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LOCAL PENSION BOARD

**Thursday, 23rd January, 2020 at 2.30 pm in the Room 6, Civic
Centre, Silver Street, Enfield, EN1 3XA**

TO FOLLOW AGENDA – PART 1

- 4. STANDING ITEMS (10 MINUTES) BOLA TOBUN - TO FOLLOW (Pages 1 - 32)**
 - a) Register of breaches of the law
 - b) Risk Register
 - c) TPR Governance Compliance Update

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MUNICIPAL YEAR 2019/2020 REPORT NO.**MEETING TITLE AND DATE:**

Local Pension Board
23rd January 2020

REPORT OF:

Executive Director of Resources

Contact officer and telephone number:

Bola Tobun – 020 8379 6879

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Agenda – Part:	Item:
Subject: Standing Items: (i) Register of breaches of the law, (ii) Risk Register and (i) The Pensions Regulator (TPR) Compliance Improvement Plan update	
Wards: All	
Key Decision No:	
Cabinet Member consulted:	

1. EXECUTIVE SUMMARY

- 1.1. From 1st April 2015 the Pensions Regulator (TPR) assumed responsibility for public service pension schemes and put in place codes of practice for public service pension schemes covering a number of areas relating to the management of schemes. The Code of Practice for Public Service Pension Schemes came into force from 1st April 2015 and all schemes must now consider whether they comply with the Code.
- 1.2. This report covers progress made on outstanding requirements on the Pension Regulator's compliance plan.
- 1.3. This report sets out the 'Reporting Breaches Procedure' for the Fund, to help ensure compliance with section 70 of the Pensions Act 2004 and with the 'reporting breaches' section of TPR's Code of Practice. The report provides a summary of the recommendations set out in the Code and details the actions taken by the Enfield Pension Fund to ensure that all those involved in the management of the Pension Scheme understand its requirements. This report provides the Board members with the schedule of employer contribution as failure for an employer to consistently meet the payment schedule will result in them being reported to the Pensions Regulator.

2. RECOMMENDATIONS

- 2.1. Members are recommended to:
 - i) Note the progress made on outstanding requirements on the Pension Regulator's compliance checklist and where further work is required and being undertaken as set as Appendix 1;
 - ii) Note the Schedule of Employer Contribution as attached to this report as Appendix 2; and
 - iii) Note the Risk Register and the impact and likelihood of events; attached to this report as Appendix 3.

3. BACKGROUND

- 3.1 Although following the code itself is not a regulatory requirement, should TPR identify a situation where the legal requirements are being breached, the code will be used as a core reference document when deciding appropriate action.
- 3.2 In recent years there has been much greater focus on whether the governance of LGPS pension funds is appropriate. The introduction of local Pension Boards and focus on increased training are just two areas of the greater focus. TPR's greater legal powers of oversight extend this further and the Code of Practice is a useful means to understand what good practice looks like in these areas.
- 3.3 The Pensions Regulator's Policy on compliance and enforcement sets out the powers and the consequences of not meeting the requirements under the Code which could have financial consequences and could in extreme cases lead to financial penalties.
- 3.4 The matters covered by Code 14 are:
- knowledge and understanding for members of pension boards;
 - conflicts of interest;
 - publication of information about pension boards, governance and administration;
 - internal controls;
 - record-keeping;
 - late payment of employer and employee contributions;
 - information about member benefits and disclosure of information to members;
 - internal dispute resolution, and
 - reporting breaches of the law.
- 3.5 In light of the legal powers that have now been placed with TPR and the increasing focus on the governance of public service pension schemes, it is appropriate to consider whether the management of the London Borough of Enfield Pension Fund meets the overriding legal requirements and the recommended ways of working outlined in TPR's Code of Practice.
- 3.6 An updated checklist and improvement plan as at December 2019 is attached at Appendix 1 for review and comment by the Board. The Fund is generally able to demonstrate good levels of compliance with the Code. Two areas that stood out on this review whereby had more items that need further attention were Internal Dispute Resolution and Providing Information to Members and Others.
- 3.7 The items in respect to Internal Dispute Resolution Procedure (IDRP) relates largely to the need to update the IDRP to ensure it includes all required and additional helpful information. The current version is based on the old Communities and Local Government Department (DCLG) sample. This work is in progress and the target is to have this completed before the next board meeting.

- 3.8 Most of the items requiring attention in Section H are now in progress as they relate to the source and format of information. This work is in progress as well and most of it is now partially compliant and the target is to have this completed before the next Board meeting.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 This is a legislative requirement so there is no alternative option to consider.

