

Risk Register - Haringey Pension Fund

GOVERNANCE: RISK MANAGEMENT FRAMEWORK

Risk No	Cat Ref	Risk	Controls/Mitigations	Impact	Probability	Overall Risk Rating	Responsibility	Timescale
1	GOV1	Pension Fund Objectives are not defined and agreed leading to lack of focus of strategy to facilitate the aims of the LGPS.	<p>Objectives defined in the Funding Strategy Statement and approved by the Pensions Committee.</p> <p>The Committee has approved a mission statement which summarises the overarching objectives of the Fund.</p>	3	1	3	PCB	Dec-16

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2	GOV2	Frequent and/or extensive turnover of committee members causing a loss of technical and operational knowledge about the Fund and an inexperienced Committee/Board.	<p>The nature of Council appointees to the Fund means that there is likely to be annual turnover of appointments to the Pensions Committee. However, Full Council through Democratic Services has been made aware of the consequences of constant turnover of Pensions Committee members.</p> <p>A comprehensive training programme that is in line with CIPFA guideline/The Pension Regulator has been developed and is continuously reviewed/updated.</p> <p>Training needs analyses undertaken annually to identify knowledge gaps and training programme adapted accordingly</p> <p>New members required to complete The Pensions Regulators public service toolkit modules as a minimum requirement.</p> <p>All members are encouraged to attend training events (internal/external) to ensure all have adequate knowledge to perform duties as trustees of the Fund.</p>	4	4	16	PCB; HoP	Dec-16

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3	GOV3	Members have insufficient knowledge of regulations, guidance and best practice to make good decisions.	<p>Training needs analyses undertaken annually to identify knowledge gaps and training programme adapted as required.</p> <p>New members are required to complete The Pensions Regulators public service toolkit modules as a minimum requirement.</p> <p>All members are encouraged to attend training events (internal/external) to ensure all have adequate knowledge to perform duties as trustees of the Fund.</p> <p>Officers and advisers (statutory, independent, actuarial) are always present at meetings to provide guidance and assist Members through decision making process.</p>	4	3	12		
4	GOV4	Member non-attendance at training events.	<p>A record of training events attended is a standing agenda item.</p> <p>The importance of attending training events is highlighted to all members at the annual introductory training event.</p> <p>The Committee also runs a series of internal training events which precede or are included on the Committee meeting agenda.</p> <p>Member training is reported as part of the Annual Fund report.</p>	4	2	8	PCB	Quarterly

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5	GOV5	Officers lack the knowledge and skills required to effectively advise elected members and/or carry out administrative duties.	<p>Job descriptions are used at recruitment to appoint officers with relevant skills and experience. The recruitment process would have identified key knowledge/skills that the successful applicant would need to demonstrate that they possess before being offered a role.</p> <p>Training and improvement plans are in place for all officers as part of the Council's performance appraisal programme.</p>	4	1	4	HoCP	Dec-16
6	GOV6	Committee members have undisclosed conflicts of interest.	<p>Declaration of conflict of interest is a standing item on the agenda.</p> <p>All members of the Committee are required to complete an annual declaration of interest form.</p>	3	1	3	PCB	Quarterly
7	GOV7	The Committee'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.	<p>There are five Committee/Board meetings scheduled for 2015/16 municipal year.</p> <p>Where urgent decisions are required this can be done either by organising an additional meeting outside the scheduled meetings or canvassing opinions and votes electronically following dissemination of relevant information to Members.</p>	4	1	4	PCB	Annually
8	GOV8	Known risks not monitored leading to adverse financial, reputational or resource impact.	The Committee has agreed to have the risk register on the agenda for all future meetings including a review of all high risk items and a periodic review of risks by category of risk.	4	1	4	PCB	Quarterly

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9	GOV9	Failure to recognise new Risks and/or opportunities.	<p>Quarterly Committee/management meeting to identify new risks/opportunities.</p> <p>Attendance at regional and national forums to keep abreast of current issues and their potential impact on the Fund.</p>	4	1	4	HoP; PCB	Quarterly
10	GOV10	Weak procurement process leads to legal challenge or failure to secure the best value for the value when procuring new services.	<p>All procurement carried out in line with the Council's procurement rules and guidance. Expert legal and procurement advice sought where appropriate.</p>	5	1	5	HoP	Periodically
11	GOV11	Failure to review existing contracts means that opportunities are not exploited.	<p>The Pension Fund reviews contracts annually to ensure that the Fund receive good value. This include soft market testing where applicable to access opportunities that may benefit the Fund.</p>	4	2	8	HoP; PAM	Annually
12	GOV12	Weak process and policies around communicating with a scheme members and employers means that decisions are not available for scrutiny.	<p>All Committee/Board minutes to be published within 10 days.</p> <p>Publication of an pension fund annual report on the Council's and Fund websites.</p>	3	1	3	PAM	Quarterly
13	GOV13	Lack of engagement from employers/members means that communicating decisions becomes a "tick box" exercise and accountability is not real.	<p>The Communications Strategy sets out how the Fund will engage with all stakeholders.</p> <p>Employees and employers are represented on the Fund's Committee/Board with voting rights</p>	3	2	6	PAM	Annually

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14	GOV14	Failure to comply with legislation and regulations leads to illegal actions/decisions resulting in financial loss and / or reputational damage	<p>Officers maintain knowledge of legal framework for routine decisions.</p> <p>The Council's legal team is involved in reviewing Committee papers and other legal documents.</p> <p>The Fund has engaged a team of experts (Independent Advisor, Actuary, Investment Consultant) that are highly degree of experience and knowledge about the LGPS and pension fund investments.</p>	5	1	5	HoP; PCB	Quarterly
15	GOV15	Failure to comply with guidance issued by The Pensions Regulator (TPR) and Scheme Advisory Board (SAB) resulting in reputational damage.	Guidance (included updates) issued by TPR and SAB is reported to the Committee with gaps identified and clear timetables to address weaknesses agreed.	5	2	10	HoP	Jan-17

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16	GOV16	<p>Pension fund asset pooling restricts Haringey Pension Fund's ability to fully implement a desired mandate</p>	<p>The London CIV is planning to have as wide a range of mandates as possible and also that there will be a choice of manager for each mandate/asset class.</p> <p>The London CIV is planning to appoint investment managers to all asset classes that the Fund is currently invested in.</p> <p>The Fund will be able to retain mandates not currently appointed to by the London CIV and may invest in other pools if they have a desired mandate.</p> <p>The Fund has a seat on the Investment and Advisory Committee of the London CIV. One of the functions of this body is to recommend implementation of mandates.</p> <p>The Secretary of State has stated that where transfer of assets result in significant loss to a Fund, then the assets should be retained under existing arrangements - this may provide an opportunity for the Fund to pursue a strategy that is dissimilar to the London CIV.</p>	5	2	10	HoP	Mar-17

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17	GOV17	The Fund adopts and follows ill-suited investment strategy.	<p>The Investment Strategy is in accordance with LGPS investment regulations and it takes into consideration the Funds liabilities and funding levels among other things.</p> <p>The Investment Strategy is documented, reviewed and approved by the Pensions Committee/Board.</p>	5	3	15	HoP	Mar-17