

Committee: Pension Fund Advisory Panel

Date: 23 June 2015

Agenda item: 9

Wards: All

Subject: Pension Fund Risk Register

Lead officer: Caroline Holland Director of Corporate Resources

Lead member: Councillor Imran Uddin

Forward Plan reference number: N/A

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Recommendations:

- a.) Note and approve the updated risk register
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1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

The Risk Register (Appendix A to this report) has been set up using the Council's risk monitoring system which produces a risk status of Red, Amber or Green. The Committee approved a Risk Register for Merton Pension Fund on 14 December 2011 since then updates have been presented to Committee periodically.

2. On 2 December 2014, the committee requested that mitigating strategies for all risks should be included in the risk register. The risk register has also been updated with new risks and risks like those pertaining to the 2014 LGPS changes have been removed as the issues have been implemented.
 - 2.1 New risks added include MPF7 - Fund Manager House collapse or failure to safeguard records and MPF8 – Custodian House collapse or failure to safeguard records. New banking regulations designed by the FCA, Bank of England and the ECB are all expected to reduce bank collapse. It is still a risk the Fund is exposed to.
 - 2.2 MPF16 Employer admissions and cessation implementation risk has been added to the register to reflect recent changes in employer workplace changes. Shared services, Outsourcing and legislative changes which affect schools being the key sources of new admissions to the Fund.
 - 2.3 The risk register is also monitored alongside other council corporate risk. Annual updates will also be presented to the Committee.

3. CONSULTATION UNDERTAKEN OR PROPOSED

- 3.1 N/A

- 4. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**
- 4.1 Some of the risks may have potential financial implications for the Fund
- 5. LEGAL AND STATUTORY IMPLICATIONS**
- 5.1 Failure to mitigate some risks could lead to potential litigations
- 6. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**
- 6.1 N/A
- 7. CRIME AND DISORDER IMPLICATIONS**
- 7.1 N/A
- 8. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**
- 8.1 The report considers the key risks to the Pension Fund
- 9. APPENDICES**
- 9.1 Detailed risk register (appendix a)
- 10. BACKGROUND PAPERS**
- 10.1 There are no background papers

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