

LOCAL PENSIONS BOARD – 25 MARCH 2022

Report of the Director for Corporate Services

STAFFORDSHIRE PENSION FUND RISK REGISTER

Recommendations of the Chairman

1. That the Local Pensions Board ('Board') notes the risks, relating to Investment, from the current Staffordshire Pension Fund Risk Register, as presented in Appendix 2.

Background

2. At their meeting in June 2021, the Pensions Committee noted the high-level risks identified within the Staffordshire Pension Fund Risk Register. The Committee also asked the Board to continue to undertake a regular detailed review of the risks identified and the process for maintaining the Risk Register, and report back to the Committee on any areas of concern.
3. To assist with their review, the Board requested that one of the four main risk areas (Governance, Funding, Administration, and Investment), be presented to them at each meeting, for their consideration. This was to align with the risk area considered by the Officer working group that quarter.
4. Board members have joined the Assistant Director for Treasury & Pensions and Senior Pensions and Investment Officers, forming the Officer working group, on a quarterly basis. Working through the detail of the individual risks, they collectively determine individual risk scores by considering the potential impact any one risk might have, together with the likelihood of that risk occurring. Members of the Board are invited to continue to attend these working groups if they so wish.
5. At a meeting on 9 March 2022, the officer working group, reviewed the risk area of Investment. As the meeting was convened at relatively short notice it was not possible for an observer from the Board to attend. However, any significant risks arising from the review will be discussed with the Board, at today's meeting. Pre and post control ratings were re-assessed, considering any new controls or sources of assurance. New areas of potential risk were also considered.
6. Post control, Fund Officers believe there are 2 high-level risks in this area and 9 areas of medium risk. The high-level risk areas are both related to the costs and potential savings arising from LGPS Central. The impact of higher inflation on the budget and the transition activity required to implement the Fund's review of its Investment Strategy will need to be monitored closely.
7. The full list of current Investment risks is presented in Appendix 2 for Board members to discuss and /or note.

John Tradewell
Director for Corporate Services

Contact: Melanie Stokes
Assistant Director for Treasury & Pensions
Telephone No. (01785) 276330

Appendix 1

Equalities implications: There are no direct implications arising from this report.

Legal implications: There are no direct legal implications arising from this report.

Resource and Value for money implications: The main resource implications have not been explicitly assessed but arise directly from either any mitigating actions or from the impact of the risk identified.

Risk implications: The main topic of this report is risk assessment.

Climate Change implications: There are no direct implications arising from this report.

Health impact assessment screening: There are no direct implications arising from this report.