5. REASONS FOR RECOMMENDATIONS

- a) There has been much greater focus on whether the governance of LGPS pension funds is appropriate. The introduction of Local Pension Boards and focus on increased training are just two areas of the greater focus. The Pension's Regulator (TPR) now has greater legal powers of oversight that extend this further and the Code of Practice is a useful means to understand what good practice looks like in respect of pension funds.
- b) A good standard of governance is crucial in minimising the key risks involved in managing the Pension Fund. Although there are clear benefits for many schemes of the greater oversight powers that have been given to TPR, ensuring compliance with these areas and the much greater focus on governance results in additional work for officers and advisers of the Fund. Any costs associated with delivering the requirements of this Code and the related legal changes are not material in the context of the Pension Fund and any such costs are recharged to the Pension Fund.

6. COMMENTS FROM OTHER DEPARTMENTS

6.1 Financial Implications

- a) There are no immediate direct financial consequences arising as a result of this report. However, understanding the risks that exist in respect of the Pension Fund and the management of those risks is important to the overall strategic management of the Pension Fund and the governance role of this Board. Not all risks are quantifiable from a financial perspective however should they not be appropriately managed they could impact on the reputation of the Fund and the Council.

6.2 Legal Implications

- a) The Pensions Regulator Code of Practice for Public Sector Pensions came into force on the 1st April 2015. The Code introduces the framework for the governance and administration of public service pension schemes and provides an extended regulatory oversight by the regulator. Codes of practice provide practical guidance in relation to the exercise of functions under relevant pension's legislation and set out the standards of conduct and practice expected of those who exercise the functions. It is essential the Pension Policy & Investments Committee undertakes regular monitoring of the management and performance of the fund and use of the compliance checklist will assist with this.
- b) The regulator is required under section 90(2) of the Pensions Act 2004, to issue one or more codes of practice covering specific matters relating

to public service pension scheme. The Code is not a statement of the law and there are no penalties for failure to comply with its provisions. However the Authority must ensure that it complies with the underlying legal duties in respect of those matters specified in section 90(2). It is possible to adopt an alternative approach to that set out in the Code, however any such approach must meet any underlying legal duties of the scheme manager. Failure to do so may result in a penalty being imposed and the regulator also has the power to issue an improvement notice under section 13 of the Pensions Act 2004. The notice may be drafted with reference to the code of practice

- c) When exercising its functions, the Pensions Board, must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector duty).

7. KEY RISKS

- a) The rigorous robust management of Enfield Pension Fund results in better quicker and more effective decision making which can lead to better Fund performance and reduction in the contribution required from the Council towards the Fund. The monitoring arrangement for the Pension Fund and the work of the Pension Policy & Investment Committee should ensure that the Fund optimises the use of its resources in achieving the best returns for the Council and members of the Fund.

Appendices

Appendix 1 – TPR Compliance Improvement Plan as at 31st December 2019

Appendix 2 – Schedule of Employers Contribution as at 31st December 2019

Appendix 3 – The Risk Register and the impact and likelihood of events

The Pension Regulator and Scheme Advisory Board Compliance Fund Governance - Improvement Plan

Author: Bola Tobun – Pensions & Treasury Manager

Date: 09.01.2020

Reviewed by: Local Pension Board

Introduction:

The Code of Practice is issued by The Pensions Regulator, the body that regulates occupational and personal pension schemes provided through employers.

The regulator's statutory objectives are to:

- protect the benefits of pension scheme members
- reduce the risks of calls on the Pension Protection Fund (PPF)
- promote, and improve understanding of, the good administration of work-based pension schemes
- maximise compliance with the duties and safeguards of the Pensions Act 2008

Codes of practice provide practical guidance on how to comply with the legal requirements of the pension regulations.

Review:

Aon undertook a review in 2015, then again in October 2018. Aon's overall findings showed a significant improvement in compliance with the TPR Code. There were however areas that were judged to be non-compliant or partially compliant.

The purpose of this Improvement Plan is to address those areas of non or partial compliance.

Monitoring:

The Pension Policy and Investment Committee will review the Improvement Plan periodically to monitor progress. A periodic report will be presented to the Local Pension Board for information.

A – Reporting Duties

A4. Requirement: Have you responded to the latest TPR public service pension scheme survey/questionnaire? Aon 2018 Review: Non-compliant				
Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
Complete the 2018/19 (issued on 05.11.08) Survey	Survey to be completed	Bola Tobun	28.02.2019	Completed

B. Knowledge and Understanding

B1. Requirement: Are there policies and arrangements in place to support pension board members in acquiring and retaining knowledge and understanding? Aon 2018 Review: Partially compliant				
Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
<p>The Pension Policy and Investment Committee (PPIC) and Pension Board (PB) Training Policy is not on the Fund website.</p> <p>This policy does not include training objectives, details of how training will be documented nor how attendance at events will be recorded and monitored.</p>	<p>Review the training policy every three years and include the 3 year review in the policy</p> <p>Include objectives in the Training Policy and specify how training will be recorded and monitored</p>	Bola Tobun	31.03.2020	To be approved by the PPIC before publication.

