

Agenda Item 5

**Pension Board
19 October 2021**

Review of the Pension Fund Risk Register

Report of the Head of Pensions

The attached Risk Register reflects the risks relating to the Pension Fund and indicates the significance of each risk and was reviewed by Committee on 24 September 2021.

As per previous reports the significance of individual risks is measured by a scoring system which multiplies the likelihood of the occurrence with the potential impact of such an occurrence. Both “likelihood” and “impact” are scored 1 – 5 and after multiplying both numbers together, the higher the product, the higher the risk.

Risk Score Range	Risk Category
1 to 6	Low
7 to 12	Medium
13 to 25	High

The attached Risk Register shows each risk, scored before and after controls are in place (i.e. the inherent and residual risks).

The risks are referenced as follows: Financial Risks (F)
Funding / Demography Risks (F/D) Administration / Regulatory Risks (A/R) Governance Risks (G)

The risk register provided to the Pension Committee reflected that there has been no substantial movement in the overall risk levels faced by the Fund.

I highlighted a number of the risks below for Committee to acknowledge and comment as appropriate, and those that remain at levels previously increased by Committee that have yet to reduce back to previous levels.

Highlighted Risks

- F6
 - The risk remains at an elevated level at this time. This risk will be reviewed once the inflation and interest rate risk exposure of the Fund has been reviewed, as part of the ongoing work plan.

- A/R 1.1, A/R 1.2 & G5
 - These remain at a medium residual risk as the recruitment plan for the agreed team resources is still ongoing. Risk G5 will remain elevated at this time until the delivery of the training plan has commenced and its impact evaluated after delivery.

Agenda Item 5

In addition to the above there was updated narrative being shown in red on risks F9 & G7, on the attached updated risk register.

All of the remaining risk ratings within the risk register have been reviewed. It is anticipated that risk G8 and F9 will be removed from the risk register once the last transition has been reviewed, now that the original transition plan to Brunel has been completed.

Recommendation

That the Board notes and, if required, provides feedback to Committee on the risk register.

Contact Officer

Matthew Trebilcock – Head of Pensions (01452 328920)