






Strategic Risk Register

October/November 2023

Risk Ref	Risk Theme	Risk Title	Current Drivers	Corporate Priority	Pre-control Risk Assessment	Post Control Risk Assessment	Risk Outcome post control	Actions/Mitigations	Senior Officer(s) responsible for Action
1	Regulatory	There continues to be an increased focus on the governance and regulation of LGPS Funds, including investment governance and decision making. A number of consultations are proposed/have been released which have the potential to generate reactionary responses to the governance of the LGPS.	The Fund will need to review and respond to both cross-cutting industry themes and LGPS-specific consultation, focusing on the key issues for the Fund in the short and longer term where these may result in wide-ranging change impacting a number of service areas (across investment and pension administration functions).	Operational Resilience Compliance and Risk People and Customers				The Fund continues to monitor developing policy and regulatory ambition, activity taking the opportunity to engage with the LGPS and wider pensions-sector to contribute to consultation responses, thereby having a proactive insight and voice to the potential change and response required.	ALL
		Audit and provision of external assurance	Ongoing delay in external audit work driven by system-wide change, inconsistency and capacity constraints creates inefficiencies in Fund activities.  Also driving and leading to increased challenge for employers' auditors seeking independent assurance.	Compliance and Risk People and Customers				The Fund engages with the sector, its own and employers' auditors to understand the requirements needed to provide assurance and works collaboratively with its employer groups to develop efficiency in the process.  The Fund continues to engage with City of Wolverhampton Council and Grant Thornton on the completion of year end accounts.	HoF ADP
		Increasing focus on reporting and oversight which have the potential to misalign standards due to evolving metrics.	Increased reporting requests incoming from regulatory/national bodies in areas of investment, climate, funding, customer servicing, with limited common industry	Compliance and risk				The Fund continues to enhance its reporting tools and data / information sets to meet multiple purpose, with current focus on supporting workload management.	ALL

Risk and Assurance Report Appendix A

Risk Ref	Risk Theme	Risk Title	Current Drivers	Corporate Priority	Pre-control Risk Assessment	Post Control Risk Assessment	Risk Outcome post control	Actions/Mitigations	Senior Officer(s) responsible for Action
			standards and potential for discrepancy with reporting useful information to the Fund for management and assurance purposes. Additional resource may be required to further enhance data and reporting tools to meet emerging demands and increase efficiency.					enabling statutory change (McCloud), Climate Reporting and Stewardship.	
2.	Economic Environment	Increased costs in service provision.  Employer budgets/funding.	Continued cost of living and inflation pressures adding to increased cost to service delivery from third party suppliers as well as making products more expensive to buy from market.  Continued pressures on employer finances in light of budget strains could see increased use/ask for employer flexibilities and/or funding and contribution considerations.	Operational Resilience Compliance and Risk People and Customers				The Fund has a long term outlook to funding and has an established employer risk management framework to support the review of covenant, including extended engagement and mitigation.	ALL
3.	Service delivery/business change	The ability of the Fund to maintain high standards of service delivery during periods of business change and transition.  Service delivery by third party providers and their ability to keep the pace of change required in delivering Fund requirements and operations.	Ongoing service development to meet customer needs and improve overall experience resulting in short term impacts as the fund undergoes transformational change.  The complex and moving environment in which the Fund operates requires it and its service providers to be flexible and able to adapt to business need.	Operational Resilience Compliance and Risk People and Customers				The Fund has a programme of customer engagement to support understanding of customer needs and builds a customer engagement plan each year to gain feedback on the enhancements to service offering.  The Fund engages with suppliers throughout business change projects and ensures effective communication to the timings of service delivery needs. The Fund's contract management and oversight framework, ensures suppliers are managed	ALL

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4	Resource risk	The Fund's ability to attract, retain and train our people in an ever evolving environment with competition for key knowledge resource and the ability of the Fund to ensure the long-term sustainability of Fund service delivery.	Increased market demand for specialist and scarce resource, creating turnover risk Employee wellbeing being impacted by high volume workloads and increasing demand on customer servicing needs during change.	People and Customers Operational Resilience				against contracted service delivery.  The Fund routinely reviews resourcing requirements and roles, informed by market research and benchmarking. The Fund has developed an extensive employee wellbeing program, with coaching sessions and mind set for success workshops offered in addition to the established Employee Assistance Programme and mental health first aid support.	ALL
5.	Investment	SAAVISS implementation  Risk of pace across LGPS Investment Pooling	Review and change in asset allocation and implementation takes longer than anticipated.  Government has released it's outcome to the consultation on the future of LGPS Investments which seeks to drive forward the pooling agenda steer asset allocation. The Fund needs to work with partners to further develop the long term direction for LGPS Central pool	Investment strategy implementation  Operational resilience  Compliance and Risk				  The Fund is supportive of the potential benefits offered by pooling and will work with relevant stakeholders to meet the objectives sought in the delivery of the Fund's adopted ISS.	ADIS ADIMS EDOP HGRA

Officers Responsible for Action

EDOP	Executive Director of Pensions
ADIS	Assistant Director Investment Strategy
ADIMS	Assistant Director Investment Management and Stewardship
ADP	Assistant Director Pensions
HOP's	Head of Operations
HGRA	Head of Governance, Risk and Assurance
HOF	Head of Finance

Version Control:

Version	Responsible Officer	Change	Date
Version 1	Head of Governance, Risk and Assurance	Review ahead of Pensions Board Meeting 23.01.24- no changes made.	January 2024