B2. Requirement: Has a person been designated to take responsibility for ensuring the framework is developed and implemented?

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
The Pension & Treasury Manager is responsible for the training policy however this is not set out in the policy	To specify who is responsible for the policy and its implementation	Bola Tobun	31.03.2019	To be approved by the PPIC before publication.

B5. Requirement: Are pension board members aware of their legal responsibility in terms of Knowledge and Understanding?

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
Whilst pension board members are told about this on appointment, it is included in Aon's induction training and included in Terms of Reference this is not set out in the formal training policy.	Add legal requirements to training policy and consider extending the training to the pension committee members in a formal policy	Bola Tobun	31.03.2020	The requirement has been included in the training policy; the policy is awaiting PPIC approval.

B10. Requirement:
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?

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
Formal regular assessment of knowledge and understanding against required competencies (e.g. CIPFA) does not appear to be taking place.	Annually review records kept (in PB and PPIC meetings) in order to highlight any individuals with outstanding requirements. This should be against CIPFA and other required competencies	Bola Tobun	31.03.2020	This requirement has been included in Training policy. Review would be carried out at the start of each municipal year. The Policy is awaiting PPIC approval.

B11. Requirement: Are records of learning activities being maintained?

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
An annual report is created from information collected from PPIC and PB members. Members are given the information before the report is published to give them time to complete further training if felt necessary	Create an ongoing record of training carried out and review annually at Local Pension Board	Bola Tobun	31.03.2020	Training log has been created and included in the training policy which is awaiting PPIC approval, scheduled for their February 2020 meeting.

B12. Requirement: Have the pension board members completed the Pension Regulator's tool kit for training on the Code of

Practice number 14?				
Aon 2018 Review: Partially compliant				
Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
This requirement is included in the training policy. Members have a year to complete the modules after being appointed and should confirm when completed.	Ensure confirmation is received and documented that all members have completed the tool kit.	Bola Tobun	31.03.2020	This requirement is included in the training policy, this policy is awaiting PPIC approval.

c. Conflicts of Interest

C1 & C5. Requirement: Does the Fund have a conflict of interest policy and procedure, which include identifying, monitoring and managing potential conflicts of interest? Is the conflict of interest policy regularly reviewed?				
Aon 2018 Review: Partially compliant				
Specific Area Identified	Tasks and timescales	Responsible Officer	Timescales	Progress Update
The Fund uses the Councils conflict of interest policy but should have its own policy	Create a Fund conflict of interest policy which should include the code of conduct and reference that it will be reviewed every 3 years The policy to be available on the Funds website.	Bola Tobun	31.03.2020	Fund conflict of interest policy and register has been created, awaiting PPIC approval.

C6 & C7. Requirement: Does the Fund have a conflict register and is it circulated for ongoing review and published?

Is appropriate information included in the register

Aon 2018 Review: C6 - **Non-compliant** C7 - Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
There is no Fund conflict register	Create a conflict register and include conflicts in the annual report and accounts and ensure the register includes recommended information	Bola Tobun	31.03.2020	Fund conflict of interest policy and register has been created, awaiting PPIC approval.

D. Publishing Information about Schemes

D1 & D2. Requirement: Does the Administering Authority publish information about the pension board?
Does the Administering Authority publish other useful related information about the pension board?

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
There is no information about members of the PB or the PPIC on the fund website or the Council Website. but not the additional information on responsibilities.	Ensure the following information is available on the Fund and Council Website: <ul style="list-style-type: none"> - PB and PPIC membership - Terms of Reference - Responsibilities of board members - Code of Practise (para 96) 	Bola Tobun Tim O'Connor	31.03.2020	TOR, Constitution info to be sent to Bola to seek agreement to publish

E. Managing risk and Internal Controls

E4. Requirement: Does the Administering Authority review the effectiveness of the risk management and internal systems of the Fund?

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
There is no formal review of risk management.	Ensure the following information is available on the Fund and Council Website: <ul style="list-style-type: none"> - PB and PPIC membership - Terms of Reference - Responsibilities of board members - Code of Practice (para 96) 	Bola Tobun Tim O'Connor	31.03.2020	Tim to update website with membership details and other required details

E7. Requirement: 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?

