

# Croydon Council

<b>REPORT TO:</b>	<b>Local Pension Board</b> <b>16 January 2020</b>
<b>SUBJECT:</b>	<b>Review of Risk Register</b>
<b>LEAD OFFICER:</b>	<b>Nigel Cook Head of Pensions and Treasury</b>

## **1. RECOMMENDATION**

- 1.1 The Board is asked to note the contents of the Pension Fund 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 register (Appendix A) for the Board's consideration.

## **3 DETAIL**

- 3.1 Best practice recommends that a risk register is maintained by the Fund recording relevant risk scenarios, together with an assessment of their likelihood and impact and appropriate mitigations. This report discusses risks relating to governance, funding, assets and liabilities and operational matters. Appendix A details those risks considered significant enough to merit careful, consistent scrutiny.
- 3.2 The Board is invited to comment on whether it considers this list sufficiently exhaustive, whether the assessment of each risk matches its perception and on the adequacy of existing and future controls.
- 3.3 The risk register is reviewed periodically and brought back to the Board for its consideration twice each annual cycle of meetings – it was most recently reviewed in October 2019.
- 3.4 Risks are rated on a scale of 1 to 5 on the likelihood of the risk occurring and its impact if it does. This allows a range of potential scores of between 1 and 25. The register shows that there are 11 significant risks for the Fund (i.e. scored 12 or higher). The detail for these is attached as Appendix A to this report.
- 3.5 There are three material changes in this iteration of the report. The impact of the US administration on the global economy continues to be felt. At the time of drafting a serious risk of conflict in the Middle East is developing. The impact of this is being felt in oil prices, share indices and safe, flight assets. This report also reflects the potential impact of a revised Funding Strategy. Finally, as strongly advised by the Pensions Regulator this version of the register reflects the potential

for data fraud and cyber crime.

## **4 DATA PROTECTION IMPLICATIONS**

4.1 Will the subject of the Report involve the processing of “personal data?”

No

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### **BACKGROUND DOCUMENTS:**

None.

**Appendix A**  
Risk Register