submitted to Pensions Committee 09 November 2021	
3.4	PFM	Negative financial market impacts/external factors/increased market volatility (i.e. 2008)/uncertainty	Economy downturn could result in general fall in investment values.	C/2	Diverse portfolio to reduce effects from market volatility.	D/3		
					Close monitoring of Markets by the Fund's investment Advisor in particular during COVID19 pandemic			
					Investment Advisor produces monthly market updates.			

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		of Brexit, COVID 19 Pandemic.						
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.	C/2	Investment advisor/Pensions Committee and officers review fund performance and asset class targets quarterly.	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.	C/2	Robust processes in place to ensure capital calls are funded in a timely manner.	D/4		
3.7	PFM	Underperformance of LCIV Fund manager. Failure to achieve Asset Under Management Target.	The fund's assets are not sufficient to meet its long term liabilities.	C/2	Monitoring meetings are held with Officers from Havering and LCIV client relations team regularly.	D/3		
					LCIV arrange regular meet the manager sessions that is open to Officers and Committee members.			
					LCIV run monthly business meetings to ensure the Fund is up to date with LCIV events. Summaries are reported back to the Pensions Committee quarterly.			
					LCIV attend Pension Committee, as part of the reporting cycle, to report			

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Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
					on sub fund manager performance and LCIV updates. Open to challenge by the Committee and Fund Advisor.			
			Annual development charges may not decrease in line with MTFs expectations.		Development charges are reported at the LCIV General Shareholder meetings - attended and challenged by shareholder reps i.e. Councillors from each borough.			
3.8	PFM	Fund Managers – noncompliance to the Code of Transparency.	Failure to disclose full management fees in the Pension Fund Annual Report and accounts.	C/3	Fund Managers complete the Code of Transparency compliance template annually.	D/3	Code of Transparency data sent to Investment Consultant for guidance on interpretation of data and further analysis.	
					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.	C/2	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/2	Monitor issuance of new TCFD reporting requirements.	

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
Page 108					Investment beliefs incorporated as part of the ongoing implementation of investment strategy and the Committee have made a number of decisions to switch to less carbon intensity products.			
					The Pensions Regulator has set up a working party to consider guidance for pension schemes. The SAB is also expected to incorporate climate change considerations into its guidance for LGPS funds during 2020.		To monitor on – going discussions between tPR and Government regarding Climate Change and expected guidance.	Following issuance of guidance, the Committee could consider actions including: <ul style="list-style-type: none"> •Further training •Measuring exposure to and reporting. •Escalating engagement with investee companies on climate-related topics.
3.10	PFM	Risk that MATS Consolidate existing Pension Fund memberships funded within various Local Authorities into a	If a request to transfer out from the Fund is granted by MHCLG, this could set a precedent for the	C/2	The Fund has responded to the consultation issued by MHCLG (now DLUHC) opposing the transfer on the grounds of the wider risks faced by the Fund.	C/2	To monitor DLUHC actions re Transfer request from Oasis Community Learning.	
							To ensure contact with the Actuary	

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
Page 109		Pension Fund outside Havering.	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 liabilities would transfer out if all existing MATS followed precedent		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.		regarding transfers and exit valuations.	

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
RISK TITLE								
No 4. Risk of Failure to comply with Legislative requirements								
Upper Level for All Risks S151 Officer/Director of Exchequer and Transactional Services								
4.1	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.	C/1	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.			
					External and in house training provided where required. Continual personal development for all Committee/LPB members and Officers.		Personal development for all Committee/LPB members and officers is on-going	

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
Page 111							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.	B/2	Experienced personnel in place at present.	D/2	One Source is undergoing a Transformation exercise that will be addressing succession issues.	
4.3	PFM/CMO	Failure/inability to administer the pension scheme in accordance with regulations.	Non-compliance could result in an adverse external audit report.	C/2	Local Pension Board in place to oversee adherence to the Regulations and guidance.	E/3		
					tPR undertook a review of the Fund's day-to-day practices and operations in 2019 with no overall concerns and			

