

APPENDIX C

			LIKELIHOOD OF RISK OCCURRING			
			1	2	3	4
			1 in 20 years / 5%	1 in 5 years / 20%	1 in 2 years / 50%	1 in 1 years / 95-100%
			Unlikely	Possible	Likely	Happening
I M P A C T	4	>£150m	4 I2 I4 O10	8	12	16
	3	>£75m	3 I1	6 M5 O1 O3 O6 O7 O9	9 I8 T4	12
	2	>£5m	2 I5 M2 M4	4 I3 I6 I7 M1 M3 O2 (2) O4	6 O2 T3 T6	8 T5
	1	<£5m	1 O8 T2	2 O5	3 M6	4

Key	Risk	Change in Severity of Residual Risk	Risk	Change in Severity of Residual Risk
Investment	I1 - Investment Strategy		O1 - LCPF Committees and Fund Governance	
Member	I2 - Construct, Implement and Perform		O2 - Recruitment & Retention (LCPF)	
Operational	I3 - Custody of Fund assets		O2 (2) - Recruitment & Retention (LPP)	
Transitional	I4 - Actuarial Valuation and Monitoring of Funding		O3 - Risk Management	
Emerging	I5 - Cash-Flow Management		O4 - Compliance	
	I6 - Management of Scheme Employer Risk		O5 - Cost Management	
	I7 - Inflation – investment only		O6 - Business Continuity	
	I8- Geopolitical Risk		O7 - Cyber resilience & Information Security	
	M1 - Benefit Payments		O8 - Fraud Risk	
	M2 - Member Comms		O9 - Decision Making	
	M3 - Data Quality		O10 - External Drivers	
	M4 - Contributions		T2 - Risks highlighted as part of the PWC Audit 2021	
	M5 - Service Level Agreement with LPP		T3 - Inflation	
	M6 - Pension Scam		T4 - System Implementation	
			T5- Provision of Statutory Information	
			T6- McCloud Remedy	

- Risk increased
- No change to risk
- Risk reduced