
RISK REGISTER UPDATE

Report by Chief Financial Officer

JOINT MEETING OF PENSION FUND COMMITTEE AND PENSION BOARD

18 June 2015

1 PURPOSE AND SUMMARY

- 1.1 **This report provides the Pension Fund Committee with an updated Risk Register for approval.**
- 1.2 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.
- 1.3 Appendix 1 details the Risk Register updated and scored at the workshop earlier.

2 STATUS OF REPORT

- 2.1 Due to the timescales involved in producing the report it has not been possible to incorporate all the consultation comments and as a result these will be made available at the meeting.

3 RECOMMENDATIONS

- 3.1 **It is recommended that the Joint Committee and Board:-**
 - (a) **Notes the current Risk Register as contained in Appendix 1**
 - (b) **Agrees to full risk workshop on 9th September prior to the Pension Fund Committee.**
 - (c) **Agrees to a Red Risk review being undertaken in December 2015 and**
 - (d) **Agrees to a Red and Amber Risk review being undertaken in March 2016: and**

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 2014 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

The Red risks were reviewed at each quarterly Pension Fund meeting and the Amber risks were reviewed at the December 2014 Pension Fund meeting.

5 RISK PROGRESS

- 5.1 Due to the recent governance changes it is proposed the full risk review scheduled for June 2015 is postponed until September 2015 to allow new members to become more familiarised with the current risk register and the their roles. A copy of the current risk register is contained in **Appendix 1.**
- 5.2 To comply with the Council's policy of risk review a Red Risk progress review is should be undertaken on a quarterly basis at each of the Committee meetings and an Amber risk review every six months. Due to the delay in completing the full review to the September meeting it is proposed a Red risk review is undertaken in December 2015 and a Red/Amber review in March 2016. A full review will then be undertaken in June 2016 to bring the timetable in line with the with the other governance requirements.

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 of Scheme of Delegation are required as a result of this report.

7 CONSULTATION

7.1 The Monitoring Officer, the Chief Legal Officer, the Service Director Strategy and Policy, the Chief Officer Audit and Risk, the Chief Officer HR and the Clerk to the Council are currently being consulted and their comments will be made available at the meeting.

Approved by

David Robertson
Chief Financial Officer

Signature

Author(s)

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Background Papers:

Previous Minute Reference: Pension Fund Committee March 2015

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