



Havering
LONDON BOROUGH

PENSIONS COMMITTEE

11 NOVEMBER 2025

Subject Heading:

PENSION FUND RISK REGISTER
OCTOBER 2025

SLT Lead:

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Policy context:

Pension Fund Governance

Financial summary:

No direct financial implications

The subject matter of this report deals with the following Council Objectives

People – Supporting our residents to stay safe and well	X
Place – A great place to live, work and enjoy	X
Resources – Enabling a resident-focused and resilient Council	X

SUMMARY

This report updates the committee with the latest version of the Havering Pension Fund (“the Fund”) Risk Register (**Appendix A**), which details the potential risks the Fund is exposed to, that the Pensions Committee should be aware of, and the controls in place to manage those risks.

RECOMMENDATIONS

The Pensions Committee is recommended to:

1. Approve the updated Pension Fund Risk Register November 2024, attached as **Appendix A**.

REPORT DETAIL

1. Background

- 1.1 Risk management is a key responsibility of those charged with Pension Fund Governance and the need for effective risk management is reflected throughout Local Government Pension Scheme (LGPS) guidance and regulation.
- 1.2 The Pensions Regulator (tPR) General Code of Practice requires LGPS Funds to establish internal controls that ensure proper scheme administration. This involves identifying, recording and regularly reviewing risks to determine which risks need controls to reduce their likelihood and impact.
- 1.3 Risk is also identified and managed within the following statutory documents:
 - Governance Compliance Statement,
 - The Funding Strategy Statement
 - The Investment Strategy Statement
 - Statement of Accounts and Pension Fund Annual Report
 - Valuation results
- 1.4 External service providers—actuaries, advisors, auditors, custodians, and system administrators—along with regulatory bodies, support risk management through established procedures.
- 1.5 The effective management of risk is also an area which is covered within the CIPFA Knowledge and Skills framework recognising the importance that those charged with governance understand the risks that could impact on the Fund and steps taken to mitigate such risks.

2. Pension Fund Risk Register

- 2.1 In line with the LGPS Regulations and good practice the Fund has been maintaining a Pension Fund Risk Register since 2015, which was last reported to the Committee on the 5 November 2024. The Fund maintains a risk register to effectively manage and mitigate potential risks that could impact the scheme's operations and objectives.
- 2.2 The risk register complies with CIPFA 'Managing Risk in the LGPS' published in December 2018 and the tPR General Code of Practice.
- 2.3 The risk register identifies the key risks that the Fund may face and the measures that can and have been put in place to mitigate those risks.
- 2.4 It is recognised that it is not possible to eliminate all risks but accepting and actively managing risk is crucial to fulfilling the governance of the Fund.

- 2.5 The Risk Register is a 'live' document and therefore all risks are reviewed continually to ensure that they remain relevant and that the controls are in place to manage risks where feasible. With this in mind, it was agreed that from April 2019 the Risk Register will be a standing item on the Local Pensions Board (LPB) agenda and for the LPB to consider and agree to make recommendations for changes.
- 2.6 The Risk Register was discussed at the Funds LPB meetings, as follows:
- **17 September 2024** – feedback requested that officers indicate with risks are operational and which are strategic.
 - Strategic - risks that arise from the decisions that the committee or Fund take concerning the Fund's objectives. Essentially, strategic risks are the risks of failing to achieve these business objectives
 - Operational – risks connected with the internal resources, systems, processes, and employees of the organisation
 - **3 December 2024** – LPB disagreed with the Pensions Committee that they should be tasked for focus on reviewing operational risks. We are awaiting the Chair to follow up.
- 2.7 **Risk Scoring** - The Fund uses a matrix to plot risk likelihood and impact. The matrix within the register shows that risk can be classified as having two measurements that need to be assessed to determine the scale of the risk i.e.
- **Likelihood** – the possibility that a risk will occur
 - **Impact** – the consequences if the risk were to occur

IMPLICATIONS AND RISKS

Financial implications and risks:

There are no immediate direct financial consequences arising as a result of this report. However, understanding the risks that are present in the Fund and how they are managed is essential to the overall strategic management of the Fund and the governance role of this Committee. Being able to assess the likely financial and reputational impact and whether a risk can be categorised as high, medium or low will impact on the decision-making process of this Committee.

Not all risks are quantifiable from a financial perspective but could impact on the reputation of the Fund and these also need to be considered.

Legal implications and risks:

There are no apparent legal risks in approving the risk register as recommended.

Human Resources implications and risks:

The recommendations made in this report do not appear to give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

Equalities implications and risks:

An EHIA (Equality and Health Impact Assessment) has not been completed and is not required for this decision. The Council seeks to ensure equality, inclusion, and dignity for all. There are no equalities and social inclusion implications and risks associated with this decision.

BACKGROUND PAPERS

Background Papers List

None