

<b>Bath &amp; North East Somerset Council</b>			
MEETING:	<b>LOCAL PENSION BOARD - AVON PENSION FUND</b>		
MEETING DATE:	<b>8 December 2022</b>	<b>AGENDA ITEM NUMBER</b>	<b>10</b>
TITLE:	<b>Risk Management Update – Risk Register</b>		
WARD:	ALL		
<b>AN OPEN PUBLIC ITEM</b>			
List of attachments to this report: Appendix 1 - Avon Pension Fund Risk Register Appendix 2 - Avon Pension Fund Risk Management Policy			

**1. THE ISSUE**

1.1. The purpose of this report is to update the Pension Board with the new risk management policy and new look risk register.

**2. RECOMMENDATION**

2.1. That the Board notes the report.

**3. FINANCIAL IMPLICATIONS**

3.1. There are no direct implications related to the Pension Board in connection with this report.

**4. REPORT – RISK MANAGEMENT PROCESS & RISK REGISTER**

4.1. The Fund has reviewed its risk management process and documented it in a new risk management policy attached as appendix 2.

4.2. The policy sets out the Fund’s approach to risk, process for review and update of the risk register and also sets out the roles and responsibilities of all those involved in the management of risk within the Fund including the role of the Pension Board and Pension Committee.

4.3. The new risk register is attached as appendix 1.

- The risk register identifies risks which could have material impact on the APF in terms of service, value, reputation, or compliance. And it sets out mitigating actions.
- The risk register is reviewed quarterly by APF management and reported to the Pension Committee and Pension Board every quarter.
- All risks are also reviewed when there has been a material change to the risk.
- Risks fall into the following categories, owned by the relevant member of the APF management team:

<b>Category of Risk</b>	<b>Risk Owner</b>
Administration	Pensions Manager
Regulatory	Technical & Compliance Advisor
Governance	Governance & Risk Advisor
Employers (Funding)	Funding & Valuation Manager
Employers (Data)	Employer Services Manager
Investments	Investments Manager
Finance	Finance & Systems Manager

4.3.1. The risk register sets out how risks are linked to the relevant Fund strategy documents and how they are reported to Pension Committee and Pension Board.

## **5. EQUALITIES**

5.1. A proportionate equalities impact assessment has been carried out using corporate guidelines and no significant issues have been identified.

## **6. CLIMATE CHANGE**

6.1. The Fund is implementing a digital strategy across all its operations and communications with stakeholders to reduce its internal carbon footprint in line with the Council's Climate Strategy. The Fund acknowledges the financial risk to its assets from climate change and is addressing this through its strategic asset allocation to Paris Aligned Global Equities, Sustainable Equities and renewable energy opportunities. The strategy is monitored and reviewed by the Committee.

## **7. CONSULTATION**

7.1. The Report and its contents have been discussed with the Head of Pensions and the Director – One West representing the administering authority.

<b>Contact person</b>	<b>Carolyn Morgan - Governance &amp; Risk Advisor – 01225 395240</b>
<b>Background papers</b>	None
<b>Please contact the report author if you need to access this report in an alternative format</b>	