

<div>West Midlands Pension Fund Strategic Risk Register</div> <div>Quarter 1 2021</div>					
	Risk Issue	Area of Concern	Current Driver	Rating	Risk ID (from operational risk map)
1	Data Management	Data Quality and the ability of the Fund to produce statutory requirements for reporting together with meeting current legislative drivers.	Annual Benefit Statement run due to take place May through to August		G1, F7, OP1, INV2
			McCloud data cleansing is an ongoing project which will require additional data cleansing work by both the Fund and Employers		
			ongoing challenge to manage and process high volumes of investment related data		
2	Governance processes and structure	The Fund is not able to update and effect its processes to ensure ongoing compliance with regulatory requirements.	Forthcoming regulatory change and statutory guidance redefining reporting requirements for the Fund (Pension Regulator Single Code, Good Governance, Investment data reporting and oversight)		G1, F2, F3, OP2, F4, F8, OP8, PS1, PS2, INV1
3	Business Continuity and Cyber Risk	The Fund is unable to perform its functions	Current Covid environment and the reliance on home networks to support service delivery		G3, G4, F11, OP5
			Global concern on Cyber risk is heightened in the current environment		
4	Resourcing service delivery	IT Systems ability to cope with workload demands and the impact of manual processes pending automation enhancements from third party suppliers.	Competition in the market for skilled roles following a year of a closed recruitment market which is now picking up pace.		G5, F1, OP4, OP7, PS7, PS8
		People resource risk and the ability to recruit to vacant roles with adequate skills	Ongoing medium term reliance on interim roles to support service delivery where key roles are pending recruitment.		
5	Internal Controls	The Fund is not able to effectively monitor and report on its compliance with regulatory requirements with a need to conduct a full review of those in place due to ongoing regulatory change	Change in reporting requirements and the presentation of compliance forthcoming from the Regulator and Scheme Advisory Board.		F6, F10, F12, F13, PS6, OP6, PS1, INV1
			ongoing challenge to manage and process high volumes of investment related data		
6	Service Delivery - Fund	The Fund is unable to deliver its services due to the impact of adequate resourcing or focus on other areas in response to regulatory change.	Current recruitment risk		F9, PS3, PS5, INV3
			Multitude of regulatory change in the operational and reporting requirements of Funds		
7	Service Delivery - Third Parties	The Fund is unable to deliver its services due to the reliance on third parties	Software updates to support automation and process efficiencies are led by the software provider		OP3, F5, PS4
			Employers own resource risk limits ability to deliver requirements for the Fund		