


Risk ID	Risk Description	Risk Consequence	Impact	Prob	Risk rating	Move in Score	Owner	Strategy	Risk Control Measures
SPF01	<b>Asset &amp; Investment</b> Failure of investment markets in generating investment returns as set out in the Funding Strategy	<p>Could have a negative effect on the Pension Valuation leading to an increase in contribution rates for employers.</p> <p>Employers unable to plan and budget in the medium term.</p>	Major (3)	Possible (2)	Medium (6)	↔	Pension Fund Committee	Treat	<p>Regular reporting of the Funding position</p> <p>Regular reporting and monitoring arrangements for investment performance.</p> <p>Diversification of asset classes minimises the impact of a single asset class underperforming.</p> <p>Review of assets against the strategic benchmark with rebalancing carried out as necessary.</p> <p>The Funding Strategy Statement incorporates a long term time horizon when setting contribution rates and where applicable can implement a stabilisation approach.</p>


SPF02	<b>Asset &amp; Investment</b> Failure in investment performance by an individual investment manager leading to a shortfall in investment return	Could have a negative effect on the Pension Valuation leading to an increase in contribution rates for employers.	Moderate (2)	Probable (3)	Medium (6)		Pension Fund Committee	Treat	<p>Regular meetings are held with investment managers to discuss investment performance. The independent adviser reports on these meetings with additional comments and his opinion on the investments.</p> <p>Hymans Robertson provides a quarterly investment monitoring report which provides an update of any significant changes to the investment mandates and managers and responsible investment ratings.</p> <p>Regular reporting and monitoring arrangements for investment performance for each manager against benchmark.</p> <p>Diversification of asset classes and investment manager structure minimises the impact of a single manager underperforming.</p> <p>Northern Trust presents on the performance data on an annual basis providing an independent view.</p>
-------	--	---	--------------	--------------	------------	---	------------------------	-------	---


SPF03	<b>Asset &amp; Investment</b> Negligence, fraud or default by individual investment manager leading to a loss of investment	Could have a negative effect on the Pension Valuation leading to an increase in contribution rates for employers.	Moderate (2)	Unlikely (1)	Low (2)	↔	Pension Fund Committee	Treat	<p>Legal requirements on Fund Manager set out in investment management agreement.</p> <p>Investment Managers are FCA regulated.</p> <p>Review of internal control reports.</p> <p>Reconciliation of custodian data against investment manager reported positions.</p> <p>Professional advice on stability of investment organisations.</p>
SPF04	<b>Asset &amp; Investment</b> Failure of custodian leading to incomplete or incorrect information leading to misreporting of financial position.	<p>Decisions made based on misreported information.</p> <p>Reputational loss with incorrect information published.</p>	Moderate (2)	Unlikely (1)	Low (2)	↔	Head of Pensions	Treat	<p>Regular contract reviews of the custodians' performance against agreed SLA's.</p> <p>Review of internal control reports.</p> <p>Reconciliation of custodian data against investment manager reported positions.</p>
SPF05	<b>Asset &amp; Investment</b> The Investment Strategy does not allocate sufficient liquid assets to meet liabilities	Fund cannot meet its immediate liabilities because it has insufficient liquid assets leading	Minor (1)	Unlikely (1)	Low (1)	↔	Pension Fund Committee	Treat	<p>Valuation modelling of the Fund identifying the cashflow over the medium term.</p> <p>The cash flow is monitored and reconciled on a daily basis with a</p>

