



Pensions Committee

18 March 2015

Report Title	Pension Services – Risk Register review	
Originating service	Pension Services	
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Report to be/has been considered by	Rachel Howe Tel Email	Head of Governance 01902 552091 rachel.howe@wolverhampton.gov.uk

Recommendation(s) for noting:

The Committee is asked to note:

1. The top ten risks for West Midlands Pension Fund.
2. That the full revised risk register will be presented to the June 2015 Committee.

1.0 Purpose

- 1.1 As a matter of best practice, it has been agreed that the Fund's risk register will be approved by the Pensions Committee and reviewed on an annual basis.

2.0 Background

- 2.1 There is in operation a risk register for the Fund, which aims to ensure that the risks to the Fund's ability to achieve its objectives are identified and managed. The objectives of the Fund as set out in the Business Plan 2014-2019 are;

- To become a top performing fund;
- To achieve target investment returns;
- To improve our funding level;
- To provide excellent customer service.

- 2.2 The approved risk register is reviewed and monitored at least quarterly by the Fund's Senior Management Team and presented to Committee annually for review and approval. Further, the approved register forms the basis of the Compliance Monitoring programme with resource being focussed on managing the key risks to the Fund's objectives.

- 2.3 Members of staff having direct and indirect operational involvement with Investments and Member Services are involved in the identification and analysis of risks which make up the risk register.

3.0 Risk Register

- 3.1 There are currently 41 individual risks which have been identified and recorded on the register using a 5 x 5 scoring matrix to decide how likely they are to occur and how much of an impact they would have. Although none of the identified risks have a critical rating, there are seven risks with an impact/probability score of ten or above, shown in Appendix 1.

- 3.2 As shown, the risk register clearly identifies the mitigation strategies implemented by the Fund in order to reduce the probability of a risk occurring, or to minimise the impact it would have should it materialise. Individual risk owners have also been identified and are responsible for managing the risks and for ensuring that the mitigating actions are implemented and are operating effectively.

- 3.3 The Fund has decided to fully review the risk register to ensure that it is comprehensive enough that all risks which require monitoring are reviewed effectively – is fit for purpose - but is not overly bureaucratic and cumbersome. The revised risk register will be presented to the June Committee.

3.4 Following approval of the risk register, the existing compliance monitoring programme will be revised to reflect the risk based approach, linking the programme to the Fund's objectives and the approved risk register.

4.0 Financial implications

4.1 This report contains no direct financial implications for the Authority.

5.0 Legal implications

5.1 This report contains no direct legal implications for the Authority.

6.0 Equalities implications

6.1 This report has no implications for the Authority's equalities policies.

7.0 Environmental implications

7.1 This report has no implications for the Authority's environmental policies.

8.0 Human resource implications

8.1 This report has no implications for the Authority's human resource policies.

9.0 Corporate landlord implications

9.1 The report contains no direct corporate landlord implications for the Authority.

10.0 Schedule of background papers

10.1 There were no preceding background papers.

11.0 Schedule of Appendices

11.1 Appendix 1 – West Midlands Pension Fund Top Ten Risks 2015