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
Page 112					officers have since implemented recommendations arising from their review.			
					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.			
RISK TITLE								
No 5. Risk of inability to Manage/Govern the Pension Fund and Associated Services.								
Upper Level for all Risks: S151 Officer/Director of Exchequer and Transactional Services.								
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).	Negative impacts upon service provision. Potential for Time delays and . Increased costs due to “buying in” external expertise.	B/2	The London Borough of Havering delegated the pension administration service to Lancashire County Council who have engaged the Local Pensions Partnership Administration (LPPA) to undertake their pension portfolio.	D/2	Succession planning scheduled for key personnel.	
					LPPA have case type dedicated teams to ensure expertise is maintained			
					Continuous pension training for LPB, Pensions Committee members and staff.			

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Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
		No knowledge base to store experiences/information.			Participates in the CIPFA Pensions Network/ Peer forums to share knowledge & awareness.			
					Onesource has introduces a knowledge sharing platform (the Finance Academy)			
					Guidance from external agencies (some will be at a cost).			
					Members of Local Authority Pensions Web.			
5.2	PFM	LCIV resourcing – LCIV staff turnover.	Undermines investor confidence in the LCIV.	C/2	Continued monitoring of LCIV in place.	D/3		
5.3	PFM/CMO	ICT failure/Disaster Recovery.	Loss of infrastructure. Failure of all ICT services.	B/1	ICT/ Disaster Recovery in place. Constant security upgrades to computer systems at both Havering, Pensions & Treasury and LPPA.	D/3		
					Implementation of COVID-19 working restrictions has maintained service continuity.			
					Use protected portals to send personal information.			
					Internal Firewalls recommended.			
					GDPR good practice is undertaken.			
5.4	PFM/CMO	Cyber Security Risk.	Ransomware risk.	B/1	Internal Audit for oneSource Cyber Security carried out in Oct 2018.	D/3		

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Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
					LPPA hold a current Cyber Essentials Certificate, issued 13/07/2021. They also undertake regular penetration testing with a CREST accredited company with any vulnerabilities being remediated			
5.5	PFM/CMO	Functionality of Oracle Cloud causes pension fund system issues.	Pension Fund Accounts system malfunction.	C/2	Oracle team aware of Pension fund system requirements.	D/2	Monitoring ongoing with regard to system reconciliations and balance sheet requirements.	
					Systems tested at each stage of implementation. Pension Finance Staff undertook testing of General Ledger Revenue codes.			
5.6	CMO	Poor Pension fund administration by the outsourced service LPPA.	Service Delivery failure leading to client/customer complaints and Reputational damage.	B/1	Formal agreement in place with administrator, including SLA's.	E/3		
					CMO in post to monitor the administration work of LPPA.			
					Service is subject to external auditor report of pension's admin processes. LPPA supply an annual internal assurance report where the control objectives link in to the Pensions Regulator Code of Practice 14.			
5.7	CMO	Poor administration by the employers/payroll	Service delivery failure leading to client/customer complaints and	C/2	Local Pension Board is in place to assist the administering authority in effective and efficient governance of the Havering Pension Fund.	E/3		

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
Page 115		providers in the fund.	Reputational damage.		Pensions Administration Strategy in place to clarify the responsibilities of scheme employers and provide timescales for the submission of data.			
					LPPA have a programme of employer training and a dedicated employer engagement team to provide support.			
					CMO maintains regular contact with scheme employers to provide support			
			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.			
					Data cleanse checks undertaken as part of the year end pensions administration process			
					Annual data improvement plan implemented with agreement from LPPA and regular checking of the Pensions Regulator data scores to identify areas to be fed into the plan			
			Pension costs and payments delayed or incorrect.		Monthly reconciliations to monitor cash flow carried out.			
					CMO monitors benefit payments from the Fund			
			Admission agreements not		Employer onboarding process in place Service handover completed when		Strengthen the process for	

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			completed by the transfer date.		process of admitting bodies to the fund transferred from LPPA to in-house on 1 April 2021.		onboarding new employers and Bond reviews.	
					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.	C/2	Pension Fund accounts subject to external audit.	E/3		
					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.	C/3	The Council has in place a complaints system to address complaints via the website that goes all the way up to the pension's ombudsman.	E/3		

