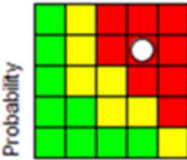
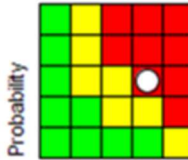
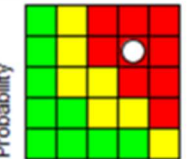
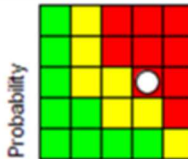
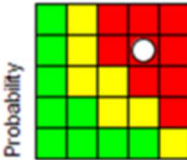
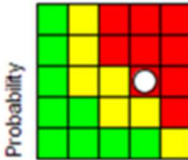

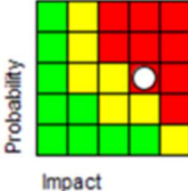
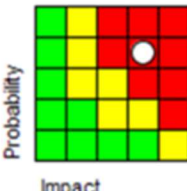
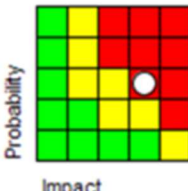
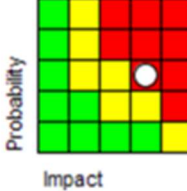
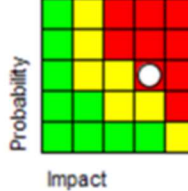
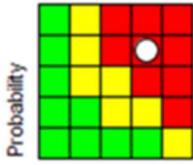







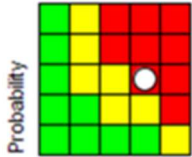
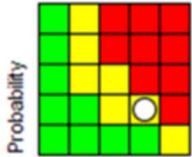
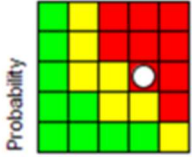
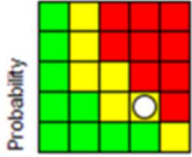

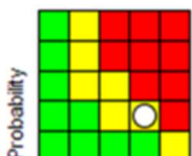
Teesside Pension Fund Risk Register

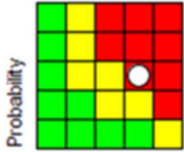

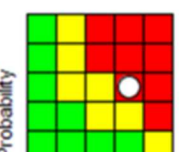
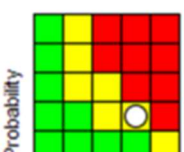
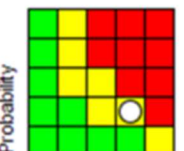
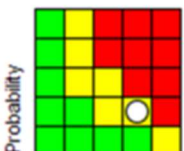
Code	Title	Original Score	Current Score
TPF001	<p>INFLATION</p> <p>Price inflation is significantly more than anticipated: an increase in CPI inflation by 1% more than anticipated will increase the liability valuation by 20%.</p> <p>Fund & Reputation Impact-5 Employers Impact-5 Member Impact-5</p>	 <p>20</p>	 <p>15</p>
Current Mitigation		Future Mitigation	Responsible Officer
In assessing the member liabilities, the triennial Fund Actuary assumptions made for inflation are "conservatively" set based on independent economic data, and hedged against by setting higher investment performance targets.			Head of Pensions Governance and Investments
TPF002	<p>ADVERSE ACTUARIAL VALUATION</p> <p>Impact of increases to employer contributions following the actuarial valuation.</p> <p>Fund & Reputation Impact-3 Employers Impact-5 Member Impact-1</p>	 <p>20</p>	 <p>15</p>
Current Mitigation		Future Mitigation	Responsible Officer
Interim valuations provide early warnings. Actuary has scope to smooth impact for most employers.			Head of Pensions Governance and Investments
TPF003	<p>GLOBAL FINANCIAL INSTABILITY</p> <p>Outlook deteriorates in advanced economies because of heightened uncertainty and setbacks to growth and confidence, leading to tightened financial conditions, reduced risk appetite and raised credit risks.</p> <p>Fund & Reputation Impact-5 Employers Impact-5 Member Impact-1</p>	 <p>20</p>	 <p>15</p>
Current Mitigation		Future Mitigation	Responsible Officer
Increasing investment diversification will allow the Fund to be better placed to withstand this type of economic instability. As a long-term investor the Fund does not have to be a forced seller of assets when they are depressed in value.			Head of Pensions Governance and Investments

