



LOCAL PENSION BOARD

12 DECEMBER 2023

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 the Local Pension Board 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, a number of changes have been made.

New risks

RR021 Climate risk has been added. Management of climate risk has been a focus of MPF for a number of years and addressed in its Investment Strategy Statement. Following the Pension Regulator's oversight of climate reporting it is deemed best practice for it to feature in the risk register.

Revised scores

RR003 3x4 to 3x3
RR009 5x4 to 4x4
RR018 2x4 to 2x5
RR019 3x2 to 3x3

Risks removed

RR005
RR006 & 007 merged
RR013 & 014 merged
RR017
RR021

Changes to the register are highlighted in red.

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 The degree of 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 also addressed in the Fund's Investment Strategy Statement.

REPORT AUTHOR: **Peter Wallach**
(Peter Wallach, Director of Merseyside Pension Fund)
telephone:
email: peterwallach@wirral.gov.uk

APPENDICES

Appendix 1 Risk Register

BACKGROUND PAPERS

CIPFA: Risk Management in the LGPS

TERMS OF REFERENCE

This report is being considered by the Pension Board in accordance with Section 13.3 (f) of its Terms of Reference:

(f) Review the risk register as it relates to the scheme manager function of the authority.

SUBJECT HISTORY (last 3 years)

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