

REPORT TO:	Pension Committee 19 September 2023
SUBJECT:	Review of Risk Register
LEAD OFFICER:	Matthew Hallett, Acting Head of Pensions and Treasury
CORPORATE PRIORITY/POLICY CONTEXT: Sound Financial Management: This report forms an important component of the governance arrangements for the stewardship of the Pension Fund.	
FINANCIAL SUMMARY: Financial risks relating to the Pension Fund are substantial and can impact on the General Fund of the Council.	
FORWARD PLAN KEY DECISION REFERENCE NO.: N/A	

1. RECOMMENDATION

- 1.1 The Committee is asked to note the contents of the Pension Fund Risk Register and to comment as appropriate.

2. EXECUTIVE SUMMARY

- 2.1 It is recommended best practice for the Pension Committee to maintain a risk register covering the most significant risks faced by the Fund. This report presents the current register (Appendix A) for the Committee's consideration.

3. DETAIL

- 3.1 Best practice recommends that a risk register is maintained by the Pension Committee recording relevant risk scenarios, together with an assessment of their likelihood and impact and appropriate mitigations. This report discusses the most

significant risks relating to governance, funding, assets and liabilities and operational matters. Appendix A details these risks.

3.2 The Committee is invited to comment on whether it considers this list sufficiently exhaustive and whether the assessment of each risk matches its perception on the adequacy of existing and future controls.

3.3 In accordance with the Risk Management Policy, the Risk Register is reviewed periodically and reported to the Committee on a quarterly basis.

3.4 Risks are rated on a scale of 1 to 5 on the likelihood of the risk occurring and its impact if it does. This allows a range of potential scores of between 1 and 25. The register shows that there are 19 risks on the main register with 15 being significant risks for the Fund (i.e. scored 10 or higher). With all of the planned future controls in place, the significant risks could be reduced to 4.

3.5 Since the Committee last reviewed the Register:

No new risks have been added.

3 risks have been deleted as follows:

Risk 7 – London CIV Recruitment Difficulties. This has now been resolved and resourcing is stable.

Risk 16 – Russian Invasion of Ukraine. This has now been included in risk 8.

Risk 21 – Liquidity risk relating to inflation This has now been amalgamated into risk 3.

9 risks, numbers 1, 2, 3, 4, 6, 8, 14, 18 and 22 have been updated.

The risk register is attached as Appendix A.

3.6 The Committee is asked to note the contents of the Pension Fund Risk Register and to comment as appropriate.

4. CONSULTATION

4.1 Officers have previously consulted with both the Pension Committee and Local Pension Board on the template for the Risk Register which forms the basis of Appendix A.

5. FINANCIAL IMPLICATIONS

5.1 There are no significant direct financial implications arising from noting this report.

Approved by: Allister Bannin on behalf of Jane West, Corporate Director of Resources (Section 151 Officer)

6. LEGAL CONSIDERATIONS

- 6.1 Burges Salmon LLP (a legal advisor appointed to the Pension Fund) note there are no direct legal implications arising from the recommendations within this report.

7. HUMAN RESOURCES IMPACT

- 7.1 There are no direct workforce implications arising from the recommendations within this report.

Approved by: Gillian Bevan, Head of HR, Resources and Assistant Chief Executives directorates on behalf of the Chief People Officer. Date: 5.9.23

8. EQUALITIES IMPACT

- 8.1 The Council has a statutory duty to comply with the provisions set out in Sec 149 of the Equality Act 2010. The Council must therefore have due regard to:

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act.

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

- 8.2 There are no equality implications arising from this report

Approved by: Naseer Ahmad for Equality Programme Manager, (08/09/2023)

9. OTHER IMPLICATIONS

- 9.1 None.
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CONTACT OFFICER:

Matthew Hallett, Acting Head of Pensions and Treasury

BACKGROUND DOCUMENTS:

None

APPENDIX:

Appendix A: Risk Register