		to additional costs associated with borrowing to meet the cash flow requirements.						review of cash flow trends to anticipate trends.  Regular reporting of the long term basis cash flow to Pension Fund Committee.
<b>SPF06</b>	<b>Asset &amp; Investment</b> Failure by the Investment Managers to manage the risk Climate Change may have on the assets of the Fund.	<p>Could lead to the potential risk of stranded assets, leading to financial loss if an asset loses significant value and becomes worthless.</p> <p>Increased capital costs of underlying investment companies to transition to greener energy or lower carbon solutions.</p> <p>Risk of natural disasters through adverse weather conditions causing damage to underlying investments.</p>	Major (3)	Probable (3)	High (9) 	Pension Fund Committee	Treat	<p>Regular meetings with investment managers to discuss investment performance, investment strategy, stock holdings and their path to net zero as set out in the Investment Managers Engagement Strategy.</p> <p>The Pension Fund officers review the investment holdings on a quarterly basis to categorise what is being held.</p> <p>Diversification of asset classes and investment manager structure minimises the impact of a single stock underperforming.</p> <p>Responsible Investment beliefs are included in the Investment Strategy and Investment Managers are required to demonstrate how they meet the Fund's investment beliefs.</p>


									<p><b>Risk Update</b></p> <p>On 15 February the Financial Reporting Council (FRC) announced that they would only be accepting renewal applications for the October 2023 deadline which means that the Suffolk Pension Fund will have to defer submission to April 2024.</p> <p>A draft submission will be brought to the November 2024 Committee meeting.</p>
SPF 07	<p><b>Asset &amp; Investment</b></p> <p>ACCESS investments do not meet the requirements of the Fund</p>	<p>The Fund is unable to implement its Investment Strategy through pooling.</p> <p>Reputational damage to the Council with adverse publicity.</p>	Moderate (2)	Unlikely (1)	Low (2)	↔	Pension Fund Committee	Treat	<p>Strong engagement with the activities within the Pool on a Pension Fund officer, S151 officer and Chairman levels.</p> <p>Pension Fund officers are involved with the planning and set up of asset investment offerings to ensure that the needs of the Fund are met.</p> <p>Engagement with investment consultants to evaluate the investment sub-funds.</p>

									<p><b>Risk Update</b> All liquid assets have been pooled within ACCESS.</p> <p>CBRE have been appointed as the property investment manager for the ACCESS Pool for both UK and Global.</p> <p>Work is currently being undertaken to identify the most cost efficient transition process for the Suffolk Pension Fund.</p>
SPF 08	<p><b>Asset &amp; Investment</b> Global events have an adverse impact on the Pension Fund's investment and cashflow.</p>	<p>Fund cannot meet its immediate liabilities because it is unable to access liquid assets leading to additional costs associated with borrowing to meet the cash flow requirements.</p> <p>Could lead to financial loss if an asset loses significant value and becomes worthless.</p>	Moderate (2)	Possible (2)	Medium (4) 	Pension Fund Committee	Treat	<p>Diversification of asset classes, geographical regions and investment manager structure minimises the impact of a single country stock underperforming due to for example imposed financial sanctions.</p> <p>The cash flow is monitored and reconciled on a daily basis with a review of cash flow trends to anticipate trends.</p>	

<p><b>SPF 9</b></p>	<p><b>Regulatory &amp; Compliance</b> Changes to regulations or legislation not being adhered to</p>	<p>Could result in an increase in the cost of the scheme or increased administration and consultancy cost to correct</p> <p>Could create additional liabilities and administration difficulties for employers.</p> <p>The Pensions Regulator can fine the Fund for breach of regulations.</p> <p>Reputational damage to the Council and the Fund with adverse publicity.</p>	<p>Moderate (2)</p>	<p>Unlikely (1)</p>	<p>Low (2)</p>		<p>Pension Fund Committee</p> <p>Head of Pensions</p>	<p>Treat</p>	<p>The Pension Fund responds to all consultation papers regarding changes to the LGPS issued by Minister of Housing, Communities and Local Government (MHCLG).</p> <p>Pension Fund Officers contribute to discussions with MHCLG through professional bodies the Fund connected with such as CIPFA, PLSA.</p> <p>Pension Fund Officers attend conferences, seminars, webinars to ensure the consequences of legislative changes are understood and implemented.</p> <p>Pension Fund Committee are informed of upcoming changes and how they will be implemented.</p> <p>Regular system updates by Heywood's to incorporate the change to benefit regulations.</p>
---------------------	--	--	---------------------	---------------------	----------------	---	---	--------------	---