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
<p>It is considered that there are adequate internal controls in place. Most are set out in the risk register, though it is recognised this could be more comprehensive and better documented.</p>	<p>Develop a detailed administration risk register which includes details on all internal controls.</p> <p>Update the Risk Policy, documenting internal controls once risks are identified.</p> <p>Report on errors where further training is required.</p> <p>Ensure calculations are checked by another pensions officer.</p>	<p>Tim O'Connor</p>	<p>31.03.2020</p>	<p>Scheduled in Q4 workplan</p>

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?

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
The only outsourced process relates to AVCs. A contract review has not been done for some time.	Review the AVC service provided and document terms of engagement and contract arrangements. Address all issues experienced	Tim O'Connor & Bola Tobun	31.07.2019 Amended to 31.03.2020	AVC review meeting agreed with Prudential for 24 th October 2019

F. Maintaining accurate member data

F3. Does the Fund keep records of and reconcile transactions as required by the Record Keeping Regulations?

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
Record keeping regulations were considered complaint except in relation to AVC's. No evidence of checking benefit outgo cashflows and reconciling by employer.	Agree with the Prudential a way of ensuring compliance with regulations Ensure robust processes for checking employer cashflows in relation to benefit payments.	Tim O'Connor Bola Tobun	31.12.2019	Scheduled in Q3 workplan - to be discussed at the meeting with the Prudential 24 th October 2019

F9. Is a data improvement plan in place which is being monitored with a defined end date?
Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
<p>A formal documented data improvement plan is not in place.</p> <p>A formal administration strategy is not in place to support the improvement plan.</p> <p>HR expectations differ.</p>	<p>Create a formal improvement plan with agreed targets and timescales so progress can be monitored.</p> <p>Create a formal administration strategy to set out objectives</p> <p>Discuss HR expectations with Head of HR and document roles and responsibilities with all stakeholders</p>	<p>Tim O'Connor</p>	<p>30.12.2019</p>	<p>On track to meet target – end Q3</p>

F11. Do the Administering Authority's member data processes meet the requirements of the Data Protection Act 1998 and the data protection principles, and the new requirements of GDPR (from 25 May 2018)?

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
There is not a privacy notice on the member website, and members should be informed by data controllers how their data will be used.	Ensure privacy notice is available on the Fund website	Tim O'Connor	01.04.2019 Amended to 01.09.2019	Completed and published

G. Maintaining contributions

G6. Does the Fund maintain a record of any investigations and communications with employers?

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
There is no formal record of correspondence with employers in relation to the payment of contributions	Create a correspondence log with employers	Karen Bennett	31.12.2019	Bola – to chase Karen

G9. If the administration of contributions outsourced to a service provider, is there a process in place to obtain regular information on the payment of contributions to the scheme?

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
AVC's – there in no annual reconciliation between contributions received by Prudential and the council's finance system	Improve monitoring of AVC contributions. Reconcile AVC contributions with Council's finance system annual and keep records	Karen Bennett	31.03.2020	Bola to chase Karen

H. Providing information to members and others

H8. Basic Scheme Information – Does this meet the legal requirements in relation to format?

Aon 2018 Review: **Non-compliant**

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
Areas of non-complaint identified	Ensure the Guide to the LGPS and associated forms issued to new members or potential members is compliant and website updated	Tim O'Connor	31.03.2020	Work in progress to be completed in Q4

H9. Is all other information provided in accordance with the legal timescales?				
Aon 2018 Review: Partially compliant				
Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
Full evidence was not available to guarantee the Fund is fully compliant.	Ensure all areas are fully complaint and controls and monitors are put in place to evidence compliance in future.	Tim O'Connor	31.03.2020	Work in progress to be completed in Q4

J. Reporting breaches of the law

J1: Is the Administering Authority satisfied that those responsible for reporting breaches under the legal requirements and TPR guidance understand the requirements?				
J2: Does the Administering Authority have appropriate procedures in place to meet their legal obligations for identifying and assessing breaches?				
J3: Are breaches being recorded in accordance with the agreed procedures				
Aon 2018 Review: Partially compliant				
Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
No formal documented process for reporting breaches	Creation of documented process	Tim O'Connor	31.10.2019	Breach document to be added to the Risk Register which needs to be reviewed by the Committee & Board as a Standing Item

K. Scheme Advisory Board – Guidance on the operation of Local Pension Boards in England and Wales

K4. A Local Pension Board should designate a person to take responsibility for ensuring that the knowledge and understanding policy and framework is developed and implemented.

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
Pension & Treasury Manager is responsible for this however it is not reflected in the policy	Ensure policy is updated with this information	Bola Tobun	31.03.2020	To be included in risk register and training policy

K7. Members of a Local Pension Board should undertake a personal training needs analysis and put in place a personalised training plan.

