

Review of Pension Fund Risk Register

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1. Summary

- 1.1 In response to CIPFA guidance recommending the adoption and monitoring of a risk register for LGPS funds the Pensions Fund Committee have requested that a review of the risk register is a standing item on the agenda for each meeting.

2. Recommendation

- 2.1 To note and approve the risks contained on the risk register.

3. Changes since last meeting

- 3.1 There was a disconnect on risks PF admin 6 and 7 in that the target score was lower than the current score but no additional mitigating actions were indicated to improve the current score. Following on from the informal meeting on cyber security held in September the general conclusion is that all reasonable mitigation is taking place, but the inherent risk means that the target risk score should increase to match the current risk score.
- 3.2 Following on from Stephen Morton leaving the Council at the end of October the risks that were assigned to him have been re-assigned to Anton Sweet. This effect risks PF Admin 1, 2,3 and 4. The assigning of all risks will be reviewed again following the likely legislating by Government for each LGPS administration authority to appoint a "Senior LGPS Officer" and the exact implementation of that by Somerset Council.

4. Background

- 4.1 Risk Management is central to the management of the Pension Fund as reflected by the coverage of risk in key documents such as the Funding Strategy Statement and the Statement of Investment Principals. The Pension Fund Risk Register allows for consideration of all of the fund's risks in a single document.
- 4.2 Guidance issued by CIPFA on the application of the Myner's Principles in the LGPS in 2010 indicated that the creation and adoption by Pensions Committees of a risk register was best practice.

4.3 Following on from CIPFA's guidance the Committee has indicated that it wishes to adopt a risk register. The Committee have agreed that rather than have a static register that is reviewed periodically that the register should be discussed at every meeting and changes agreed and implemented as necessary.

4.4 The current Pension Fund Risk Register is attached as Appendix A.

4.5 With many of the risks a failure could also lead to considerable damage to the reputation of the fund and the trust placed in it by members and employers.

5. Consultations undertaken

5.1 None.

6. Financial implications

6.1 A number of the risks covered on the Risk Register have direct financial implications for the Fund, but this report has no financial implications.

7. Legal implications

7.1 A number of the risks covered by the Risk Register have legal implications for the Fund, but this report has no legal implications.

8. Background papers

8.1 None

Note: For sight of individual background papers please contact the report author.