

Report for: Pensions Committee and Board – 24 July 2025

Item number:

Title: Haringey Pension Fund Risk Register

Report authorised by: Taryn Eves, Director of Finance and Resources (Section 151 Officer)

Lead Officers: Jamie Abbott, Head of Pensions
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Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Not applicable

1. Describe the issue under consideration

- 1.1. This paper has been prepared to update the Pensions Committee and Board on the Pension Fund's risk register and provide an opportunity for the Pensions Committee and Board to further review the risk score allocation.

2. Cabinet Member Introduction

- 2.1. Not applicable

3. Recommendations

The Pensions Committee and Board is requested:

- 3.1. To note and provide any comments on the Fund's risk register. The area of focus for review at this meeting will be Investment-related risks.

4. Reason for Decision

- 4.1. Not applicable.

5. Other options considered

- 5.1. Not applicable.

6. Background information

- 6.1. The Pensions Regulator (TPR) requires that the Pension Committee and Board (PCB) establish and implement internal controls for the Fund. These internal controls must be sufficient to ensure that the scheme is administered and managed in accordance with the scheme rules and legal requirements.
- 6.2. The PCB approved a complete version of the risk register in September 2016. Since then, different areas of the risk register have been reviewed at each

subsequent meeting. Any changes are agreed upon to ensure that the Fund's strategic risk monitoring remains current.

- 6.3. The Fund's risk register covers several areas, including administration, governance, investment, accounting, funding, and legislation risks. Appendix 1 of this paper provides an assessment of the Governance-related risks that have been reviewed and updated for the PCB's feedback during the meeting. Other areas of risk management will be presented to the PCB for detailed review in upcoming meetings.

Risk Scoring

- 6.4. The risk scoring system applied by the Fund assesses the potential impact and likelihood of identified risks. Each risk is assigned a score ranging from 1 (low impact, unlikely to occur) to 5 (high impact, very likely to occur). The RAG (Red-Amber-Green) rating system categorises the overall score for each risk.

RAG Rating	Scoring Range
	25 - 16
	15 - 10
	Less than 10

- 6.5. The risk register includes directional indicators for each risk, comparing them to the previous assessment. These indicators show whether a risk is improving or worsening based on relevant factors. The following symbols represent these changes:

▼ The risk is getting worse – the total risk score has increased.

▬ The risk score has remained the same

▲ The risk is improving – total risk score has decreased

Key identified risks

- 6.6. The Fund has identified several key risks of particular concern in the short to medium term. These have been summarised in the table below.

Table 1: Key Risks

Key identified risk	RAG Rating	Update on Risk	Actions taken to manage and mitigate risks
INV9- Proposed changes to the LGPS (pooling)		MHCLG has issued their response on the 29th May 2025 to the Fit for the future consultation	Officers, in consultation with advisors, to work actively and collectively with LCIV.
AD7 - Increase in legislative and regulatory changes		The 2025 valuation, a statutory and resource-intensive process with tight deadlines, is currently underway and demands significant input	Officers, in consultation where required with fund advisors, will continue to monitor any regulatory changes and impacts this will have on the fund and provide any update

Key identified risk	RAG Rating	Update on Risk	Actions taken to manage and mitigate risks
		<p>from both administrators and fund management.</p> <p>Additional technical changes, such as the abolition of the lifetime allowance and adjustments to the normal minimum pension age, have required updates to workflows and software, further impacting capacity.</p>	to the Pensions Committee and Board as appropriate.
INV1 – Significant volatility in financial markets		<p>Geopolitical conflicts continue to disrupt global markets, driving uncertainty in commodities, currencies, and investor sentiment.</p> <p>Political instability in the U.S. is contributing to inconsistent monetary policy signals, adding to global financial market unpredictability</p> <p>Central bank actions and inflation concerns are causing movements in interest rates and asset prices, increasing overall market volatility.</p>	<p>The Fund maintains a diverse investment portfolio which is expected to provide broad diversification benefits over the long term.</p> <p>Officers will continue to monitor the situation as it develops, consulting with investment managers and advisors where necessary, and making the appropriate recommendations to the PCB.</p>
INV5 - Adequacy of the London CIV's resources		<p>With the outcome of the Fit For the Future consultation there will be an increase to the expected work undertaken by the pools.</p> <p>LCIV will need to expand their internal resource to meet the increased demand.</p>	<p>Officers regularly participate and contribute to various LCIV working groups.</p> <p>Increased interaction with LCIV in respect of their resourcing and their business plan in the lead up to March 2026 deadline</p>
INV3 – ESG Risk		The Fund has faced increasing calls from various groups urging the PCB to review its responsible investment policies. Failure to do so could result in poor	The PCB is currently undertaking a thorough review of its responsible investment approach with the intention of establishing a framework for managing

Key identified risk	RAG Rating	Update on Risk	Actions taken to manage and mitigate risks
		investment performance as well as reputational damage.	responsible investment issues. Work is underway on the first draft of the Responsible Investment Policy for the fund, expected to be completed by end of 2025.

6.7. Officers will continue to keep the Fund's risk register under constant review.

7. Contribution to Strategic Outcomes

7.1. Not applicable

8. Carbon and Climate Change

8.1. The Fund is committed to being a responsible investor, which involves engaging with and encouraging companies to take positive action on environmental, social and governance (ESG) issues.

8.2. The Fund incorporates ESG risks into its investment selection process. Additional efforts to identify and monitor these risks are currently underway, which will involve establishing responsible investment goals and criteria.

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

Finance and Procurement

9.1. There are no direct financial or procurement implications arising from this report.

Director of Legal and Governance

9.2. The Director for Legal and Governance has been consulted on the content of this report. Members should refer to the matters referred to in Table 1 of this report and the risks that these pose to the Pension Fund. Actions taken must not only manage but also mitigate the risk.

Equalities

9.3. Not applicable.

10. Use of Appendices

10.1. Appendix 7: Haringey Pension Fund Summary Risk Register

10.2. Appendix 8: Haringey Pension Fund Investment Risk Register

11. Local Government (Access to Information) Act 1985

11.1. Not applicable.