




Strategic Risk Register
February/March 2024

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	Customer Servicing	<p>The ability of the Fund to maintain high standards of service delivery during periods of business change and transition together with the potential impact on customer and stakeholder confidence.</p> <p>Service delivery by third party providers and their ability to keep the pace of delivery required in meeting Fund requirements and operations.</p>	<p>Ongoing system development to meet customer needs and improve overall experience resulting in servicing impacts as the fund undergoes transformational change.</p> <p>The potential for divergence in outcomes across partner organisations and the ability of providers to service and respond to the differing asks.</p>	Operational Resilience Compliance and Risk People and Customers			↕	<p>The Fund continues to be alive to the ongoing impact on customer servicing, seeking to respond to concerns and support individual member needs, and is engaging with stakeholders across the wider region.</p> <p>The Fund has ongoing monitoring of supplier performance and delivery in line with contract management procedures.</p>	ALL
2	Resource Risk	<p>The Fund's ability to retain resource in the ongoing environment of change and heightened volumes of service delivery with increased ask on certain roles.</p> <p>Potential for impact on ability to recruit talent and resource where there is potential for impact on reputation and confidence in the Fund as an employer.</p> <p>Ongoing competition across the wider market and known competition for salary and location of work.</p>	<p>The additional pull on individual knowledge and skills in support of the program of business change against normal BAU roles.</p> <p>The potential impact on the Fund's marketability as an employer where public awareness is heightened on the current operating environment.</p> <p>Increased market demand for specialist and scarce resource, creating turnover risk.</p>	People and Customers Operational Resilience			↕	<p>The Fund continues to work with CWC HR to understand the various options for managing retention risk and ensuring employee recognition.</p> <p>The Fund routinely reviews resourcing requirements and roles, informed by market research and benchmarking.</p> <p>The Fund actively seeks additional and/or specialist support to aid resilience.</p>	ALL

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3	Regulatory	There continues to be an increased focus on the governance and regulation of LGPS Funds, including investment governance and decision making. Publication of the tPR's Code of Practice, the pending Scheme Advisory Board Administration KPIs and amended Annual Report Guidance may see an increased ask on reporting metrics	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) Increased reporting requests incoming from regulatory/national bodies in areas of investment, climate, funding, customer servicing, with limited common industry standards and potential for discrepancy with reporting useful information to the Fund for management and assurance purposes.	Operational Resilience Compliance and Risk People and Customers				The Fund continues to monitor developing policy and regulatory ambition, actively 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. The Fund continues to review its resourcing needs both in relation to systems and people, in managing increased asks and emerging demands for data and reporting.	ALL
4	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 consideration of contribution and funding risks.	ADP, EDOP HoF

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5	Investments	<p>Economic impacts on the Fund's investments led by geopolitical issues and wider market volatility.</p> <p>Delay to investment strategy implementation and strategic asset allocation changes</p> <p>Risk of pace across LGPS Investment Pooling</p>	<p>Review and change in asset allocation and implementation takes longer than anticipated.</p> <p>Government has released it's outcome to the consultation on the future of LGPS Investments which seeks to drive forward the pooling agenda and steer asset allocation. The Fund is reliant on partners to further develop the long-term direction for LGPS Central pool.</p>	<p>Investment strategy implementation</p> <p>Operational resilience</p> <p>Compliance and Risk</p>				<p>The Fund continues to work with its advisors to understand potential impacts and change needed to delivery investment strategy as market conditions evolve.</p> <p>The Fund continues to support the overall outcomes from potential benefits to be achieved by pooling and engage in dialogue to support in realising.</p>	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	Date
Version 1	Head of Governance, Risk and Assurance	March 2024