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
There are currently no individual needs assessment before training is provided	Create a training needs assessment check list prior to the delivery of training	Bola Tobun	31.03.2020	This requirement has been included in the training policy, awaiting PPIC approval. To be included in the Fund risk register

K8. An Administering Authority should prepare a code of conduct and a conflicts policy for its Local Pension Board for approval in accordance with the Administering Authority's constitution and at the first meeting of the Local Pension Board. The Local Pension Board should keep these under regular review.

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
The Council's Code of Conduct includes reference to conflicts, this is not linked to the Pension Board Terms of Reference.	Amend Pension Board TOR to include conflicts	Bola Tobun	31.03.2020	Bola to include conflicts of interest in PB TOR

K11. An Administering Authority should agree the ongoing reporting arrangements between the Local Pension Board and the Administering Authority.

Aon 2018 Review: **Non-compliant**

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
TOR states that an annual report on the work of the Board will be included in the Pension Annual Report but no annual report is prepared	Create an annual report	Bola Tobun	30.06.2020	Too late for 2018/19, Bola to complete for FY 2019/20

K12. A Local Pension Board should understand the Administering Authority's requirements, controls and policies for FOIA compliance so that the Local Pension Board is aware of them and can comply with them.

Aon 2018 Review: Non-compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
This is not completed	Create report to Local Pension Board on FOIA compliance	Bola Tobun	30.03.2019	BT - To discuss with FOI/compliance team

K13. A Local Pension Board should put in place arrangements to meet the duty of its members to report breaches of law

Aon 2018 Review: Non-Complaint

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
There are no formal policies or procedures specifically for PB or PPIC.	Put in place a breaches procedure and log and make members of the PB and PPIC aware – standing Agenda item.	Bola Tobun	30.03.2020	Policy to be drafted for PPIC approval.

K14. Local Pension Board should consider (with its Administering Authority) the need to publish an annual report of its

activities.

Aon 2018 Review: Non-compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
publish an annual report of Local Pension Board activities	To be included in the Pension Fund annual report (K11)	Bola Tobun	30.06.2020	Too late for 2018/19, Bola to complete for FY 2019/20

K15. An Administering Authority should consult on, revise and publish its governance compliance statement to include details of the terms, structure and operational procedures relating to its Local Pension Board.

Aon 2018 Review: Partially compliant

Specific Area Identified	Tasks	Responsible Officer	Timescales	Progress Update
The published governance compliance statement does not include the details required in relation to the LPB. This was identified as an action to include in the 2015 TPR Compliance review.	Include additional PB terms, structure and operational procedures detail in 2018/19 and all future statements.	Bola Tobun	30.06.2020	Update for Annual Report for 2019/20

Appendix 2 – Schedule of Employers Contribution

£000's	October	November	December
Enfield	2,492	2,500	2,507
Latymer school	25	25	26
Capel Manor	47	49	0
Oasis Enfield	61	58	63
Oasis Hadley	22	23	21
Aylward Academy	12	11	0
AIM Academy North (Nightingale)	8	5	8
Kingsmead academy	13	15	16
Enfield Grammar	18	18	19
Edmonton County	31	31	30
Southgate School	20	20	20
Cedars Learning Trust	12	12	13
Enfield Learning Trust	78	79	0
Adnan Jaffery Trust	1	0	0
Attigo Academy Trust	52	55	49
Ark John Keats Academy	11	10	10
Meridian Angel Primary School	3	1	2
Ivy Learning Trust	74	71	71
Jewish Community Academy	6	6	0
Children First Academy	87	89	0
Cuckoo Hall Academy Trust	41	40	38
Olive dining Edmon Bury & Edmon Cambridge (Elior UK)	2	1	2
Reed Wellbeing (momenta)	2	2	2
Sodexo	2	1	0
Leisure Centre/fusion Lifestyle	2	2	0
Edwards and Blake	1	0	0
OutWard Housing	0	1	0
Independence & Wellbeing Enfield	93	98	99
Voluntary Bodies	3	3	3
Olive Dining (Aylward)	0	1	0
Birkin Cleaning (Nightingale)	0	1	0
Olive Dining (Nightingale)	0	0	0
Norfolk Cleaning Service	4	5	5
North London Homecare and Support Ltd	0	0	0

As at 14th January 2020 remittance not received, remittance expected by 19th January 2020.

