

## **LOCAL PENSIONS BOARD – 30 SEPTEMBER 2022**

### **Report of the Deputy Chief Executive & 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 Governance, from the current Staffordshire Pension Fund Risk Register, as presented in Appendix 2.

##### **Background**

2. At their meeting in June 2022, 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 31 August 2022, the officer working group, together with a member of the Local Pensions Board, reviewed the risk area of Governance. 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 no high-level risks in this area and only 4 areas of medium risk. Good Governance, and the practice and promotion of such, has been of key focus for Fund Officers over recent years. Three areas of medium risk relate to outstanding legislative changes, which lead to some uncertainty around the Fund's governance arrangements that may be required going forward. Examples include: The Pensions Regulators Single Code of Practice, Regulations relating to McCloud and Legislation arising from the Good Governance Project. The fourth medium risk relates to the need to understand more about the custody arrangements for Private Market assets as these become a greater proportion of the Fund's Strategic Asset Allocation.

7. The full list of current Governance risks is presented in Appendix 2 for Board members to discuss and / or note at today's meeting.

**John Tradewell**  
**Deputy Chief Executive & Director for Corporate Services**

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## 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.