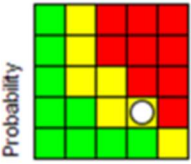
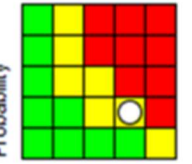
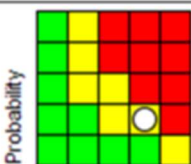
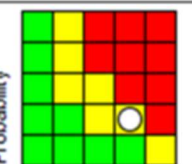
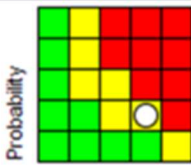
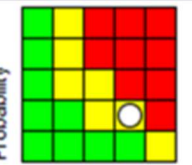
TPF004	<p>POLITICAL RISK</p> <p>Significant volatility and negative sentiment in investment markets following the outcome of adversely perceived political changes.</p> <p>Fund & Reputation Impact-5 Employers Impact-5 Member Impact-1</p>	 <p>20</p>	 <p>15</p>
Current Mitigation		Future Mitigation	Responsible Officer
Increasing investment diversification, including a global investment approach, will allow the Fund to be better placed to withstand this type of political instability. As a long-term investor the Fund does not have to be a forced seller of assets when they are depressed in value.			Head of Pensions Governance and Investments
TPF005	<p>INVESTMENT CLASS FAILURE</p> <p>A specific industry investment class/market fails to perform in line with expectations leading to deterioration in funding levels and increased contribution requirements from employers.</p> <p>Fund & Reputation Impact-5 Employers Impact-5 Member Impact-1</p>	 <p>20</p>	 <p>15</p>
Current Mitigation		Future Mitigation	Responsible Officer
Increasing investment diversification will allow the Fund to be better placed to withstand this type of market class failure. As a long-term investor the Fund does not have to be a forced seller of assets when they are depressed in value.			Head of Pensions Governance and Investments
TPF012	<p>POOLING INVESTMENT UNDERPERFORMANCE</p> <p>Investments in the investment pool not delivering the required return.</p> <p>Fund & Reputation Impact-5 Employers Impact-5 Member Impact-1</p>	 <p>15</p>	 <p>15</p>
Current Mitigation		Future Mitigation	Responsible Officer
			Head of Pensions Governance and Investments

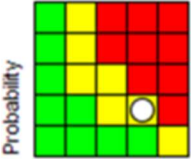
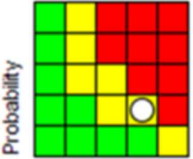
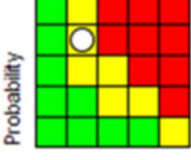
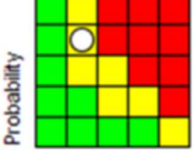
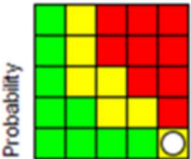
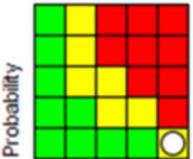
TPF009	<p>HIGHER THAN EXPECTED COSTS OF INVESTMENT POOLING</p> <p>Higher setup and ongoing costs of Border to Coast and of the management associated with investment pooling arrangements (or lack of reduction compared to current costs).</p> <p>Fund & Reputation Impact-7 Employers Impact-2 Member Impact-1</p>	<p>Probability</p> <p>Impact</p> <p>21</p>	<p>Probability</p> <p>Impact</p> <p>14</p>	
Current Mitigation		Future Mitigation		Responsible Officer
<p>Border to Coast's budget is set annually with the agreement of at least 9 of the 11 partner funds. Expenditure is monitored and reported to the quarterly Joint Committee meetings. Tenders for on-going suppliers and staff are all now in place.</p>				<p>Head of Pensions Governance and Investments</p>
TPF010	<p>INADEQUATE POOLING TRANSPARENCY</p> <p>Lack of transparency around investment pooling arrangements.</p> <p>Fund & Reputation Impact-7 Employers Impact-1 Member Impact-1</p>	<p>Probability</p> <p>Impact</p> <p>21</p>	<p>Probability</p> <p>Impact</p> <p>14</p>	
Current Mitigation		Future Mitigation		Responsible Officer
<p>With the pooling of investment assets TPF staff will work closely with Border to Coast sub-fund asset managers and Border to Coast management to gain full clarity of performance, with training provided to TPF staff as required.</p>				<p>Head of Pensions Governance and Investments</p>
TPF021	<p>INAPPROPRIATE INVESTMENT STRATEGY</p> <p>Mismatching of assets and liabilities, inappropriate long term asset allocation of investment strategy, mistiming of investment strategy.</p> <p>Fund & Reputation Impact-7 Employers Impact-7 Member Impact-1</p>	<p>Probability</p> <p>Impact</p> <p>14</p>	<p>Probability</p> <p>Impact</p> <p>14</p>	
Current Mitigation		Future Mitigation		Responsible Officer
<p>This is mitigated by the Triennial Valuation and the engagement of Two Independent Investment Advisors.</p>				<p>Head of Pensions Governance and Investments</p>

