

## **REPORT FOR: Pension Fund Committee**

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**Date of Meeting:** 27 November 2018

**Subject:** Information Report – Pension Fund Risk Register

**Responsible Officer:** Dawn Calvert, Director of Finance

**Exempt:** Part I with Part II Appendix – Appendix 3 Exempt from publication under paragraph 3, Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) as it contains information relating to the financial or business affairs of any particular person (including the authority holding that information)

**Wards affected:** All

**Enclosures:** Appendix 1 Risk Score Summary  
Appendix 2 Risk Register  
Appendix 3 Aon Hewitt Exempt Risk Report (Exempt)

### **Section 1 – Summary**

Attached to this covering report as an appendix is a draft risk register for the Pension Fund to review and also in Appendix 3 an exempt risk report on which the Committee's comments are invited.

**FOR INFORMATION**

## **Section 2 – Report**

1. In accordance with best practice the Pension Fund has had in place a risk register which was first considered by the Pension Fund Committee in March 2015.
2. In 2016 and in 2017 the register was reviewed and the last version was agreed by the Committee on 27 June 2017.
3. Now that a further year has passed it is appropriate to review the register again. The views of the Pension Board will be invited and will be reflected in the revised risk register.
4. An updated version is attached on which the Committee's comments are invited. The Committee's attention is particularly drawn to the three "red" risks numbered 24, 25 and 26.

### **Financial Implications**

5. The proper management of risk plays a key role in the successful financial management of the Pension Fund

### **Risk Management Implications**

6. Risk management is the subject of this report.

### **Equalities implications**

7. There are no direct equalities implications arising from this report.

### **Council Priorities**

8. The performance of the Pension Fund directly affects the level of employer contribution which then, in turn, affects the resources available for the Council's priorities

## **Section 3 - Statutory Officer Clearance**

Name: Dawn Calvert



Director of Finance

Date: 15 November 2018

<b>Ward Councillors notified:</b>	<b>NO</b>
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## **Section 4 - Contact Details**

**Contact:** Iain Millar, Treasury and Pensions Manager    0208  
424 1432

**Background Papers - None**

## Appendix 1 Risk Register Scoring Summary

<b>PENSION FUND RISK REGISTER</b>				
<b>LIKELIHOOD</b>				
<b>A Very high</b>				
<b>B High</b>				
<b>C Significant</b>	44	15, 17, 23	24, 25, 26	
<b>D Low</b>	27, 41	2, 3, 8, 11, 16, 18, 19, 30, 49	1, 13, 14, 22	
<b>E Very Low</b>	29, 42, 43, 48	4, 9, 10, 35, 36, 38, 40, 45, 47, 50, 51, 52, 53, 54, 55, 57, 58	5, 6, 7, 12, 21, 28, 31, 32, 33, 34, 37, 39, 46, 59, 60	
<b>F Almost Impossible</b>			20, 56	
<b>IMPACT</b>	<b>4 Negligible Impact/Benefit</b>	<b>3 Marginal Impact / Minor Benefit</b>	<b>2 Critical Impact / Major Benefit</b>	<b>1 Catastrophic Impact / Exceptional Benefit</b>
<b>DEFINITION OF TERMS</b>				
<b>LIKELIHOOD</b>				
<b>A Very high</b>	Greater than 80% (almost certainly will occur)			
<b>B High</b>	51-80% (more likely to occur than not)			
<b>C Significant</b>	25-50% (fairly likely to occur)			
<b>D Low</b>	10-24% (low, but could occur)			
<b>E Very Low</b>	3-9% (extremely unlikely)			
<b>F Almost Impossible</b>	0-2%			
<b>IMPACT</b>				
<b>Catastrophic</b>	Services could not be sustained or major project fails to deliver			
<b>Critical</b>	Serious disruption to services			
<b>Marginal</b>	Small effect on services			
<b>Negligible</b>	Trivial effect on services			