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Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
5.10	PFM/CMO	Excessive charges by suppliers.	Fund incurring unnecessary costs.		The Pension Fund has a communications strategy that is updated annually and reviewed every 3 years. The strategy is reviewed by the local pensions board and approved by the pensions committee			
					LPPA has an LGPS dedicated website that contains all relevant information for scheme members and employers.			
					The Fund has a pensions dedicated page within the Havering Council website where fund specific information is published and the Fund publishes an Annual Report			
5.11	CMO	The Data migration from Altair to UPM (Universal Pensions Management) in September 2022 is not complete and accurate.	Member's records may not be accurate which would leave LPPA unable to calculate the correct level of pension benefits.	B/1	LPPA have a dedicated project team and robust project plan in place that includes rigorous testing of data migration and calculations.	D/2	LPPA are providing regular updates to clients and employers as to the progress of the project.	
					The project risk register has been presented to the local pensions board			

Risk No.	Risk Owner	Details of Risk	Consequences (Effect) of not addressing the risk	Risk Likelihood/ Impact prior to Controls	Controls/Mitigations	Risk Likelihood/ Impact post Controls	Actions/ Recommendations	Review of Actions taken to date and further actions identified
RISK TITLE No 6. Risk of failure to on board or exit employers/members effectively.								
Upper Level for all Risks:S151 Officer/Director of Exchequer and Transactional Services								
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.	C/2	Monthly contribution schedules maintained by the Havering Pensions Team.	E/3		
					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.			
					Pensions Administration Strategy in place to clarify the responsibilities of scheme employers and provide timescales for the submission of contribution payments.			
		Late payments of pension benefits.			CMO works closely with LPPA. Carries out spot checks to review LPPA work on a regular basis.			
					Pensions Administration Strategy in place to clarify the responsibilities of scheme employers and provide timescales for the submission of data			

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			Adverse External Audit Opinion on internal controls.		Service handover completed when process of admitting bodies to the fund transferred from LPPA to in-house on 1 April 2021.			
					LPPA performance report presented to the Local Pension Board at every meeting.			
					Escalation to Heads of Service where required.			
6.2	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.	C/2	Script in place to deliver to new Academy employers, with feedback process in place.	E/3		
					Admission policy and manual completed in November 2017			
					TUPE manual completed in November 2017.			
					Pensions Administration Strategy in place to clarify the responsibilities of scheme employers			
					CMO maintains contact with employers to provide dedicated point of contact.			
					Database maintained on all contact details for LGPS communications.			
			Employer's liabilities may fall back onto other		Actuarial assessment completed for all new admission requests to assess the level of financial risk.			

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			employers and 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.	B/2	LPPA raise queries with scheme employers.	E/3		
					Member self-service – online tool for members to check and update personal data.			
					Annual data cleansing and checks are undertaken as part of the year end administration process			
					Data is reviewed as part of the triennial valuation exercise.			
					Reconciliations between General Ledger and Altair undertaken quarterly identifies member mismatches.			
	RISK TITLE							
	No 7. Risk of Pension Fund Payment Fraud							
	Upper Level for all Risks: S151 Officer/Director of Exchequer and Transactional Services.							
7.1	Lower Levels: CMO	Pension overpayments arising because of non-notification in	Financial loss. Reputational damage of Pension	C/3	Participate in the National Fraud Initiative (bi-annually).	E/4		
					Signed up for DWP database Tell us Once – DWP inform Havering of deaths relating to members of the			

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		change of circumstances.	Administration and Council.		Havering LGPS fund. Monitored on a daily basis			
					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.	C/2	Segregation of duties.	E/3		
					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.	C/2	Register of interests declarations covered at each Local Pensions Board/Committee meetings.	E/3		

CMO	Contract Monitoring Officer - Caroline Berry
CIPFA	Chartered Institute of Public Finance and Accountancy
DLUHC	Department for Levelling UP, Housing & Communities
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
MHCCLG	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