<p><b>SPF 10</b></p>	<p><b>Regulatory &amp; Compliance</b> Failure to comply with Government expectations on asset pooling</p>	<p>The Government has introduced back stop legislation to ensure compliance.</p> <p>The Secretary of State takes over the investment functions of the Fund and directs its investment strategy to invest in specific assets.</p> <p>Reputational damage to the Council with adverse publicity.</p> <p>Loss of trust from members of the Fund.</p>	<p>Major (3)</p>	<p>Possible (2)</p>	<p>Medium (6)</p>		<p>Pension Fund Committee</p>	<p>Treat</p>	<p>Strong engagement with the activities within the Pool on a Pension Fund officer, S151 officer and Chairman levels.</p> <p>Pension Fund Committee are appraised on the ACCESS Pool developments on a regular basis and how these affect the Pension Fund.</p> <p><b>Risk Update</b></p> <p>The new Government is continuing with the Pooling agenda. Their plans will become clearer over time.</p> <p>On 4 September 2024 Government published a call for evidence focusing on defined contribution schemes and the LGPS.</p> <p>The review will form the next steps with regards to consolidation and investment in the UK.</p> <p>Responses have to be submitted by 25 September 2024.</p>
----------------------	---	---	------------------	---------------------	-------------------	---	-------------------------------	--------------	---



<p><b>SPF 11</b></p>	<p><b>Regulatory &amp; Compliance</b>  Failure of the Pension Fund to be able to undertake the work required to remedy the McCloud High Court ruling.</p>	<p>Could result in an increase in the cost of the scheme or increased administration and consultancy cost to correct</p> <p>Reputational damage to the Council with adverse publicity.</p> <p>Loss of trust from members of the Fund.</p>	<p>Moderate (2)</p>	<p>Unlikely (1)</p>	<p>Low (2)</p>		<p>Head of Pensions</p>	<p>Treat</p>	<p>The Pension Fund officers have attended webinars held by professional bodies to understand the potential requirements.</p> <p>Employers have been engaged and are aware that there will be a requirement for them to produce some of the data which will be needed to undertake the work</p> <p><b>Risk Update</b>  Regulations came into force on 1 October 2023.</p> <p>Updates applied to administration system to accommodate this legislation change have been tested. Some further testing needed to ensure full functionality.</p> <p>Identification of records that need reviewing has taken place.</p> <p>Employer end of year data was required so that all records are up to date in order to use a bulk</p>
----------------------	---	---	---------------------	---------------------	----------------	---	-------------------------	--------------	--


								function for calculations. This will now be tested fully.	
								The Team will then be in a position to commence review of records in agreed order. There is no timescale to complete work and no issues are expected in terms of doing so.	
<b>SPF 12</b>	<b>Regulatory &amp; Compliance</b> Failure of the Pension Fund to meet the reporting of climate change risks to come into force April 2024 for reporting by December 2025.	The Pension Fund cannot demonstrate how climate change risk and opportunities are integrated into the Fund's investments and decision making process.  Reputational damage to the Council and the Fund with adverse publicity.	Major (3)	Unlikely (1)	Low (3)	↔	Pension Fund Committee  Head of Pensions	Treat	The Pension Fund officers will engage with appropriate professional bodies and attend sessions to fully understand the requirement of the reporting obligations.  The Pension Fund will engage with the investment managers on how they can provide the appropriate reporting metrics to be included in the Climate Change Risk report.  The Pension Fund officers will develop and implement processes in a timely manner to collate the information in advance of the reporting deadlines.


