

Appendix 1 Governance Risks Review

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
GOV4	Governance	Lack of engagement from employers and members means that communicating decisions becomes a "tick box" exercise resulting in a lack of accountability.	5	3	15	<p>1) The Pensions Fund's approach to communicating with all stakeholders is set out in the Communications Strategy.</p> <p>2) There is employee and employer representation on the Pension Fund's Committee and Board with full voting rights.</p>	<p>Treat</p> <p>1) The remains a notable lack of engagement with employers particularly related to consultations and attendance to employer forums. Officers are working a on plan to increase engagement with employers and employees which includes site visits, on-line webinars and regular newsletter updates.</p>	2	10	30/06/2023
GOV2	Governance	Members have insufficient knowledge of regulations, guidance and best practice to make good and informed decisions.	4	2	8	<p>1) A Training Needs Analysis is undertaken annually to identify any knowledge gaps and the training programme adapted as required.</p> <p>2) All new members joining the Pensions Committee and Board are required to undertake induction training. A comprehensive training programme is developed in line with the CIPFA guidances and regularly reviewed and updated.</p> <p>3) Training is frequently provided prior to a meeting where the Pensions Committee and Board is required to make a key decision.</p> <p>4) Members are encouraged to undertake self-directed training. A report of training undertaken by members during the year is included in the Pension Fund's Annual Report.</p>	<p>Treat</p> <p>1) Officers will keep member training activity and the Training Needs Analysis under constant review.</p> <p>2) Officers, in consultation with the Chair, will explore possible solutions for members to undertake structured self-directed training programmes.</p>	2	8	30/06/2023
GOV3	Governance	Officers lack the knowledge and skills required to effectively advise elected members and/or carry out administrative duties.	4	2	8	<p>1) Officer roles and responsibilities identify the relevant knowledge and skills required to undertake their duties effectively.</p> <p>2) The Pension Fund's administration and investments team is diverse with a mixture of experience across the team.</p> <p>3) Training and development plans are in place for all officers as part of the Council's performance appraisal programme.</p>	<p>Treat</p> <p>1) Officers in leadership positions will continue to assess the knowledge and development requirements of the Pension Fund's administration and investments team.</p>	2	8	30/06/2023
GOV8	Governance	The Pensions Committee and Board's decision making process is too rigid to allow for the making of expedient decisions leading to an inability to respond to problems and/or to exploit opportunities.	5	2	10	<p>1) The Pensions Committee and Board is scheduled to meet five times during the financial year 2022/23.</p> <p>2) Where urgent decisions are required, an additional meeting can be arranged outside the scheduled meetings.</p> <p>3) Delegation of necessary authority can be granted to relevant officers for extremely time critical matters.</p> <p>4) An Investment and Governance Working Group has been set up to enable the effective identification of arising issues with the intention of acting quickly to mitigate risks and take advantage of opportunities.</p>	<p>Tolerate</p> <p>1) Current governance arrangements remain in place.</p> <p>2) Officers will continue to run regular working group sessions to ensure the effective risk management and monitoring for the Pension Fund based on the prevailing economic and regulatory environment.</p>	1	5	30/06/2023

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GOV5	Governance	Weak procurement processes lead to legal challenge or failure to secure the best value for money when procuring new services.	5	1	5	1) All procurement activity is carried out in line with the Council's procurement rules and guidance. Expert legal and procurement advice sought where appropriate.	Tolerate 1) Current governance arrangements remain in place.	1	5	30/06/2023
GOV6	Governance	Failure to comply with legislation and regulations leads to illegal actions/decisions resulting in financial loss and / or reputational damage	5	1	5	1) Officers maintain knowledge of legal framework for routine decisions. 2) The Council's legal team reviews all Pensions Committee and Board papers, and any other legal documents relevant to the Pension Fund 3) The Pension Fund has engaged a team of experts which include an Independent Advisor, Actuary and Investment Consultants. These are highly experienced individuals with in depth knowledge of the various aspects of administering the Local Government Pension Scheme.	Tolerate 1) Current governance arrangements remain in place.	1	5	30/06/2023
GOV1	Governance	The nature of appointments to the Pensions Committee and Board leads to frequent and/or extensive turnover of members resulting in a loss of technical and operational knowledge about the Pension Fund and therefore, an inexperienced Pensions Committee and Board.	4	2	8	1) The Pensions Committee and Board's membership is comprised of a diverse representation which include elected members, employer representatives and employee representatives. 2) The current membership of the Pensions Committee and Board includes former Chairs and several members who have served on the Committee and Board for over 3 years. In the past 12 months, there has only been one change to the Pension Committee and Board's membership. 3) All new members joining the Pensions Committee and Board are required to undertake induction training. A comprehensive training programme is developed in line with the CIPFA guidances and regularly reviewed and updated.	Treat 1) Officers will continue to monitor membership turnover and arrange for the relevant training to be provided to members as required to ensure that their knowledge and skills remain current.	1	4	30/06/2023
GOV9	Governance	Known risks not monitored leading to adverse financial, reputational or resource impact.	4	2	8	1) The Pensions Committee and Board receives an updated version of the risk register as an agenda item for all meetings. This includes a review of all high risk items and a periodic review of risks by category of risk. 2) Members of the Pensions Committee and Board are invited to provide comment on any current and/or emerging risks. 3) An Investment and Governance Working Group has been set up to enable the effective identification of arising issues with the intention of acting quickly to mitigate risks and take advantage of opportunities.	Tolerate 1) Officers will keep the Pension Fund's risk register under regular review and provide an update to the Pensions Committee and Board at each regular meeting. 2) Officers will continue to run regular working group sessions to ensure the effective risk management and monitoring for the Pension Fund based on the prevailing economic and regulatory environment.	1	4	30/06/2023

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GOV7	Governance	Pension Fund objectives are not defined and agreed leading to lack of focus of strategy to facilitate the aims of the LGPS.	4	1	4	<p>1) The Fund's objectives are clearly defined in the Funding Strategy Statement and the Investment Strategy Statement. The reports are regularly reviewed and approved by the Pensions Committee and Board.</p> <p>2) An Investment and Governance Working Group has been set up to enable effective objective setting for the Pension Fund. The Working Group runs regular workshops led by officers and the Fund's advisors.</p>	<p>Tolerate</p> <p>1) Officers will ensure Fund strategy statements are kept up to date and reviewed by the Pensions Committee and Board regularly.</p> <p>2) Officers will continue to run regular working group sessions to ensure the Pension Fund's objectives are clearly defined and remain current based on the prevailing economic and regulatory environment.</p>	1	4	30/06/2023
GOV10	Governance	Failure to review existing contracts means that opportunities are not exploited.	3	2	6	<p>1) The Pension Fund regularly reviews existing contracts to ensure that they provide good value.</p> <p>2) Several of the Pension Fund's contracts are re-tendered at least once every five years.</p>	<p>Treat</p> <p>1) Officers will continue to review existing contracts and service requirements to ensure the best value is achieved for scheme members.</p>	1	3	30/06/2023
GOV11	Governance	Pensions Committee and Board members have undisclosed conflicts of interest.	3	1	3	<p>1) Declaration of conflict of interest is a standing item on the agenda.</p> <p>2) All members of the Committee are required to complete an annual declaration of interest form.</p>	<p>Tolerate</p> <p>1) The requirement for Pensions Committee and Board members to disclose any conflicts of interest remains in place.</p>	1	3	30/06/2023