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Area	Risk Register	Risk Rating Impact	Likelihood	X	Level of Risk	Project work	Cause of Risk	Risk Owner	Impact	Controls in place	Further action required	Review date
Benefits	Processing of Terminally ill health retirements	2	2	4	Low	No	Cases not dealt with speedily or correctly.	Pensions Administration Team	Terminally ill member could die before benefits received. Causing hardship to vulnerable members. Also reputational damage to the PF.	Yes, all terminal ill healths flagged up to Senior Staff as soon as identified	None required at present	01/01/21
	Implementation of regulations for Trivial Commutation	1	4	4	Low	No	Incorrect payment of Trivial Commutation. Unauthorised payments	Pensions Administration Team	A member paid incorrectly could create tax implications for the member and potential reputational damage to pension fund	Yes - dealt with on an individual request basis but very low	Updating of letter and option to be made	01/09/20
	Overage deferred records not paid	1	4	4	Low	No	Benefits not paid out to eligible members as not claimed by member	Pensions Administration Team	member not paid causing financial hardship. Plus financial and reputational damage to pension fund	All identified have been written to but a Tender project to appoint a missing tracing company to find these members required	see link to tender for missing members project	01/09/20
	Over 75 benefits not paid - insert figures	1	4	4	Low	No	Benefits not paid out to eligible members	Pensions Administration Team	member not paid causing financial hardship. Plus financial and reputational damage to pension fund	Members identified and payroll notified - involves low numbers but vigilance required when reporting	None required at present	01/01/21
	AVCs paid at retirement	1	4	4	Low	Yes	PF holding onto AVCs whilst pension has been paid out	Pensions Administration Team	member not paid, could cause financial hardship. Also financial and reputational damage to pension fund	Discussions on this area have taken place with the Prudential - and further collaborative work ongoing	Systems Team completing a review of all AVCs. Administration team ensure current are paid.	01/06/20
Backlogs	Deferred Leavers Backlog	2	4	8	Medium	Yes	Failure to notify former member of their pension benefits within 2 months of leaving/receiving information from employer	Pensions Administration Team	member not notified of benefits. Financial and reputational damage to pension fund.	Project in place	All cases identified and both Systems and administration teams are working daily in this area	01/09/20
	Aggregation of benefits - pre and post April 14	1	4	8	Medium	Yes	Failure to offer linking of member services.	Tim O'Connor with support from Systems Team	member not notified of benefits. Plus financial and reputational damage to pension fund	Project in place	Systems Team are working on this project	01/01/21
Projects	Annual Allowance	1	3	3	Low	Yes	All cases identified and notified within timelines	Andreas Andrea	Tax implications for both member and member if incorrectly notified	project team in place - actions left to complete -	Andreas to produce project plan for 2020 and involves Rebecca Moore in delivery	01/11/20
	Lifetime Allowance [INCLUDE PROTECTIONS]	2	3	6	Medium	Yes	All processed correctly?	Andreas Andrea	Tax implications for both member and member if incorrectly notified	All complex queries are referred to risk owner	Andreas to produce project plan for 2020 and involves Rebecca Moore in delivery	01/11/20
	Triennial Valuation 2022	2	3	6	Medium	Yes	Completion of the administration side of the triennial valuation in a timely manner.	Tim O'Connor	Incorrect benefits paid out. Financial and reputational damage to fund. Loss of Fire Pension Scheme project	project team to be set up nearer the time	Risk owner to outline project timelines. Set up regular comms with Fire. Initial outline report completed. Andy to review alongside LGA guidance. And establish a	01/09/21
	GMP project - HMRC deadline	3	2	4	Low	Yes	All GMP related work to have been completed in line with the shutdown of GMP related work at the DWP.	Tim O'Connor	Incorrect data on records leading to incorrect payment. Taking on the responsibility of cases because we have not data cleansed sufficiently	Project stage is now awaiting response from DWP	none required at present	01/01/21
	ABS	1	3	3	Low	Yes	Sent out correctly and in line with prescribed timescales	Tim O'Connor with support from Systems Team	Incorrect statements can lead to members making incorrect financial decisions. Causing reputational damage to the fund.	Project plan in place	Review in March for letters and also include feedback survey	01/03/20