									The original implementation date was April 2023 but the new regulations did not come into force. The risk has been updated to reflect these dates.
<b>SPF 13</b>	<b>Regulatory &amp; Compliance</b> Failure of the Pension Fund to meet the requirements of the The Pensions Regulator (TPR) Single Code of Practice	The Fund cannot demonstrate that it meets TPR's expectations of the conduct and practice that governing bodies should meet to comply with their duties in pensions legislation.  TPR could take court action against Fund's who do not publish their compliance position.	Major (3)	Unlikely (1)	Low (3)	↔	Head of Pensions	Treat	The Pension Fund officers have commissioned an interactive tool to enable them to review the requirements and collate how they are being met or not met and any improvements required.  Initial work has commenced and an update will be presented to the Committee at its meeting in November 2024.
<b>SPF 14</b>	<b>Regulatory &amp; Compliance</b> Failure of the Pension Fund to complete the Annual Report &	External audit will put the audit to the back of their timetable if the information is not	Major (3)	Unlikely (1)	Low (3)	↔	Head of Pensions	Treat	The Pension Fund Accounts were available on 20 May 2024, as agreed with EY.

	Accounts by the deadlines set.	<p>available during the time scales agreed.</p> <p>If the Pension Fund accounts are not audited on time this could have a knock on effect to the signing off of the Suffolk County Councils Accounts.</p> <p>Reputational damage to the Council and the Fund with adverse publicity.</p>						<p>The Pension Fund Annual Report and Accounts will be presented to the Committee for approval at its meeting in September 2024.</p> <p>A draft will be published on the website after the meeting and sent to the Scheme Advisory Board.</p> <p>The Annual Report and Accounts will be updated when the Suffolk County Council accounts are signed off, after backstop legislation has been passed in December 2024 and the previous years and 2023/24 accounts can be approved by Audit Committee.</p>
<b>SPF 15</b>	<p><b>Funding &amp; Liabilities</b></p> <p>The actuarial assumptions used in the triennial valuation and set out in the Funding Strategy are significantly adrift from the actual experience.</p> <p>Fall in risk free returns on</p>	<p>Could increase the liability strain on the valuation leading to an increase in Employer contribution rates which reduces affordability</p> <p>Could lead to an increase in investment risk with a change to</p>	Major (3)	Possible (2)	Medium (6) 	Pension Fund Committee	Treat	<p>Additional work is commissioned to validate the assumptions used in the valuation.</p> <p>Mortality assumptions are set with an allowance for future increases in life expectancy utilising data from club vita.</p> <p>The estimated Funding level is reported regularly to the Pension Fund Committee.</p>


	Government bonds leading to an increase in liabilities	investment strategy to riskier assets to offset shortfall							<p>Toleration of risk in the expectation of higher returns from riskier asset classes such as equities, property and alternatives and inflation linked assets helps to mitigate pay and price inflation.</p> <p>The 2025 valuation exercise will commence during the 2024/25 financial year.</p> <p>An initial paper outlining the exercise will be presented at the September 2024 Committee paper.</p> <p>Hymans will be attending the Annual training day in October 2024, training on setting the financial assumptions.</p> <p>The Committee will be required to set the financial assumptions at its meeting in February 2025.</p>
<b>SPF 16</b>	<b>Funding &amp; Liabilities</b> Failure of the investment strategy to produce the	Could lead to an increase in employers' contribution rate	Moderate (2)	Low (1)	Low (2)	↔	Pension Fund Committee	Treat	The investment Strategy is fully reviewed at least every 3 years by the Pension fund Committee in line with the results of the


