

Summary of Current Risks		
	1	High
	4	Medium
	8	Low
	13	

**Risk Register for:**  
Dorset County Pension Fund

**Completed and Reviewed by:** Pension Fund Committee  
**Date:** 17 September 2018

		Financial	Strategic Priorities and Opportunities	Health & safety	Reputational	Criticality of Service
<b>HIGH</b>	i.e. a greater than 20% chance of:	Potential to cause significant damage or seriously weaken the survival of the Fund	Major impact (positive or negative) on a strategic priority	Fatality or major injury/illness (long term incapacity / disability)	Sustained/long term media attention	Unable to deliver critical services (levels one and two)
<b>MEDIUM</b>	i.e. a greater than 20% chance of:	Reasonable impact in a single financial period or in the short-term but can be contained	Moderate impact (positive or negative) on a strategic priority	Moderate injury or illness (including other RIDDOR reportable incidents)	Short to medium term impact on public memory (affecting more than one ward)	Unable to deliver critical services (level three)
<b>LOW</b>	i.e.:	Negligible / minor impact	Minor/negligible impact (positive or negative) on a strategic priority	Potential for minor injury/illness (requiring minimal intervention or treatment)	Short to medium term impact on public memory (affecting one ward) / minor complaints or rumours	Minor disruption to service delivery

No	Risk Description	Risk Status <i>Open or Closed</i>	Risk Lead	Date Identified	Current Controls <i>How do we currently manage this risk?</i>	Current Risk <i>High / Medium / Low</i>	Movement Since Last Review <i>Improving / Deteriorating / No Change</i>	Is the current level of risk acceptable? <i>i.e. Yes or No, based on the current controls</i>	Any Issues to Highlight Since Last Review?	Further actions identified to achieve an acceptable level of risk	Target Date for further actions
<b>A) Financial Risks</b>											
A01	Treasury Management and the Risk of Financial Default of Partners and Counterparties	Open	Finance Manager	Oct-11	See annual TM strategy statement. Register entry	Medium	No Change	Yes		Continual monitoring of treasury management policy and routine monitoring of business critical counter parties.	On-going
A02	Increasing Longevity of Members, with the potential to mean that the liabilities will continue to be greater than the assets of the Fund.	Open	Fund Administrator	Oct-11	Controlled at a National Level by changes to the scheme benefits and contribution levels. Locally by ensuring the actuarial valuations are realistic and factor in the changes so the Fund remains sustainable.	Medium	No Change	Yes		Encourage sign up to the Fund of new members by adopting policies such as auto enrolment and communications strategy to maintain membership of active members.	On-going
A03	Excessive Inflation increases Member Benefits	Open	Fund Administrator	Oct-11	Invested in Liability Driven investments to hedge inflation risk to offset some of the impact of high inflation.	Medium	No Change	Yes		Further expansion of LDI mandate and investment in inflation proofed asset classes such as infrastructure and certain property investments.	On-going
A04	Failure to comply with accounting standards	Open	Finance Manager	Oct-11	Keeping up with changes to the Code, attendance of CIPFA training events, developing cover within the team.	Low	No Change	Yes		None	On-going
A05	Inadequate governance of the fund	Open	Fund Administrator	Oct-11	CIPFA governance statement, undertaken by independent observer; LGPS statement. Local Pension Board	Low	No Change	Yes	The establishment of BPP with effect from April 2018 will impact on governance arrangements.	On-going review of strategies and governance arrangements including Pension board and the Pensions Regulator.	On-going
A06	Failure to produce the expected rate of investment return	Open	Fund Administrator	Oct-11	Pension Fund Committee monitor investment returns achieved by fund managers; diverse investment strategy	High	No Change	Yes	Transition costs associated with the establishment of BPP may impact on investment returns.	Continuous monitoring of performance and risk, and regular reviews of strategy to ensure best fit.	On-going

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A07	Loss of funds through fraud or misappropriation	Open	Fund Administrator	Oct-11	Internal and External Audit; Assurance that current systems provide appropriate level of internal control; reporting and monitoring; reporting to Audit & Scrutiny Committee; policies and procedures	Low	No Change	Yes	The establishment of BPP will require revised protections against fraud or misappropriation of funds.	Continual review of potential exposures	On-going
<b>B) Workforce Risks</b>											
B01	Health and safety of staff	Open	Fund Administrator	Oct-11	Work station assessments; PDR trigger interviews; absence management; DCC health & safety policies	Low	No Change	Yes		None	
B02	Failure to recruit, develop and retain suitably skilled staff. There is also a requirement to ensure that Committee members and Board members are appropriately trained to undertake their duties effectively.	Open	Fund Administrator	Oct-11	Access to Management Development / Training; PDR; structure review	Low	No Change	Yes	The establishment of BPP should ensure greater resilience against the loss of key staff re. investments.	Training / development to support this risk, where appropriate, via PDRs; Work shadowing and ensure staff have ability to cover in the absence of key people; Ensure appropriate succession & resilience planning for key people risks	On-going
B03	Failure to maintain the balance between workload and staff capacity	Open	Fund Administrator	Oct-11	Service planning and PDR process; continual review of workloads within teams; additional posts can be funded from pension fund where particular capacity demands are identified, at the approval of the Pension Fund Administrator	Low	No Change	Yes		Review potential for secondments etc. to meet particular areas where capacity is stretched.	On-going
<b>C) Other Risks</b>											
C01	Inability to provide service, due to a loss of Council facilities (IT; building) or staff	Open	Fund Administrator	Oct-11	Business continuity plans maintained for critical services; Nat West Banking facilities can be accessed from home/ remotely; contact numbers held for the team. Disaster recovery in place for Altair	Low	No Change	Yes		Regular review of business continuity plans. Corporate business continuity plans.	
C02	Poor services, or perception of poor service	Open	Fund Administrator	Oct-11	Service planning and PDR process; external audit; internal audit reviews; processes and procedures	Low	No Change	Yes		None	
C03	Secure management and handling of confidential and/or personal information	Open	Fund Administrator	Oct-11	Data awareness guidance promoted corporately; secure email; secure payments portal to actuary	Medium	No Change	Yes	Introduction of GDPR June 2018	Ensure all appropriate team members undertake the Data Protection training	On-going