

**Report for:** Pensions Committee and Board 7 July 2020

**Title:** Risk Register - Review/Update

**Report authorised by:** Jon Warlow, Director of Finance (S151 Officer)

**Lead Officer:** Thomas Skeen, Assistant Director of Finance (Deputy S151 Officer)  
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**Ward(s) affected:** N/A

**Report for Key/  
Non Key Decision:** Non Key decision

**1. Describe the issue under consideration**

1.1. This paper provides an update on the Fund's risk register and an opportunity for the Committee and Board to further review the risk score allocation.

**2. Cabinet Member Introduction**

2.1. Not applicable.

**3. Recommendations**

3.1. That the Committee and Board note the risk register.

3.2. That the Committee and Board note the new risks added into the risk register cognisant of the current Coronavirus pandemic.

**4. Reason for Decision**

4.1. None

**5. Other options considered**

5.1. None

**6. Background information**

6.1. The Pensions Regulator requires that the Committee and Board establish and operate internal controls. These must be adequate for the purpose of securing that the scheme is administered and managed in accordance with the scheme rules and in accordance with the requirements of the law.

6.2. The Committee and Board approved a full version of the risk register on 20 September 2016 and from each meeting after this date different areas of the

register have been reviewed and agreed so that the risk register always remains current.

- 6.3. An abridged version of the full register is attached. This highlights the areas to be considered for this Committee and Board meeting in line with the agreed work plan for regular review of the risk register. Red rated risks are highlighted separately.
- 6.4. The risk register has been reviewed and updated in light of the Coronavirus pandemic. Usually the Pensions Committee and Board review two sections of the risk register in each meeting, however as the updates to the risk register span across a number of different areas the full version of the risk register is appended to this report. Updates made in light of Coronavirus are below (with further information given in the risk register itself):

<b>Risk Reference</b>	<b>Description of risk</b>	<b>Risk score (from 1-25)</b>
GOV18	The Fund's Governance processes are impaired following the Coronavirus Pandemic resulting in a lack of controls, or delays to decision making causing harm to the fund	10
ACC9	Risk of the fund's accounts being delayed beyond statutory deadlines due to impacts of coronavirus pandemic. Delays beyond 30 November would mean the Fund would be unable to produce its annual report by the statutory deadline	6
ACC10	Risk of misstatement of figures in the Fund's accounts and potential audit qualification due to material uncertainty at the year end caused by the Coronavirus pandemic	9
ADM12	Risk of being unable to administer pension benefits due to the Coronavirus pandemic	5
ADM13	Risk of increased numbers of death cases due to the Coronavirus pandemic causing work backlogs and delays to benefit payments	10
ADM14	Risk of employers failing to pay across employer or employee contributions or becoming insolvent as a result of the coronavirus pandemic, potentially leading to the fund being unable to recover deficits if these exist when the employer leaves the fund	12
INV12	Risk that the Fund's investment performance, valuation and funding level is significantly reduced following the Coronavirus pandemic	15

FLI12	Risk of the fund experiencing liquidity issues in the wake of the coronavirus pandemic, as a result of cashflow demands to pay pensions, and inability to sell investment assets or being forced to sell these in challenging market conditions, crystallising losses	5
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6.5. Members will note that none of the above risks have been flagged as 'red' risks to date. They will however be kept under review.

## **7. Contribution to Strategic Outcomes**

7.1. None.

## **8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

### Finance and Procurement

8.1. The Chief Finance Officer confirms that there are no financial implications directly arising from this report.

### Legal

8.2. The Assistant Director of Corporate Governance has been consulted on the content of this report. The recommendation would enhance the administering authority's duty to administer and manage the Scheme and is in line with the Pension Regulator's Code of Practice.

### Equalities

8.3. There are no equalities issues arising from this report.

## **9. Use of Appendices**

9.1. Appendix 1 – Haringey Pension Fund Risk Register (Full Version)

## **10. Local Government (Access to Information) Act 1985**

10.1. Not applicable.