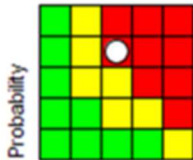


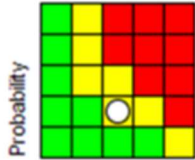
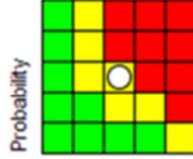

<p>TPF007</p>	<p>KEYMAN RISK</p> <p>Concentration of knowledge & skills in small number of officers and risk of departure of key staff - failure of succession planning.</p> <p>Fund & Reputation Impact-5 Employers Impact-1 Member Impact-1</p>	 <p>20</p>	 <p>10</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	<p>Responsible Officer</p>
<p>A deputy position was created in 2018/19 - this acts to support deputise as required from an investments perspective for the Head of Investments, Governance and Pensions.</p>			<p>Head of Pensions Governance and Investments</p>
<p>TPF008</p>	<p>INSUFFICIENT STAFF</p> <p>Causes failure to have time to adopt best practice by properly developing staff and processes.</p> <p>Fund & Reputation Impact-5 Employers Impact-5 Member Impact-1</p>	 <p>20</p>	 <p>10</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	<p>Responsible Officer</p>
<p>In preparation for the pooling of investment assets to Border to Coast, the team was expanded and has a total complement of 9 staff. Investment transaction volumes have significantly reduced owing to the change in investment approach.</p>			<p>Head of Pensions Governance and Investments</p>
<p>TPF011</p>	<p>UNANTICIPATED PAY RISES</p> <p>Increases are significantly more than expected for employers within the Fund.</p> <p>Fund & Reputation Impact-5 Employers Impact-5 Member Impact-1</p>	 <p>15</p>	 <p>10</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	<p>Responsible Officer</p>
<p>1) Fund employers will monitor own experience. 2)Triennial Actuarial valuation Assumptions made on pay and price inflation (for the purposes of IAS19/FRS102 and actuarial valuations) will be long term assumptions, any employer specific assumptions above the actuaries long term assumption would lead to further review. 3) Employers are made aware of generic impact that salary increases can have upon final salary linked elements of LGPS benefits.</p>			<p>Head of Pensions Governance and Investments</p>

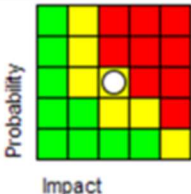
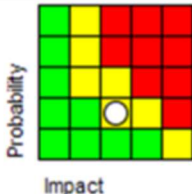
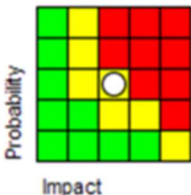
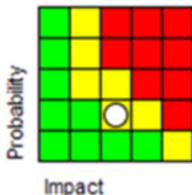
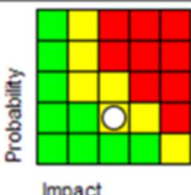
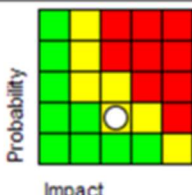
TPF013	<p>POOLING SYSTEMIC RISKS</p> <p>Systemic and other investment risks not being properly managed within the investment pool; for example appropriate diversification, credit, duration, liquidity and currency risks.</p> <p>Fund & Reputation Impact-5 Employers Impact-5 Member Impact-1</p>	 <p>Probability</p> <p>Impact</p> <p>15</p>	 <p>Probability</p> <p>Impact</p> <p>10</p>
Current Mitigation		Future Mitigation	Responsible Officer
<p>Appropriate due diligence is carried out regarding the structure, targets, diversification and risk approach for each sub-fund before investment. In addition, The Pensions Head of Service and Section 151 officer, will closely monitor and review Border to Coast sub-fund investment elements on an on-going basis, and reported to TPF Committee and Board.</p>			<p>Head of Pensions Governance and Investments</p>
TPF014	<p>LONGEVITY</p> <p>Pensioners living longer: adding one year to life expectancy will increase pension fund liabilities by 8%</p> <p>Fund & Reputation Impact-5 Employers Impact-5 Member Impact-1</p>	 <p>Probability</p> <p>Impact</p> <p>15</p>	 <p>Probability</p> <p>Impact</p> <p>10</p>
Current Mitigation		Future Mitigation	Responsible Officer
<p>In assessing the member longevity and pension liabilities, the Triennial Actuary assumptions made for longevity are "conservatively" set based on the latest life expectancy economic data. They are reviewed and updated at each three year Actuarial valuation. If required, further investigation can be carried out of scheme specific/employer longevity data.</p>			<p>Head of Pensions Governance and Investments</p>
TPF017	<p>BULK TRANSFER VALUE DISPUTE</p> <p>Failure to ensure appropriate transfer is paid to protect the solvency of the fund and equivalent rights are acquired for transferring members.</p> <p>Fund & Reputation Impact-3 Employers Impact-5 Member Impact-1</p>	 <p>Probability</p> <p>Impact</p> <p>15</p>	 <p>Probability</p> <p>Impact</p> <p>10</p>
Current Mitigation		Future Mitigation	Responsible Officer
<p>A mechanism exists within the regulations to resolve such disputes - this should reduce the financial impact of any such event.</p>			<p>Head of Pensions Governance and Investments</p>

