

Report Title:	Risk Register
Contains Confidential or Exempt Information	No - Part 1
Lead Member:	Councillor Julian Sharpe, Chairman Pension Fund Committee and Advisory Panel
Meeting and Date:	Pension Fund Committee and Advisory Panel – 7 March 2022
Responsible Officer(s):	Damien Pantling, Head of Pension Fund
Wards affected:	None

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REPORT SUMMARY

At the Pension Board meeting on 2 September 2021 and Pension Committee meeting on 20 September 2021, the Head of Pension Fund agreed to review the Pension Fund's risk register and to bring a revised and updated version to the upcoming meeting for Members' consideration and approval. This report provides Members with that updated version of the risk register prepared in line with the 2018 CIPFA framework "Managing risk in the Local Government Pension Scheme". This new risk register process was approved by the Pension Fund Committee on 6 December 2021 and has undergone several iterations before being presented at this meeting.

The risk register can be found at Appendix 1 to this report.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That the Pension Fund Committee notes the report and;

- i) Approves the risk register including any changes since the last approval date, putting forward any suggested amendments as may be necessary;
- ii) Approves publication of the updated risk register on the Pension Fund website;
- iii) Agrees to a comprehensive annual risk review session with officers and the Pension Board.

2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1 The Scheme Manager (The Royal Borough of Windsor and Maidenhead as the Administering Authority for the Fund) has a legal duty to establish and operate internal controls. Failure to implement an adequate and appropriate risk assessment policy and risk register could lead to breaches of law. Where the effect and wider implications of not having in place adequate internal controls are likely to be materially significant, the Pension Regulator (tPR) must be

notified in accordance with the Scheme Manager's policy on reporting breaches of the law.

- 2.2 A comprehensive session was held by officers for Pension Fund committee and Pension Board members on 25 January 2022 to deep-dive into all of the risks, mitigations and controls included within the Fund's revised risk register. It is recommended that a comprehensive session for all parties is held at least annually.
- 2.3 As a live document, this risk register is kept under constant review and shall be presented to the committee (appended to this report) quarterly, however, key changes (additions, removals, significant changes to mitigations and/or risk scores) shall be brought to the committee's attention as follows;
 - 2.3.1 PEN004 – changed from “trending up” to “trending sideways” as post-Brexit supply chain issues are becoming less prominent. Amended following 25 Jan 2022 risk session.
 - 2.3.2 PEN033 – Added additional mitigations to reflect all of the data quality work the team are undertaking. Amended following 25 Jan 2022 risk session
 - 2.3.3 PEN035 – Enhanced controls on IT security, including RBWM penetration checks and new internal audit service. Amended following 25 Jan 2022 risk session and further amended following call with IT colleagues.
 - 2.3.4 PEN036 – Added and enhanced mitigations and controls focusing on new internal audit service and new legislation on pension scams. Amended following 25 Jan 2022 risk session.
 - 2.3.5 PEN040 – Added mitigation measures and reduced post-mitigation likelihood based on a strong control environment in regard to communications. Amended following 25 Jan 2022 risk session
 - 2.3.6 PEN045 – Added new risk entirely following 25 Jan 2022 risk session, focusing on governance and failure of oversight on investment decision making.
 - 2.3.7 PEN047 – Enhanced wording on GDPR risk to cover both data processing and holding, added additional controls. Amended following 25 Jan 2022 risk session and further amended following advice from DPO.

3. KEY IMPLICATIONS

- 3.1 Failure to maintain and keep under review the Pension Fund's key risks could lead to a loss in confidence and sanctions being imposed by the Pensions Regulator where failings are deemed to be materially significant for the Pension Fund and its stakeholders.

4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 Failure to monitor identified risks and to implement appropriate strategies to counteract those risks could lead to an increased Fund deficit resulting in employers having to pay more.

5. LEGAL IMPLICATIONS

- 5.1 The Administering Authority is required to govern and administer the Pension Scheme in accordance with the Public Service Pensions Act 2013 and associated Local Government Pension Scheme Regulations. Failure to do so could lead to challenge.

6. RISK MANAGEMENT

- 6.1 The risk register is attached at Appendix 1 to this report, it is reviewed quarterly by the Pension Board and the Pension Fund Committee and updated regularly by officers to ensure all risks are appropriately documented and mitigated where possible.

7. POTENTIAL IMPACTS

- 7.1 Failure to comply with Pension legislation could result in the Administering Authority being reported to the Pensions Regulator where failure is deemed to be of a material significance.
- 7.2 Equalities: Equality Impact Assessments are published on the [council's website](#): N/A
- 7.3 Climate change/sustainability: N/A
- 7.4 Data Protection/GDPR: N/A

8. CONSULTATION

- 8.1 N/A

9. TIMETABLE FOR IMPLEMENTATION

- 9.1 Ongoing.

10. APPENDICES

- 10.1 This report is supported by 1 Appendix:
- Appendix 1 – Risk Register January 2022

11. BACKGROUND DOCUMENTS

- 11.1 This report is supported by 0 background documents:

12. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
<i>Mandatory: Statutory Officers (or deputy)</i>			
Adele Taylor	Executive Director of Resources/S151 Officer		
Emma Duncan	Deputy Director of Law and Strategy / Monitoring Officer		
<i>Deputies:</i>			
Andrew Vallance	Head of Finance (Deputy S151 Officer)		
Elaine Browne	Head of Law (Deputy Monitoring Officer)		
Karen Shepherd	Head of Governance (Deputy Monitoring Officer)		
<i>Other consultees:</i>			
Cllr Julian Sharpe	Chairman – Berkshire Pension Fund Committee		

REPORT HISTORY

Decision type:	Urgency item?	To follow item?
Pension Fund Committee decision	Yes/No	Yes/No

Report Author: Damien Pantling, Head of Pension Fund
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