

London Borough of Haringey Pension Fund Risk Register										
Risk Ref	Risk Group	Risk Description	Impact	Likelihood	Risk Score	Controls and Mitigations In Place	Further Actions	Revised Likelihood	Total Risk Score	Reviewed on
ACC07	Accounting Risk	Risk of the Pension Fund's statement of accounts being delayed beyond statutory deadlines due to impacts of coronavirus pandemic. A delay beyond 30 November would mean the Fund would be unable to produce its annual report by the statutory deadline.	3	5	15	<p>1) The Pension Fund's external auditors have commenced the audit later than usual this year due to the ongoing impact of the response to the coronavirus pandemic. The auditors will present the audit plan to the Pensions Committee and Board which will provide indicative timescales for audit completion.</p> <p>2) The Pension Fund's timescales for publication and audit of the accounts have been extended by the Government compared to previous years.</p>	<p>Treat</p> <p>1) Officers will work closely with the Pension Fund's external auditors to provide them with the relevant information to assist in the timely completion of the audit.</p>	5	15	31/10/2021
ACC02	Accounting Risk	Internal controls are not in place to protect against fraud/mismanagement	5	2	10	<p>1) The Council's Internal Audit Plan includes dedicated hours for the review of internal controls related to the management and accounting of the Pension Fund.</p> <p>2) The Pensions Team is audited annually, with investments and administration covered on alternate years.</p>	<p>Treat</p> <p>1) Officers will continue to work closely with the internal audit team to identify areas of improvements and implement the required processes and controls in a timely manner to reduce or remove any identified risks.</p>	2	10	31/10/2021
ACC01	Accounting Risk	The Pension Fund's Statement of Accounts do not represent a true and fair view of the Pension Fund's financing and assets.	5	2	10	<p>1) The Fund's accounts are prepared by a qualified accountant using the most up to date CIPFA Financial Accounting Code of Practice, Disclosure Checklist and other relevant CIPFA training materials and publications.</p> <p>2) The Draft Statement of Accounts and working papers are reviewed by the Head of Pensions and Treasury and the Council's Chief Accountant's team.</p> <p>3) The Pension Fund Statement of Accounts are audited annually by the Fund's external auditors.</p>	<p>Treat</p> <p>1) Officers will continue to attend accounting management and reporting workshops, collaborating and sharing ideas with peers on the latest best practice in accounting methods.</p>	2	10	31/10/2021
ACC08	Accounting Risk	Risk of misstatement of figures in the Pension Fund's accounts and potential audit qualification due to material uncertainty over year end valuations	4	3	12	<p>1) Several of the Pension Fund's illiquid (Level 3) investment valuations were estimated and rolled forward as at 31 March 2021. This has been noted in the Pension Fund's draft Statement of Accounts and will likely be a focus during the audit.</p> <p>2) Level 3 valuation estimates and assumptions impact all Local Government Pension Scheme (LGPS) funds who invest in similar investment strategies.</p>	<p>Treat</p> <p>1) Officers will assist the auditors in obtaining the required assurances from investment managers and where necessary, restate the balances provided in the draft statement of accounts.</p>	2	8	31/10/2021
ACC03	Accounting Risk	The Pension Fund does not have robust internal monitoring and reconciliation process in place, leading to incorrect figures in the accounts	4	2	8	<p>1) The Pensions Team maintains a checklist of all daily, weekly, monthly and quarterly reconciliations to ensure that all tasks are completed in a timely manner. All reconciliations are independently reviewed and signed off by a second officer.</p>	<p>Treat</p> <p>1) Officers will continue to monitor current reconciliations and where possible, identify areas of future improvement in reconciliation activities.</p>	2	8	31/10/2021

ACC06	Accounting Risk	Contributions received from employers participating in the Pension Fund are not in line with what is specified in actuarial reports and adjustment certificates, potentially leading to an increased funding deficit or surplus.	4	2	8	<p>1) Fund employers receive a contribution form at the start of each financial year which confirms the correct rates they are required to pay.</p> <p>2) A contributions reconciliation is monitored monthly and where there are discrepancies, the employer will be required to make immediate payment to make up the shortfall.</p> <p>3) Employers making late payments are reported to the Pensions Committee and Board on a quarterly basis.</p>	<p>Treat</p> <p>1) Officers will continue to monitor the contributions paid by Fund employers and alert the Pensions Committee and Board where relevant issues arise.</p>	2	8	31/10/2021
ACC04	Accounting Risk	The market value of assets recorded in the Statement of Accounts figures are incorrect leading to a material misstatement and potentially a qualified audit opinion.	5	2	10	<p>1) The Pensions Team undertakes a quarterly reconciliation exercise between the market values reported by the investment managers and the market values provided by the custodian's financial accounting team.</p> <p>2) All adjustments (including unrealised profits) are posted into the Pension Fund's general ledger so that the accounts can be reported and created directly for the Council's accounting system, SAP.</p>	<p>Treat</p> <p>1) Officers will continue to reconcile investment market values and transactions regularly.</p>	1	5	31/10/2021
ACC05	Accounting Risk	Inadequate monitoring of contributions and investment income leads to cash flow issues for the Pension Fund.	4	2	8	<p>1) The Pensions Team regularly monitors employer contributions and payments on a monthly basis, include a full reconciliation between the expected receipt and actual receipt. Late payers are identified and chased for payment as soon as possible.</p> <p>2) The Pensions Team regularly monitors the Pension Fund's cash flow requirements including daily dealing and monthly and quarterly forecast updates.</p> <p>3) The Pension Fund holds a small amount of cash to pay pensions and fund any outstanding investment commitments. Several of the Pension Fund's investments have weekly dealing arrangements in place.</p>	<p>Treat</p> <p>1) Officers will continue to monitor the Pension Fund's cash flow requirements, and where necessary recommend changes to investments that are currently reinvesting income rather than distributing it to the Fund.</p>	1	4	31/10/2021