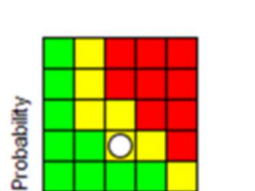
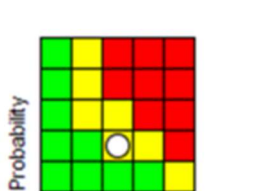
TPF018	<p>TPF INVESTMENT UNDERPERFORMANCE</p> <p>Investment Managers fail to achieve performance targets over the longer term: a shortfall of 1% on the investment target will result in an annual impact of £41m.</p> <p>Fund & Reputation Impact-5 Employers Impact-5 Member Impact-1</p>	 <p>Probability</p> <p>Impact</p> <p>15</p>	 <p>Probability</p> <p>Impact</p> <p>10</p>
Current Mitigation		Future Mitigation	Responsible Officer
<p>1) The asset allocation made up of equities, bonds, property, cash etc funds, is sufficiently diversified to limit exposure to one asset category. 2) The investment strategy is continuously monitored and periodically reviewed to ensure optimal asset allocation. 3) Actuarial valuation and asset/liability study take place automatically every three years. 4) Interim valuation data is received annually and provides an early warning of any potential problems. 5) The actuarial assumption regarding asset outperformance of a measure over CPI over gilts is regarded as achievable over the long-term when compared with historical data.</p>			<p>Head of Pensions Governance and Investments</p>
TPF019	<p>TPF GOVERNANCE SKILLS SHORTAGE</p> <p>Lack of knowledge of Committee & Board members relating to the investment arrangement and related legislation and guidance.</p> <p>Fund & Reputation Impact-5 Employers Impact-3 Member Impact-1</p>	 <p>Probability</p> <p>Impact</p> <p>15</p>	 <p>Probability</p> <p>Impact</p> <p>10</p>
Current Mitigation		Future Mitigation	Responsible Officer
<p>Pension Fund Committee new members have an induction programme and will have subsequent training based on the requirements of CIPFA Knowledge and Skills Framework including Pooling.</p>			<p>Head of Pensions Governance and Investments</p>
TPF025	<p>OUTSOURCED MEMBER ADMIN FAILURE</p> <p>XPS Administration service fails to the point where it is unable to deliver its contractual services to employers and members.</p> <p>Fund & Reputation Impact-1 Employers Impact-1 Member Impact-5</p>	 <p>Probability</p> <p>Impact</p> <p>10</p>	 <p>Probability</p> <p>Impact</p> <p>10</p>
Current Mitigation		Future Mitigation	Responsible Officer
<p>XPS Administration is a well-resourced established pensions administration provider which is not in financial difficulty.</p>			<p>Head of Pensions Governance and Investments</p>

