

PENSION FUND COMMITTEE – 6 SEPTEMBER 2024

RISK REGISTER

Report by the Executive Director of Resources & Section 151 Officer

RECOMMENDATION

1. **The Committee is RECOMMENDED to note the latest risk register and accept that the risk register covers all key risks to the achievement of their statutory responsibilities, and that the mitigation plans, where required, are appropriate.**

Introduction

2. The risk register sets out the current risk scores in terms of impact and likelihood, and a target level of risk and a mitigation action plan to address those risks that are currently not at their target score. The risk register can be found at **APPENDIX 1**. This report sets out any progress on the mitigation actions agreed for those risks not yet at target and identifies any changes to the risks which have arisen since the register was last reviewed.

Comments from the Pension Board

3. The Local Pension Board did review and consider the risk register at its last meeting on the 5 July, however there were no comments for consideration.

Latest Position on Existing Risks/New Risks

New Emerging Risks

4. No new emerging risks have been identified for the fund this quarter. However, mention does need to be made of the government's new National Wealth Fund. The government has announced the commencement of work to align the British Business Bank and UK Infrastructure Bank under a new National Wealth Fund that will invest in industries of the future. The stated intention is to create a compelling investment proposition, drawing in capital from institutional investors. At this stage the implications for the Fund are unclear but there is the potential to affect the way the Fund invests in private markets. This is an emergent issue which may pose a risk to the fund, which could potentially be

factored into Risk 18 – ‘Failure to Meet Government Requirements on Pooling’ or could require a separate risk altogether.

Increasing Risk

5. None of the risks on the risk register were deemed as increasing in their respective risk rating.

Reducing Risk

6. None of the risks on the risk register were deemed as reducing in their respective risk rating

Risks removed from the Risk Register

7. None of the risks were removed from the Risk Register.

Same Risk Rating

8. Risk 13 – ‘Insufficient Skills and Knowledge on Committee’ – this has remained at an amber rating. There are a number of new committee members, and as such, some have yet to complete their mandatory training. The fund is scheduled to take part in the LGPS National Knowledge Assessment in September, which should give a good indication as to the level of skills and knowledge on the Committee.
9. Risk 14 – ‘Insufficient Skills and Knowledge amongst Board Members’ – this has remained at an amber rating. There is still one employer representative vacancy for the Board and another member is approaching retirement. Moves are afoot to try and fill the current Board vacancy.
10. Risk 15 – ‘Insufficient Skills and Knowledge amongst officers’ – recruitment for the Head of Service and the Pensions Administration Manager posts had reduced this risk previously. However, there are recruitment difficulties in filling lower level management posts. As such, this risk has been assessed as remaining at an amber rating.
11. Risk 21 – ‘Insufficient Resource and/or Data to comply with consequences of McCloud Judgement & Sergeant.’ – work on the project continues in earnest, however there have been delays in data submissions from employers. There is a plan in place to bring the project up to date, hence the risk rating for this risk has been assessed as remaining at an amber rating.
12. All other risks have been assessed as remaining the same as last quarter and are at the target risk rating.
13. The Pension Fund Committee are asked to note the Risk Register.

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