31/03/20	Project to align all the workflows to SLA and Disclosure of Regs timescales, this needs to be documented in test as steps within the workflows.	Project plan in place	This could incur fines from the Pensions Regulator. Also impossible to plan resources when KPIs giving a different slant on work completion/outstanding	Tim O'Connor with support from Systems Team	Workflow completion timescales are currently more generous and consequently out of sync with SLA timescales and with disclosure of Regulations timescales this means our KPIs are reporting inaccurate data	Yes	Low	4	4	1	and all procedures captured
31/03/20	None required at present	Project plan in place - work is double checked by system team	Incorrect factor tables could lead to incorrect payments of benefits if anomalies are not identified by the Benefits team	Andreas Andrea	Altair? are the correct factors in place in Altair?	No	Low	1	1	1	Correctly uploading factor tables
01/01/21	System team to complete a written procedure for the tender project to be completed and put into action for 3rd party trading agency to find any outstanding missing addresses	Project plan in place	Reputational damage to fund in the event of any and member. think times for down fund	Andreas Andrea	Capturing all areas of work	No	Medium	6	3	2	Event reporting
01/09/20		Project plan in place	Not having the ability to contact the member to notify or pay our benefits	Tim O'Connor with support from the Systems Team	Could lead to personal data going to a wrong address or benefits not claimed.	No	Low	3	3	1	Missing Addresses
31/03/20	None required at present	Project plan in place - work is double checked by system team	Impact on both members payments and incorrect ABS	Andrea Andrea	Year updating of Altair 11 System. Pensions increase programme. Plus EOY factor tables. Employee data for salaries and contributions - if incorrect. Member could be wrongly paid	Yes	Medium	9	3	3	End of year updating (LGPS 2019 scheme and employer data issues)
01/01/21	Establishment of a comprehensive suite of routine data cleansing processes as part of a full programme. Procedure to capture this area of work.	Project plan in place	Without a clear, consistent and routine data cleansing programme, the fund cannot be confident that errors will not occur, Pension Regulator targets will not be met causing reputational	Tim O'Connor with support from both administration and Systems teams	Establish a clear and consistent data cleansing programme. Expansion of pensions dashboard.	No	Medium	6	3	2	Data cleansing meeting TRP record-keeping
31/03/21	Large scale project which	Procedure project in progress as the team move to Sharepoint	Without an up to date procedure matrix it will be impossible to know who is following the correct procedure. This could lead to cases been incorrect benefits been paid, also risk of reputational damage	Tim O'Connor with support from both administration and Systems teams	procedures all captured and up to date?	Yes	Low	4	4	1	Procedure matrix and move to Sharepoint
31/08/20	to complete upto date training matrix	unknown - risk owner to confirm update	Without an up to date training matrix it will be impossible to know who is skilled in what area, what training is required and this could lead to incorrect calculations due to a lack of knowledge	Tim O'Connor	Up to date with all training work	No	Low	4	4	1	Training matrix
31/03/20	Review and annual update - new tasks to add	Yes	Without accurate and clear data it is impossible to plan the resources of the team. This has several risks	Tim O'Connor	Accurate and up to date?	No	Low	4	4	1	KPI - statistics
31/08/20	Employers to obtain a written discriptions policy - arrange and visit remaining employers, i.e. attendance at town council meetings. Briefing paper to outline this	Project plan in place as part of employer specific work	Members may suffer if Employers have not been a clear discriptions policy as required.	Tim O'Connor and Andreas Andrea	All admin auth discriptions made?	No	Low	2	2	1	Discriptions Employers

Management

	Staffing levels	2	2	4	Low	No	Capacity issues:	Tim O'Connor & Julie Barker	Resourcing work and all other projects could be hindered or slowed down by lack of team members.	Yes	more planning in next stage development required	31/03/20
	LGA Bulletins – bullet points being actioned	1	4	4	Low	No	all action points addressed by Managers?	Tim O'Connor and Andreas Andrea	Action from Bulletin not completed could have financial implications for members. Risk of reputational damage	Bulletins are reviewed monthly, actions required	To review at Monthly team meeting	29/02/20
	Data Protection	2	3	6	Medium	No	Everyone adhering to the new data protection rules?	All	member or other body wrongly notified of personal data. Heavy Fine from ICO plus reputational damage to pension fund	Training, procedures. Routine reminders.	Annual refresher training before end of 31/03/2019 required. Auditing of cases on a routine basis.	01/01/21
Governance	New local pension board	3	2	4	Low	Yes	set up of new board as per requirement of the Pensions Act 2013.	Bola Tobun	Breach of Legislation and risk of fines.	see Bola	Establish training programme - possible links into administration	31/03/20
Employer	Employer data provided on time	1	2	2	Low	No	Work received from all employers in a timely manner on a monthly basis which contains minimal errors	Karen Bennett	member could be paid incorrectly. Plus financial and reputational damage to pension fund	unknown - risk owner to confirm	establishment of procedure and routine monitoring of performance against targets	31/03/20
	Legal turnaround times for Admission Agreements	2	3	6	Medium	No	Internal legal not responding to request or moving work in a timely manner.	Tim O'Connor	Reputational risk with employers and lead to commercial issues occurring.	Project plan in place as part of employer specific work	SLA with HOP to discuss with legal to establish agreed turnaround times.	31/08/20
Communications	Communications Quality Assurance	1	4	4	Low	No	letters, newsletters, website, emails, telephone calls clinics.	Tim O'Connor with support from all Pensions Team	Members not been updated at the right time.	Yes	Employer newsletter being worked on. Active & Pensioner newsletter to start work on	29/02/20
	Website	1	4	4	Low	No	not up to date	Tim O'Connor with support from Systems Team	Members reading incorrect information could lead to incorrect decisions been made	Yes	some additions ready to now add - re governance page and AVCwise information and year end information	31/03/20
	Presentations	1	4	4	Low	No	Various Managers trying to cover both this role and their own	Tim O'Connor with support from Systems Team	Not having the resources to cover adequately. Information not getting to the right people at the right time.	Yes	Scheduling presentations based on demand.	31/03/20
	Pension Clinics	1	4	4	Low	Yes	EPF indicated Fund would hold these in 2020.	Tim O'Connor with support from the administration team	Members don't receive the service and are not as well informed as they should be.	Yes	Pension Clinics in process of been set up.	31/05/20
	AGMs	1	1	1	Low	No	Reputational risk as best practice	Bola Tobun	Employers/Members are not updated on issues	unknown - risk owner to confirm	Bola to advise	
	Annual Report - compliance review	2	1	2	Low	No	Change in CIPFA regulations means changes required to ensure compliance	Bola Tobun	Adverse audit opinion	Accountant currently completing new template for Annual Report - to be reviewed	To review Annual Report	31/08/20