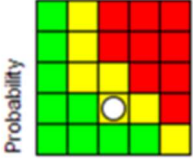
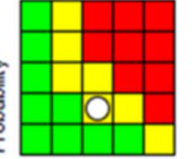
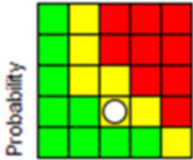
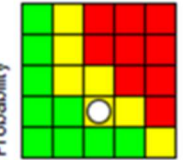
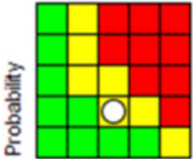
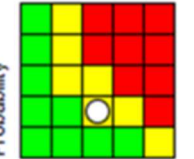
<p>TPF026</p>	<p>INSECURE DATA Failure to hold personal data securely - i.e data stolen. Fund & Reputation Impact-3 Employers Impact-1 Member Impact-5</p>	 <p>10</p>	 <p>10</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	<p>Responsible Officer</p>
<p>XPS Administration have advised they are not aware of any attempted hacking events, and they have suitable data security measures in place.</p>			<p>Head of Pensions Governance and Investments</p>
<p>TPF028</p>	<p>INADEQUATE POOLING INVESTMENT EXPERTISE Inadequate, inappropriate or incomplete investment expertise exercised over the pooled assets. Fund & Reputation Impact-5 Employers Impact-5 Member Impact-1</p>	 <p>10</p>	 <p>10</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	<p>Responsible Officer</p>
<p>Border to Coast has completed recruitment of experienced and capable management team, alongside most of its final expected complement of 90+ staff.</p>			<p>Head of Pensions Governance and Investments</p>
<p>TPF029</p>	<p>INSUFFICIENT RANGE OF POOLING ASSET CLASSES Insufficient range of asset classes or investment styles being available through the investment pool. Fund & Reputation Impact-5 Employers Impact-3 Member Impact-1</p>	 <p>10</p>	 <p>10</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	<p>Responsible Officer</p>
<p>There is now in place a roll-out plan of different asset classes and engagement with Border to Coast to identify relevant future asset classes</p>			<p>Head of Pensions Governance and Investments</p>

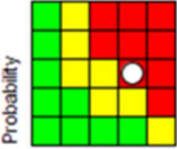
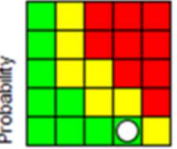
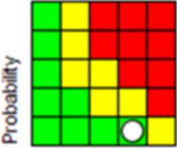
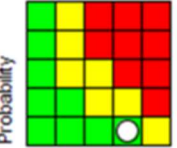
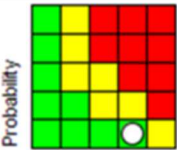
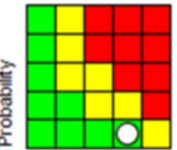
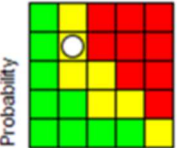
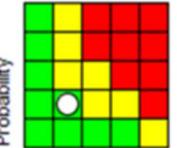
TPF031	<p>INTERNAL COMPLIANCE FAILURES</p> <p>Failure to comply with recommendations from the local pension board, resulting in the matter being escalated to the scheme advisory board and/or the pensions regulator.</p> <p>Fund & Reputation Impact-5 Employers Impact-1 Member Impact-1</p>	 <p>Probability</p> <p>Impact</p> <p>10</p>	 <p>Probability</p> <p>Impact</p> <p>10</p>
Current Mitigation		Future Mitigation	Responsible Officer
The Pension Board is able to make direct recommendations to the Pension Fund Committee if necessary and officers will ensure these are followed up and progress tracked and reported.			Head of Pensions Governance and Investments
TPF030	<p>COMMITTEE MEMBERSHIP CHANGE</p> <p>Change in membership of Pension Fund Committee leads to dilution of member knowledge and understanding.</p> <p>Fund & Reputation Impact-2 Employers Impact-1 Member Impact-1</p>	 <p>Probability</p> <p>Impact</p> <p>8</p>	 <p>Probability</p> <p>Impact</p> <p>8</p>
Current Mitigation		Future Mitigation	Responsible Officer
Officers and advisers provide continuity and training following changes to Committee membership.			Head of Pensions Governance and Investments
TPF039	<p>BORDER TO COAST FAILURE</p> <p>Failure of the operator itself, or its internal risks and controls failure of corporate governance, responsible investment, or the failure to exercise voting rights according to policy.</p> <p>Fund & Reputation Impact-7 Employers Impact-4 Member Impact-1</p>	 <p>Probability</p> <p>Impact</p> <p>7</p>	 <p>Probability</p> <p>Impact</p> <p>7</p>
Current Mitigation		Future Mitigation	Responsible Officer
Officers liaise closely with Border to Coast and receive regular updates on its plans, finances and ongoing development			Head of Pensions Governance and Investments

