

LOCAL PENSION BOARD**24 FEBRUARY 2022**

REPORT TITLE:	RISK REGISTER
REPORT OF:	DIRECTOR OF PENSIONS

REPORT SUMMARY

The purpose of this report is to provide Board Members with a copy of the Fund's Risk Register.

This report contains exempt information. This is by virtue of paragraph(s) 3 of Part 1 of Schedule 12A of Local Government Act 1972 i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information).

RECOMMENDATION/S

That Board Members be recommended to consider the changes to the risk register and note the report.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 There is a requirement for Members of the Pension Board to be kept informed of pension fund policies and developments as a part of their role in supporting the administering authority.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 Not relevant for this report. It is a recommendation of the Pension Regulator that risk is a standing item on the agenda of local pension boards.

3.0 BACKGROUND INFORMATION

- 3.1 Risk management is an integral part of the Fund's business planning, policies and procedures. The Fund maintains a register of its principal risks and the controls and measures put in place to manage and mitigate them. The register is prepared in accordance with Wirral's Risk Management Policy.
- 3.2 Risk Management is a standing item on the monthly Fund Operating Group agenda and is updated for any new or changing risks that are identified. The Risk Register is also a standing item on the agenda for the Fund's Governance & Risk Working Party. The risks included in the register are principally in relation to administrative, financial and operational risks with investment and related actuarial risks addressed in the Funding Strategy Statement and Investment Strategy Statement.
- 3.3 Since the previous report, the following changes have been made:

New

None

Revised

RF3 from 16 to 12 to reflect flexibilities in new regulations
RF9 from 15 to 20 to reflect staff demographic and industry challenges

Removed

Former RF20 Pensions Freedoms have not developed as anticipated
Former RF28 Risks arising from exit payment regs managed through revised FSS

A number of risks have been reviewed and combined to refocus the risk register with controls and scores amended as appropriate.

4.0 FINANCIAL IMPLICATIONS

- 4.1 There are none arising directly from this report. Risk management may have financial and non-financial implications. Identifying, evaluating and measuring risk

can provide the Fund with opportunities as well as managing threats to the achievement of its objectives to the benefit of stakeholders.

5.0 LEGAL IMPLICATIONS

5.1 There are none arising directly from this report. There is a statutory requirement for investment risk to be incorporated in the Investment Strategy Statement and Funding Strategy Statement. The Pension Regulator has identified the management of risk as a key objective for pension funds.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 There are none arising directly from this report. The assessment of risk is a factor in the direction and allocation of resources by management.

7.0 RELEVANT RISKS

7.1 Our success in dealing with the risks we face can significantly impact on the achievement of our priorities and the trust placed in us by our stakeholders. Risk management is an integral part of the Fund's business planning, policies and procedures. A failure to provide the Board with information on legislative changes and the Fund's activities could hinder the Board in the discharge of its duties.

8.0 ENGAGEMENT/CONSULTATION

8.1 Not relevant for this report.

9.0 EQUALITY IMPLICATIONS

9.1 There are no equality implications arising from this report.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are none arising directly from this report. Environmental and climate risks are addressed in the Fund's Investment Strategy Statement.

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APPENDICES

Appendix 1 Risk Register

BACKGROUND PAPERS

CIPFA: Risk Management in the LGPS

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
The risk register is a standing item on the Pension Board agenda.	