
RISK REGISTER UPDATE

Report by Chief Financial Officer

PENSION FUND COMMITTEE

12 September 2013

1 PURPOSE AND SUMMARY

- 1.1 **This report provides the Pension Fund Committee with an opportunity to review the Risks previously categorised as "red" under the Council's approach to managing risk, and updates members on progress made in mitigating the effect of these risks on the pension fund.**

2 BACKGROUND

- 2.1 Identifying and managing risk is a corner stone of effective management and is required under the CIPFA guidance "Delivering Governance in Local Government Framework 2007". It is further reflected and enhanced in the "Local Government Pension Scheme" published by CIPFA.
- 2.2 A revised risk register was approved by the Pension Fund Committee in June 13 and is contained in Appendix 1.
- 2.3 Appendix 1 details the progress of the additional control measures on the risk identified as "red".

3 RECOMMENDATIONS

- 3.1 **It is recommended that the Pension Fund Committee:-**
- (a) Notes the progress on the Red Risk items contained in Appendix 2;**
 - (b) Agrees to a quarterly Red Risk review being undertaken with the next due in December 2013; and**
 - (c) Agrees to a six monthly Amber Risk review being undertaken in December 2013**

4 BACKGROUND

- 4.1 Identifying and managing risk is a corner stone of effective management and is required under the CIPFA guidance "Delivering Governance in Local Government Framework 2007". It is further reflected and enhanced in the "Local Government Pension Scheme" published by CIPFA.
- 4.2 The Risk Register has been developed in line with the Council's approach to risk management as set out in "Managing Risk: A Practical Guide to Risk Management in the Borders" and assesses risks using a risk score based on likelihood and impact. It has been further refined to reflect best practice "Managing Risk in the Local Government Pension Scheme" published by CIPFA.
- 4.4 A full risk review was undertaken in June 2013, and agreed the Council's policy of review cycle, as shown below was followed:

RED - 3 monthly reviews of action progress throughout the year

AMBER - 6 monthly reviews throughout the year coinciding with red reviews

YELLOW/
GREEN - Annual reviews, coinciding with red and amber reviews

This report forms the first of the 3 monthly reviews of the Red risk items. A copy of the full risk register is included in Appendix 1

5 RED RISK PROGRESS

- 5.1 The current approved risk register contains 4 Red Risks. These are shown in **Appendix 2** with an update on progress in relation to the proposed actions.

6 IMPLICATIONS

6.1 Financial

There are no direct financial implications of this report.

6.2 Risk and Mitigations

The purpose of providing the update to the Committee is as part of improving the risk management framework for the Pension Fund to demonstrate that it understands the risks faced and how it is proposing to manage, mitigate or tolerate these risks.

6.3 Equalities

It is anticipated that there are no adverse impact due to race, disability, gender, age, sexual orientation or religion/belief arising from the proposals in this report.

6.4 Acting Sustainably

There are no direct economic, social or environmental issues with this report which would affect the Council's sustainability policy.

6.5 Carbon Management

There are no direct carbon emissions impacts as a result of this report.

6.6 Rural Proofing

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

6.7 Changes to Scheme of Administration or Scheme of Delegation

No changes to the Scheme of Administration or Scheme of Delegation are required as a result of this report.

7 CONSULTATION

- 7.1 The Head of Corporate Governance, the Head of Strategic Policy, the Head of Audit, HR Manager and Risk, the Clerk to the Council been consulted and any comments have been incorporated into the report.

Approved by

David Robertson
Chief Financial Officer

Signature

Author(s)

Name	Designation and Contact Number
Lynn Mirley	Corporate Finance Manager, 01835 825016
Kirsty Robb	Treasury & Capital Manager, 01835 825249

Background Papers:

Previous Minute Reference: Pension Fund Sub-Committee, 6 March 2012
Pension Fund Sub-Committee 13 Sept 2012
Pension Fund Committee 5 March 2013
Pension Fund Committee 18 June 2013

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. The Treasury & Capital Team can also give information on other language translations as well as providing additional copies.

Contact us at: Treasury & Capital Team, Council Headquarters, Newtown St Boswells, Melrose, TD6 OSA Tel: 01835 825016 Fax 01835 825166. email: treasuryteam@scotborders.gov.uk