RISK REGISTER APPENDIX B

Post Mitigation

			Red	Amber		Green			
Summary of Risks with Strategic or Operational classifications	Strategic	Operational	B/1	B/2	C/2	D/2	D/3	E/3	E/4
			Very Likely/ Major	Very Likely/ Serious	Likely/ Serious	Possible/ Serious	Possible/ Moderate	Unlikely/ Moderate	Unlikely/ Negible
Risk 1 Inaccuarate 3 yearly actuarial valuation									
1.1 Inappropriate assumptions used by actuary in calculations for valuation.1.2 Poor Governance of Actuary1.3 Poor Quality Data	✓	√ √						√ √	, ,
Risk 2 Incorrect/ Inapproprite Investment Strategy									
2.1 Lack of or poor professional investment advice given or not taken.	✓							✓	•
2.2 Concentration risk by asset, region and sector/Lack of clear risk									
appetite.	√							✓	, ,
2.3 Based upon inaccurate actuarial valuation.	✓							✓	,
2.4 Poor Governance of Investment Advisor 2.5 Lack of understanding and awareness		v				1		•	
2.3 Lack of understanding and awareness		•				·			
Risk 3 Failure of Investments to Perform In-Line with Growth									
Expectations									
3.1 Poor Fund Manager selection.	✓							✓	•
3.2 Underperformance by Fund Manager.	✓						✓		
3.3 Underperformance of LCIV Fund manager. Failure to achieve Asset	,						,		
Under Management (AUM) Target 3.4 financial market impacts/external factors/increased market volatility	•						v		
3.4 infancial market impacts/external factors/increased market volatility	✓						✓		
3.5 Climate Risk /ESG Considerations	✓					✓			
3.6 Fund Managers –noncompliance to the Code of Transparency	✓						✓		
3.7 Delays in the implementation of the strategy		✓					✓		
3.8 Delays in compliance with capital calls/FX Hedges mandates could									,
result in penalty payments. 3.9 Existing MATS Consolidation with Funds external to Havering Fund.	./	V	/					~	
3.9 Existing MATS Consolidation with Funds external to Havening Fund.	•		•						
Risk 4 Failure to comply with Legislation									
4.1 Lack of appropriate skills/knowledge.Unaware of Legslative									
changes/poor/inaccurate intrepretation of regulations		✓						✓	
4.2 Key person dependency		✓		✓	,				
4.3 Failure/inability to administer the pension scheme in accordance									
with regulations.		✓						✓	

Post Mitigation

			Red	An	Amber		Green			
Summary of Risks with Strategic or Operational classifications	Strategic	Operational	B/1	B/2	C/2	D/2	D/3	E/3	E/4	
			_	Very Likely/ Serious	Likely/ Serious	Possible/ Serious	Possible/ Moderate	Unlikely/ Moderate	Unlikely/ Negible	
Risk 5 Inability to Manage/Govern the Pension Fund and Associated										
Services										
5.1 Staffing issues: Loss of corporate knowledge/Long-term										
sickness/staff turnover/lack of resources		✓				✓				
5.2 LCIV resourcing – LCIV staff turnover.		✓					✓			
5.3 ICT failure/Disaster Recovery.		✓			✓					
5.4 Cyber Security Risk.		✓			✓					
5.5 Poor Pension fund administration by the outsourced service LPPA.		✓						✓	*	
5.6 Poor administration by the employers/payroll providers in the fund		✓					✓			
5.7 Failure/inability to undertake the accounting of the pension scheme appropriately.		✓						~	•	
5.8 Poor communications with stakeholders.		✓						✓	•	
5.9 Excessive charges by suppliers		✓						√	,	
5.10 Employers ability to meet contribution rates determined by the										
Actuary due to budget pressures		✓				✓				
Risk 6 Failure to onboard or exit Employers/Members effectively										
6.1 Delays in internal processing of documentation/ admission										
agreements.		✓						✓	ĺ	
6.2 Member data incomplete or incorrect		✓						✓	,	
Risk 7 Pension Fund payment Fraud										
7.1 Pension overpayments arising because of non-notification in										
change of circumstances.		✓							✓	
7.2 Internal staff fraud/ Staffacting outside of levels of authorisation		✓						✓	•	
7.3 Conflict of interest.		✓						✓		
	11	24	1		1 2	4	7	' 19	9 1	
Toal = 35 indivudual Risks		35							35	