

Appendix 1 - Risk Register

Number	Function	Risk	Impact	Pre Mitigants			Mitigating Actions / Control Framework	Post Mitigants				
				Impact	Likelihood	Score		Impact	Likelihood	Score	Previous score	Trend
NR06	Governance	Cyber attack	Fund is unable to operate Members do not receive pension payment on time.	Critical	Almost Certain	25	- disaster recovery plan in place - business continuity plan - B&NES cyber security policy and system defence	Critical	likely	20	10	↓
NR01	Admin	Ability to deliver service to agreed standards	Poor member outcomes and/or breach of regulations.	Critical	Almost Certain	25	- KPIs & complaints monitored and acted on - plan to digitise will improve self-serve & ops efficiency - actions to improve staff recruitment & retention	High	Likely	16	16	→
NR05	Governance	Failure to manage personal data per regulations	Personal data corrupted, compromised or illegally shared Fines and reputational damage.	Critical	Almost Certain	25	- One West is Data Protection Officer for Fund and advises re. data protection - record of processing and privacy notice set out how data is managed - processes in place re. data breaches and protection - regular officer training.	High	Possible	12	12	→
NR10	Investments	Failure to earn investment returns	Scheme cannot meet liabilities and employer contributions could rise.	Critical	Likely	20	- diversified asset allocation - professional and independent investment advice - risk management strategy supports funding strategy - FRMG & Investment Panel monitor performance and risk - periodic strategic investment review	High	Possible	12	12	→
NR11	Investments	Brunel fails to deliver client objectives re. service delivery	Affects Fund's ability to achieve investment objectives	Critical	Possible	15	- Brunel governance framework - robust performance reporting - Avon-Brunel working group	High	Possible	12	12	→
NR02	Regs	Regulatory changes	Breach of regulations Poor member outcomes Increased workloads for officers Changes to pooling could undermine delivery of investment strategy	Low	Possible	6	- regulatory changes monitored via LGA and professional advisors - officers attend SWAPOG/Tech Group - regulatory projects included in service plans - officers respond to consultations.	medium	likely	12	4	↓
NR12	Investments	Failure to achieve decarbonisation targets	Government climate policies not moving fast enough or sufficiently enforced Significant reputational and financial risks to value of investments	Critical	Almost Certain	25	- ISS/RI Policy embedded by the Fund - Brunel's climate change policy and approach to investing - use of professional advice - IIGCC developing investment framework for climate risk	Medium	likely	12	16	↑
NR08	Employers Funding	Employers unable to meet financial obligations to Fund	Financial cost to other employers in the Fund.	High	Possible	12	- policies on employer financial stability set out in FSS & ISS - covenant framework - quarterly review and mitigating action	Medium	Possible	9	9	→
NR07	Employers Data	Employers do not comply with regulatory responsibilities	Poor member data Fines and greater scrutiny by TPR. Employer liabilities incorrect if data is incorrect.	Critical	Likely	20	- management of employers set out in admin strategy/MOU - employer KPIs recorded and monitored vs TPR standards - employer training	Medium	Possible	9	9	→
NR09	Investments	Operational risks of investment managers, custodian and other investment suppliers	Loss of assets Inability to trade as assets inaccessible	High	Possible	12	- due diligence and audits of partners - controls embedded in investment management agreements - diversification across different asset managers - quarterly service & risk review with Brunel and suppliers	Medium	Possible	9	9	→
NR14	Investments	LDI leverage	LDI strategy may have to be unwound if insufficient collateral Inability to raise hedge ratio.	High	Likely	16	- maintain collateral at prudent level with materia buffer vs risks - set hedge ratio at level that can be adequately collateralised	High	Unlikely	8	12	↑
NR16	Finance	Cashflow profile is maturing	Not enough cash in bank to meet pension payments.	Critical	Almost Certain	25	- monthly monitoring & forecast of cashflow - prudent cash buffer - tradeable assets can be swiftly sold	High	Unlikely	8	8	→
NR17	Finance	Late / incorrect contributions from employers	Cashflow shortfalls, employer funding deficits / default, TPR breach.	Medium	Possible	9	- monthly reconciliations of contributions - management reviews and action. - Mercer funding monitor tool. - larger employers pre pay contributions.	Low	Possible	6	6	→
NR03	Governance	Pension Committee cannot operate effectively	Delays in decision making for the Fund Failure to meet MIFID & TPR regulations.	Medium	Almost Certain	15	- representation of PC set out in Fund's representation policy - knowledge requirements in Training Policy - compliance vs regulations defined in Compliance Statement - decisions responsibilities set out in decision matrix	Medium	Unlikely	6	6	→
NR04	Governance	Governance of Fund not in accordance with APF policies Controls not adequate	Fines for non-compliance Disciplinary issues and reputational risk	Medium	Likely	12	- internal and external audits - APF officers undertake training re. APF's codes of practices	Medium	Unlikely	6	6	→
NR13	Investments	Treasury investments	Loss of capital or income on cash Delayed return of principle or investment income	Medium	Possible	9	- adopt B&NES Treasury management policy - due diligence on banks - diversification across multiple suppliers - consultation with treasury management advisors.	Medium	Unlikely	6	6	→