TPF015	<p>EMPLOYER FAILURE</p> <p>An employer ceasing to exist with insufficient funding, or being unable to meet its financial commitments, adequacy of bond or guarantee. Any shortfall would be attributed to the fund as a whole.</p> <p>Fund & Reputation Impact-2 Employers Impact-3 Member Impact-3</p>	 <p>12</p>	 <p>6</p>
Current Mitigation		Future Mitigation	Responsible Officer
<p>1) Fund employers should monitor own experience. 2) Triennial Actuarial Assumptions will account for the possibility of employer(s) failure (for the purposes of IAS19/FRS102 and actuarial valuations). Any employer specific assumptions above the actuary's long term assumption, would lead to further review. 3) Employer covenant review.</p>			<p>Head of Pensions Governance and Investments</p>
TPF016	<p>ADVERSE LEGISLATIVE CHANGE</p> <p>Risk of changes to legislation, tax rules etc.; resulting in increases required in employer contributions.</p> <p>Fund & Reputation Impact-3 Employers Impact-3 Member Impact-3</p>	 <p>12</p>	 <p>6</p>
Current Mitigation		Future Mitigation	Responsible Officer
<p>The process of legislative change and the actuarial valuation cycle means any such change would be flagged up well in advance. The actuary has scope to mitigate any contribution increase in respect of most Fund employers.</p>			<p>Head of Pensions Governance and Investments</p>
TPF022	<p>GDPR COMPLIANCE</p> <p>Non-compliance with GDPR regulations.</p> <p>Fund & Reputation Impact-3 Employers Impact-1 Member Impact-1</p>	 <p>9</p>	 <p>6</p>
Current Mitigation		Future Mitigation	Responsible Officer
<p>Data protection privacy notices have been distributed by XPS Administration. The Council has established GDPR-compliant processes and procedures.</p>			<p>Head of Pensions Governance and Investments</p>

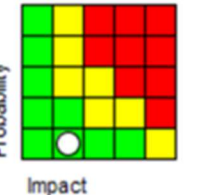
<p>TPF023</p>	<p>INACCURATE DATA RECORD COLLATION</p> <p>Failure to maintain proper, accurate and complete data records leading to increased errors and complaints.</p> <p>Fund & Reputation Impact-1 Employers Impact-3 Member Impact-3</p>	 <p>9</p>	 <p>6</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	
<p>Administration data quality is being assessed as part of the triennial valuation process, as well as being assessed regularly in order to meet Pensions Regulator requirements on scheme data.</p>		<p>Responsible Officer</p> <p>Head of Pensions Governance and Investments</p>	
<p>TPF024</p>	<p>STRUCTURAL CHANGES TO EMPLOYER MEMBERSHIP</p> <p>Risk that TPF are unaware of structural changes to an employer's membership, or changes (e.g. closing to new entrants) meaning the individual employer's contribution level becomes inappropriate.</p> <p>Fund & Reputation Impact-2 Employers Impact-3 Member Impact-2</p>	 <p>9</p>	 <p>6</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	
<p>The XPS Administration employer liaison team will improve this by working closely with employers.</p>		<p>Responsible Officer</p> <p>Head of Pensions Governance and Investments</p>	
<p>TPF032</p>	<p>INADEQUATE POOLING DATA</p> <p>Inability to gather robust, quality or timely information from Border to Coast.</p> <p>Fund & Reputation Impact-3 Employers Impact-1 Member Impact-1</p>	 <p>6</p>	 <p>6</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	
<p>With the pooling of investment assets TPF staff will work closely with Border to Coast sub-fund asset managers and Border to Coast management to gain full clarity and reporting of performance, with training provided to TPF staff as required.</p>		<p>Responsible Officer</p> <p>Head of Pensions Governance and Investments</p>	

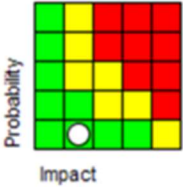
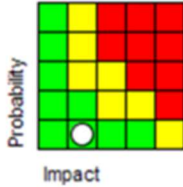

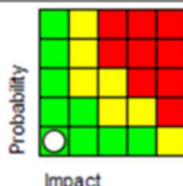
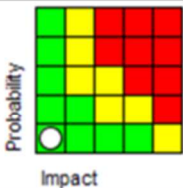
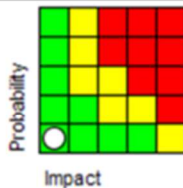
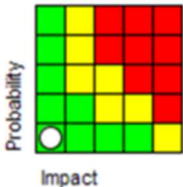
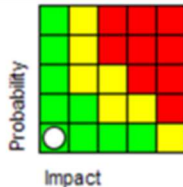
TPF033	<p>ESG REPUTATIONAL DAMAGE</p> <p>Insufficient attention to environmental, social and governance (ESG) leads to reputational damage.</p> <p>Fund & Reputation Impact-2 Employers Impact-1 Member Impact-1</p>		
Current Mitigation		Future Mitigation	Responsible Officer
Border to Coast provides increased focus on Responsible Investment.			Head of Pensions Governance and Investments
TPF034	<p>THIRD PARTY SUPPLIER FAILURE</p> <p>Financial failure of third party supplier results in service impairment and financial loss.</p> <p>Fund & Reputation Impact-3 Employers Impact-3 Member Impact-1</p>		
Current Mitigation		Future Mitigation	Responsible Officer
Suppliers' financial stability is assessed through the procurement process			Head of Pensions Governance and Investments
TPF035	<p>PROCUREMENT PROCESS CHALLENGES</p> <p>Procurement processes may be challenged if seen to be non-compliant with public sector procurement rules. Poor specifications lead to dispute. Unsuccessful fund managers may seek compensation following non-compliant process.</p> <p>Fund & Reputation Impact-3 Employers Impact-1 Member Impact-1</p>		
Current Mitigation		Future Mitigation	Responsible Officer
Council's procurement team is consulted throughout procurement processes			Head of Pensions Governance and Investments