1 Yes

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Enfield Council Impact Scoring Criteria

Score	Effect on service	Embarrassment/ reputation	Personal safety	Personal privacy infringement	Failure to provide statutory duties/meet legal obligations	Financial	Effect on project objectives/schedule deadlines	ICT	Environment
4 Significant	Major loss of service, including several important areas of service and/ or for a protracted period Service disruption 5+ days	Adverse and persistent national media coverage Adverse central government response, involving (threat of) removal of delegated powers Officer(s) and/ or Members forced to	Death of an individual or several people	All personal details compromised / revealed	Litigation/ claims/ fines from Departmental £250k+ Corporate £500k+	Costing over £1m Major increase on up to 75% of budget	Complete failure of project/ extreme delay - 3 months or more All benefits fail to be realised	Total replacement of existing system Major redevelopment required Substantial impact on service	Significant/ excessive emissions to land, air or water; or disruption to plant and/ or animal life with long term effects (over 5yrs)
3 Moderate	Complete loss of an important service area for a short period Moderate effect to services in one or more areas for a period of weeks Service disruption 3-5 days	Adverse publicity in professional/ municipal press, affecting perception/ standing in professional/ local government community Adverse local publicity of a major and	Severe injury to an individual or several people	Many individual personal details compromised / revealed	Litigation/ claims/ fines from Departmental £100k to £250K Corporate £250K to £500k	Costing between £250k and £1m Up to 50% of budget	Significant impact on project or most of expected benefits fail/ major delay of 2-3 months Majority of benefits fail to be realised	Major configuration of existing system Disruption to service	Severe emissions to land, air or water; or disruption to plant and/ or animal life with medium term effects (3-5yrs)
2 Minor	Minor effect to an important service area for a short period Adverse effect to services in one or more areas for a period of weeks Service disruption 2-3 days	Adverse local publicity/ local public opinion aware Statutory prosecution of a non-serious nature	Minor injury to an individual or several people	Some individual personal details compromised / revealed	Litigation/ claims/ fines from Departmental £25k to £100k Corporate £50k to £250k	Costing between £50k and £250k Up to 25% of budget	Adverse effect on project/ significant slippage of 3 weeks - 2 months Some benefits fail to be realised	Basic IT requirements, Some minor configuration Minimal disruption to service	Limited emissions to land, air or water; or disruption to plant and/ or animal life with short term effects (up to 2yrs)
1 Insignificant	Brief disruption of important service area Significant effect to non-crucial services area Service disruption 1	Contained within section/ Unit or Directorate Complaint from individual/ small group, of arguable merit	Slight injury or discomfort to an individual or several people	Isolated individual personal details compromised / revealed	Litigation/ claims/ fines from Departmental below £25k Corporate below £50k	Costing less than £50k Up to 10% of budget	Minimal impact to project Slight delay less than 3 weeks Minimal benefits fail to be realised	Basic IT requirements met No disruption to service	Negligible emissions to land, air or water; or disruption to plant and/ or animal life with no lasting effects (Current)

NB: Not all categories may apply to each risk. You need to come to a management consensus among your group.

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Scoring criteria for likelihood

SCORE	DESCRIPTION	INDICATORS
4 Almost Certain	More than 75% chance of occurrence	Regular occurrence Circumstances frequently encountered -daily/weekly/monthly
3 Possible	40% - 75% chance of occurrence	Likely to happen at some point within the next 1-2 years Circumstances occasionally encountered (few times a year)
2 Unlikely	10% - 40% chance of occurrence	Only likely to happen 3 or more years
1 Rare	Less than 10% chance of occurrence	Has happened rarely/never before

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