

Croydon Council

REPORT TO:	Croydon Pension Board 26 March 2019
SUBJECT:	Review of the Risk Register
LEAD OFFICER:	Nigel Cook Head of Pensions and Treasury

1. RECOMMENDATIONS

- 1.1 The Board is asked to note the contents of the Pension Fund's Risk Register and to comment as appropriate.

2. EXECUTIVE SUMMARY

- 2.1 It is recommended best practice for the Pension Committee to maintain a risk register. This report presents the current risk register for the Board's consideration.

3. DETAIL

- 3.1 Best practice recommends that a risk register is maintained by the Pension Committee recording all relevant risk scenarios, together with an assessment of their likelihood and impact and the appropriate mitigations. This report provides the Pensions Board with a report covering risks relating to governance, funding, assets and liabilities, and operational risks.
- 3.2 The Board is invited to comment upon whether it considers this list sufficiently exhaustive, whether the assessment of each risk matches its perception and to comment on the adequacy of future and existing controls.
- 3.3 The risk register will be reviewed periodically and brought initially to the Pension Committee then back to the Board for its consideration twice each annual cycle of meetings – the register was most recently reviewed in March 2019. The Board will be aware that, following best practice the Council maintains a corporate risk register: this Pension Fund risk register is distinct from that document and an innovation in that previously neither the Committee nor the Board has had the opportunity to formally track risks relating to the Fund and Scheme in such a comprehensive manner.
- 3.4 The previously reported risk relating to the Markets in Financial Instruments Directive (MiFID II) exercise has been resolved and thus taken off this register. The risks relating to the London CIV are better understood and thus less likely than previously reported. Specific risks relating to the Pension Fund investment portfolio are addressed within the Progress Report which features on the Committee's agenda.

3.5 The register shows that there are 11 significant risks for the Scheme (i.e. scored 12 or higher). The register is appended to this report.

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BACKGROUND DOCUMENTS:

Appendices

Appendix A: Risk Register