

Grid: Record - View: Closed Risks

Risk Ref	Risk Title and Description
PENS0001	PEN 01 - Fund assets fail to deliver returns in line with the anticipated
PENS0002	PEN 02 - Inappropriate long-term investment strategy
PENS0003	PEN 03 - Active investment manager under-performance relative to b
PENS0004	PEN 04 - Inflation - Pay and price inflation significantly more than ant
PENS0005	PEN 05 - Pensioners living longer
PENS0006	PEN 06 - Poor Performance of Outsourced Administrator
PENS0007	PEN 7 - Cyber Security
PENS0008	PEN 8 - ESG - Risk of financial loss through the negative impact of ESG
PENS0009	PEN 9 - Liquidity on asset management - risk of failure to liquidate ass
PENS0010	Pen 10 - Liquidity on members dealings - risk that the fund is unable to
PENS0011	PEN 11 - Failure of the pool in management of funds / access to funds

Causes

Market and economic environment not conducive to asset performance.

Incorrect asset allocation.

Underperforming fund managers.

Incorrect asset allocation and fund manager selection.

Incorrect manager decisions

Incorrect market environment for their Strategy

Key staff loss

Global and national market/geo political environment causing higher inflation.

Incorrect BoE actions to rectify

Improvements in longevity

Poor service delivery of outsource partner

Poor contract management

Lack of action when improvements required

Inappropriate cyber protection, ongoing management and contingenc

Negative ESG influences creating an environment where investments/

Lack of notice given for drawdown

Poor cashflow management t

Cashflow negative (Payments greater than income)

Poor cashflow management

Lack of interest in common fund launch

Poor CIV governance

Government intervention

Consequences	Risk Type
Reduced asset value. Reduced funding level.	
Increase in employer contributions.	Operational
Increased employer contributions.	Operational
Reduced investment returns vs passive strategy Lower returns / funding level	
Increased employer contributions	Operational
Increased pension payments / cashflow negative Reduced asset values & increased negative actuarial assumptions reduce funding level	
Discount rate may be higher which could improve funding level	Operational
Pension costs exceeding forecast	
Reduced funding level	Operational
Non delivery of pension payments Non compliance with pension regulations	Operational
Los of data Ransom demands	
Non delivery of statutory service	Operational
Reduced asset value Reduced funding level	Operational
Unable to meet trades Financial penalties	
Overdraft fees	Operational
Non payment of pensions Negative impact on pensioners Reputational damage Fines	Operational
Lack of diversity in investment Inability to meet pooling requirement	
Unable to meet any changing in ISS requirements	Operational

Directorate	Current Profile	Controlled Profile
Finance Directorate D1		D1
Finance Directorate D1		E1
Finance Directorate D1		D1
Finance Directorate D1		E1
Finance Directorate E2		E2
Finance Directorate E2		F2
Finance Directorate E1		E1
Finance Directorate Not Set		Not Set
Finance Directorate E1		F1
Finance Directorate Not Set		Not Set
Finance Directorate D1		E1