

<b>Subject</b>	<b>Updated Risk Register</b>	<b>Status</b>	For Publication
<b>Report to</b>	Local Pension Board	<b>Date</b>	2 <sup>nd</sup> February 2023
<b>Report of</b>	Director		
<b>Equality Impact Assessment</b>	Not Required	Attached	App A Risk Register
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## 1 **Purpose of the Report**

- 1.1 To provide members of the Board with the opportunity to review the updated risk register which supports the corporate strategy.
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## 2 **Recommendations**

- 2.1 Members are recommended to:
- a. **Note and comment upon the revised risk register.**
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## 3 **Link to Corporate Objectives**

- 3.1 This report links to the delivery of all the corporate objectives because the corporate risk register is focussed on assessing and managing the range of risks to the organisation in meeting any of these objectives.

### **Customer Focus**

To design our services around the needs of our customers (whether scheme members or employers).

### **Listening to our stakeholders**

To ensure that stakeholders' views are heard within our decision making processes.

### **Investment Returns**

To maintain an investment strategy which delivers the best financial return, commensurate with appropriate levels of risk, to ensure that the Fund can meet both its immediate and long term liabilities.

### **Responsible Investment**

To develop our investment options within the context of a sustainable and responsible investment strategy.

## **Scheme Funding**

to maintain a position of full funding (for the fund as a whole) combined with stable and affordable employer contributions on an ongoing basis.

## **Effective and Transparent Governance**

To uphold effective governance showing prudence and propriety at all times.

## **Valuing and engaging our Employees**

To ensure that all our employees are able to develop a career with SYPA and are actively engaged in improving our services.

## **4 Implications for the Corporate Risk Register**

- 4.1 The actions outlined in this report address the entirety of the risk landscape facing the Authority.

## **5 Background and Options**

- 5.1 The Board's workplan requires it to regularly review the Authority's Corporate Risk Register. The latest version of the Register, which was considered by the Authority at its meeting on 8<sup>th</sup> December 2022, is at Appendix A. The latest management review of the Register resulted in a number of changes to the risk scores in both Investment and Governance risk areas.
- 5.2 Commentary is provided within Appendix A that outlines details relating to each risk, setting out the mitigations currently in place, and the results of the latest review including the reasoning for not changing the scores. The following risk were assessed to have reduced:

G3 Governance– overall score reduced from 8 to 6

G4 Governance – overall score reduced from 16 to 12

I1 Investment and Funding – overall score reduced from 15 to 12

I4 Investment and Funding – overall score reduced from 10 to 5

The rationale for these reductions are set out at Appendix A.

- 5.3 The procurement of the new Risk Management Software system has been completed, following SMT approval of the business case in January. The system to be implemented is the Ideagen Pentana Risk Management Software System and three modules have been opted for:

Risk Management

KPI Management (Performance)

Action Management (Projects)

The core of the system will enable us to build our strategic objectives as set out the Corporate Strategy and then link these across the three modules to relevant risks, performance standards and projects.

- 5.3 The Governance and Programmes & Performance teams are currently working with Ideagen to develop the implementation programme and training plan and will update SMT with the training programme during February 2023.
- 5.4 The Board are asked to review the Risk Register and in particular to consider whether any significant areas of risk are not captured.

## 6 **Implications**

- 6.1 The proposals outlined in this report have the following implications:

Financial	None directly from this report but mitigation of individual risks will have implications.
Human Resources	None directly from this report but mitigation of individual risks will have implications.
ICT	None directly from this report but mitigation of individual risks will have implications.
Legal	None directly from this report but mitigation of individual risks will have implications.
Procurement	None directly from this report but mitigation of individual risks will have implications.

**George Graham**

**Director**

<b>Background Papers</b>	
<b>Document</b>	<b>Place of Inspection</b>
None	N/A