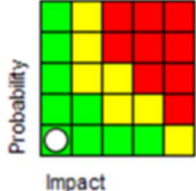
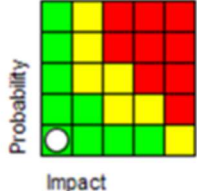
TPF036	<p>ASSET POOLING TRANSITION RISK</p> <p>Loss or impairment as a result of Asset transition. Fund & Reputation Impact-3 Employers Impact-3 Member Impact-1</p>	 <p>6</p>	 <p>6</p>
Current Mitigation		Future Mitigation	Responsible Officer
Asset transitions closely monitored and evaluated, using specialist transition manager support where appropriate			Head of Pensions Governance and Investments
TPF037	<p>COMPLIANCE FAILURES</p> <p>Failure to comply with legislative requirements e.g. SIP, FSS, Governance Policy, Freedom of Information requests, Code of Practice 14.</p> <p>Fund & Reputation Impact-3 Employers Impact-2 Member Impact-0</p>	 <p>6</p>	 <p>6</p>
Current Mitigation		Future Mitigation	Responsible Officer
Robust processes are in place for responding to information requests within statutory deadlines and to ensure production of scheme information at appropriate times			Head of Pensions Governance and Investments
TPF038	<p>CUSTODY DEFAULT</p> <p>The risk of losing economic rights to pension fund assets, when held in custody or when being traded. The risk might arise from missed dividends or corporate actions (e.g. rights issues) or problems arising from delays in trade settlements.</p> <p>Fund & Reputation Impact-3 Employers Impact-3 Member Impact-1</p>	 <p>6</p>	 <p>6</p>
Current Mitigation		Future Mitigation	Responsible Officer
Good relationship maintained with Global Custodian, advice sought as required			Head of Pensions Governance and Investments

TPF020	INADEQUATE BORDER TO COAST OVERSIGHT Insufficient resources to properly monitor pooling & Border to Coast. Fund & Reputation Impact-5 Employers Impact-5 Member Impact-1	 Probability Impact	15	 Probability Impact	5	
	Current Mitigation	Future Mitigation	Responsible Officer			
Sufficient resources exist within the team to oversee and monitor Border to Coast. External providers are also involved, such as Portfolio Evaluation Limited and the two independent investment advisors.				Head of Pensions Governance and Investments		
TPF042	DECISION MAKING FAILURES Failure to take difficult decisions inhibits effective Fund management. Fund & Reputation Impact-5 Employers Impact-2 Member Impact-1	 Probability Impact	5	 Probability Impact	5	
	Current Mitigation	Future Mitigation	Responsible Officer			
Committee and officers receive support from two Independent Investment Advisors				Head of Pensions Governance and Investments		
TPF043	CASH INVESTMENT FRAUD Financial loss of cash investments from fraudulent activity. Fund & Reputation Impact-5 Employers Impact-5 Member Impact-1	 Probability Impact	5	 Probability Impact	5	
	Current Mitigation	Future Mitigation	Responsible Officer			
Appropriate internal processes and checks are in place				Head of Pensions Governance and Investments		
TPF027	SCHEME MEMBER FRAUD Fraud by scheme members or their relatives (e.g. identity, death of member). Fund & Reputation Impact-1 Employers Impact-1 Member Impact-2	 Probability Impact	8	 Probability Impact	4	
	Current Mitigation	Future Mitigation	Responsible Officer			
XPS Administration has identification and validation processes in place				Head of Pensions Governance and Investments		

