

## Summary Post Mitigation Risk scores

Reference	Strategic Risk	Sep-23	Nov-23	Feb-24	Jun-24	Sep-24	Nov-24	Feb-25	Change from Sept
<b>Employer</b>									
	<b>Contributions Funding</b>								
E1	Failure to collect contributions from employers in line with Funding strategy requirements and Rates and Adjustment Certificate	4	4	4	4	4	4	4	↔
E2	<b>Employer data</b> Employers fail to provide accurate and timely data to the PAT team	9	9	9	9	9	9	9	↔
E3	<b>Employer Covenant</b> Delay in employers agreeing Admission Agreement, risk of insufficient security	4	4	6	6	6	6	6	↔
<b>Administration</b>									
	<b>Pensions service Delivery</b>								
A1	Inadequate delivery of Pensions Administration	6	6	6	6	6	6	6	↔
A2	<b>Regulatory Change</b> Risk that new benefit structures can not be set up correctly or in time	6	6	6	6	6	6	6	↔
A3	<b>Production of Statutory member returns</b> Risk of failure to produce ABS, annual allowance and event reports	6	6	6	6	4	4	4	↔
A5	<b>Transfer Scams</b> Failure to comply with CETV anti scam checks	2	2	2	2	2	2	2	↔
A7	<b>MBOS Project</b> Failure to deliver the new ERP system to effectively deliver for Pension Fund accounting and payroll requirements	6	6	6	6	6	6	6	↔
<b>Governance</b>									
	<b>Key Person risk</b>								
G1	Risk of loss of key / senior staff resulting in lost knowledge and skills with in the Pensions Team	4	4	6	6	8	8	6	↓
G2	<b>Committee / Board Member</b> Lack of decision making caused by loss of Pension Committee/Pension Board members or insufficient knowledge and skills of members	9	6	6	6	6	6	6	↔
G3	<b>Cyber Security</b> Risk of Loss of data or systems breaches through cyber attacks	8	12	12	12	12	12	12	↔
G4	<b>Governance and Compliance</b> Inadequate governance arrangements and controls to discharge powers & duties	6	3	3	3	3	3	3	↔
G5	<b>Data Breach</b> Failure to comply with General Data Protection Regulations	4	4	4	4	4	4	4	↔
G6	<b>Fraud</b> Internal and External fraud risk	4	4	2	2	2	2	2	↔
<b>Investment/Funding</b>									
	<b>Funding risk - poor investment returns</b>								
I1	Risk that investment strategy fails to result in performance required to meet the needs of the Funding strategy discount rate	4	4	4	4	4	4	4	↔
I3	<b>Regulatory risk</b> Failure to comply with regulations, legislation and guidance from an accounting and investment perspective	2	2	2	4	4	4	4	↔
I4	<b>Investment Pooling</b> Inability to comply with government direction on pooling, insufficient sub funds to implement investment strategy, poor management of the pool	12	9	9	9	9	9	9	↔
I5	<b>Investment Pooling (in respect of Government proposals)</b> Arrangements agreed via ACCESS do not meet the needs of East Sussex Pension Fund (in respect of Mansion House proposals)							9	↔
I6	<b>Funding risk - higher inflation</b> Risk of inflation leading to increased liabilities, lower asset returns and a funding gap	6	6	6	6	6	6	6	↔
I7	<b>Environmental, Social and Governance</b> Risk of ESG factors within Investment strategy, underlying holdings and implementations of investment decisions	4	4	6	6	6	6	6	↔
I8	<b>Climate change</b> Risk to assets and liabilities associated with Climate Change	4	4	6	6	6	6	6	↔
I9	<b>Liquidity</b> Insufficient cash to pay benefits as they fall due	4	4	4	4	4	4	4	↔
I10	<b>Money Purchase Additional Voluntary Contributions</b> Inadequate offering to Scheme Members	2	2	2	2	2	2	2	↔