TPF040	INACCURATE FUND INFORMATION In public domain leads to damage to reputation and loss of confidence. Fund & Reputation Impact-2 Employers Impact-2 Member Impact-1	4	4
	Current Mitigation	Future Mitigation	Responsible Officer
	Information reviewed prior to publication		Head of Pensions Governance and Investments
TPF041	LIQUIDITY SHORTFALLS Risk of illiquidity due to difficulties in realising investments and paying benefits to members as they fall due. Fund & Reputation Impact-2 Employers Impact-1 Member Impact-1	4	4
	Current Mitigation	Future Mitigation	Responsible Officer
	Cash balances are likely to remain high in the short to medium term		Head of Pensions Governance and Investments
TPF044	ICT SYSTEMS FAILURE Prolonged administration ICT systems failure. Fund & Reputation Impact-2 Employers Impact-2 Member Impact-3	3	3
	Current Mitigation	Future Mitigation	Responsible Officer
	ICT systems at Council and at XPS are backed up regularly – disaster recovery procedures are in place		Head of Pensions Governance and Investments

TPF045	<p>CONTRIBUTION COLLECTION FAILURE</p> <p>Failure to collect employee/er member pension contributions.</p> <p>Fund & Reputation Impact-1 Employers Impact-2 Member Impact-1</p>	 <p>2</p>	 <p>2</p>
Current Mitigation		Future Mitigation	Responsible Officer
Employer contribution receipt is monitored on a monthly basis, with exceptions reported back to officers as required and to Committee on a quarterly basis			Head of Pensions Governance and Investments
TPF046	<p>INADEQUATE DISPUTES RESOLUTION PROCESS</p> <p>Failure to agree and implement an appropriate complaints and disputes resolution process.</p> <p>Fund & Reputation Impact-1 Employers Impact-2 Member Impact-2</p>	 <p>2</p>	 <p>2</p>
Current Mitigation		Future Mitigation	Responsible Officer
Process is in place and has been operating successfully for several years			Head of Pensions Governance and Investments
TPF047	<p>BORDER TO COAST CESSATION</p> <p>Partnership disbands..</p> <p>Fund & Reputation Impact-2 Employers Impact-2 Member Impact-1</p>	 <p>2</p>	 <p>2</p>
Current Mitigation		Future Mitigation	Responsible Officer
Advance warning would be given of any cessation, Assets could be moved and reinvested elsewhere as required.			Head of Pensions Governance and Investments

<p>TPF048</p>	<p>POOLING CUSTODIAN FAILURE</p> <p>Failure to ensure safe custody of assets.</p> <p>Fund & Reputation Impact-2 Employers Impact-2 Member Impact-1</p>	 <p>2</p>	 <p>2</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	<p>Responsible Officer</p>
			<p>Head of Pensions Governance and Investments</p>
<p>TPF049</p>	<p>OFFICER FRAUD</p> <p>Fraud by administration staff.</p> <p>Fund & Reputation Impact-5 Employers Impact-1 Member Impact-1</p>	 <p>1</p>	 <p>1</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	<p>Responsible Officer</p>
<p>Appropriate internal processes and checks are in place</p>			<p>Head of Pensions Governance and Investments</p>
<p>TPF050</p>	<p>EXCESSIVE ADMIN COSTS</p> <p>Excessive costs of member benefit administration leads to lack of VFM and loss of reputation.</p> <p>Fund & Reputation Impact-1 Employers Impact-1 Member Impact-1</p>	 <p>1</p>	 <p>1</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	<p>Responsible Officer</p>
<p>Costs are agreed in advance through the contract with any variation requiring prior agreement</p>			<p>Head of Pensions Governance and Investments</p>
<p>TPF051</p>	<p>ERRONEOUS MEMBER BENEFIT CALCS</p> <p>Risk of incorrect calculation of members benefits.</p> <p>Fund & Reputation Impact-1 Employers Impact-1 Member Impact-2</p>	 <p>1</p>	 <p>1</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	<p>Responsible Officer</p>
<p>XPS Administration is responsible for ensuring quality of output and rectifying any errors</p>			<p>Head of Pensions Governance and Investments</p>

<p>TPF052</p>	<p>INADEQUATE MEMBER COMMS</p> <p>Increased workload for pensions team or increased opt-outs if communications inadequate or misunderstood.</p> <p>Fund & Reputation Impact-2 Employers Impact-1 Member Impact-1</p>	 <p style="text-align: center;">1</p>	 <p style="text-align: center;">1</p>
<p>Current Mitigation</p>		<p>Future Mitigation</p>	<p>Responsible Officer</p>
<p>Member communications drafted by XPS Administration are reviewed and agreed by the Head of Pensions Governance and Investments</p>			<p>Head of Pensions Governance and Investments</p>