	<p>long-term returns assumed to be in the Funding Strategy</p>	<p>which reduces affordability</p> <p>Could lead to an increase in investment risk with a change to investment strategy to riskier assets to offset shortfall.</p>						<p>triennial valuation. This was last reviewed in July 2020.</p> <p>A high-level review is undertaken annually to assess whether the investment strategy is likely to meet the returns required.</p> <p>The estimated Funding level and performance of the investments are reported regularly to the Pension Fund Committee.</p> <p>The forecast funding position as at 30 June 2024 is 154%.</p> <p>Liabilities are forecast to be £2.8 bn, a reduction of £0.7 bn since the March 2022 valuation due to the increase in discount rate, meaning that less money is required now as it is expected that investment returns will be higher in the future.</p> <p>The required return assumption for the funding level to be 100% is 3.2% p.a. with a 95% likelihood of the assets achieving this return.</p>
--	--	--	--	--	--	--	--	---


<p><b>SPF 17</b></p>	<p><b>Employer</b> Employers' failure to carry out their responsibilities for providing scheme administration data.</p>	<p>The Pension Fund is unaware of structural changes in an employer's membership (e.g. large fall in employee members, large number of retirements, fund is closed to new entrants).</p> <p>Not having correct membership data could result in scheme benefits being incorrectly calculated.</p> <p>Could lead to incorrect information being used to make decisions in regards to the employer and the Pension Fund as a whole.</p> <p>Additional time and cost with the Pension administration team</p>	<p>Moderate (2)</p>	<p>Possible (2)</p>	<p>Medium (4)</p>		<p>Head of Pensions</p>	<p>Treat</p>	<p>The Administration Strategy sets out the employers' responsibilities and is reviewed at least every three years. It was last approved by the Pension Fund Committee at its meeting on 24 November 2021.</p> <p>Employers are made aware of any changes to their requirements or amendments to the strategy.</p> <p>The document is available on the Pension fund website.</p> <p>Employers are required to fill out an annual return by 21 April each year. Each year the Employers are reminded of the requirement. Non-compliance is addressed.</p> <p>Internal audit undertake assurance on the processes and systems on an annual basis.</p>
----------------------	---	---	-------------------------	-------------------------	-----------------------	---	-------------------------	--------------	---

		<p>to correct or follow up for information.</p> <p>Fined by the Pension Regulator or Information Commissioner.</p> <p>Members may make decisions based on incorrect or incomplete information.</p>						
<b>SPF 18</b>	<p><b>Employer</b></p> <p>Failure of the Employer to produce the data required to calculate the impact of the McCloud High Court ruling</p>	<p>The Pension Fund will be unable to calculate the impact of the ruling on the Employer/ Fund.</p> <p>Could lead to a member not getting the correct benefit that they are entitled to.</p>	Moderate (2)	Possible (2)	Medium (4) 	Head of Pensions	Treat	<p>Employers have been made aware that data will be required from them.</p> <p>Update on the progress and requirements are provided in the Pension Matters newsletter as developments are published.</p> <p>Regulations came into force on 1 October 2023.</p> <p>Identification of records that need reviewing has taken place.</p> <p>Employer end of year data was required so that all records are up to date in order to use a bulk</p>




									<p>function for calculations. This will now be tested fully.</p> <p>As the range of members affected has changed from original communications however, there may be some issues getting data from employers. However, there is guidance available for calculating these cases where employers no longer have the data to mitigate this risk.</p>
<b>SPF 19</b>	<p><b>Employer</b></p> <p>Increase in early retirements due to redundancy and ill health.</p>	<p>Could increase the liability strain for the employer making the scheme unaffordable.</p>	<p>Moderate (2)</p>	<p>Possible (2)</p>	<p>Medium (4)</p>		<p>Head of Pensions</p>	<p>Treat</p>	<p>Employers are charged the capital cost of early retirements through redundancy.</p> <p>Flexibility on payment terms can be offered on a discretionary basis.</p> <p>Ill Health retirements are monitored, any cost in excess of the allowance in the contribution rate is charged to the employer.</p> <p>Smaller employers who have a payroll of less than £1m, are mandated to take out an</p>

									<p>insurance policy to cover the costs of ill health early retirements.</p> <p>The insurance is available to all other employers.</p>
SPF 20	<p><b>Employer</b> Pension Fund fails to identify departing Employer's losing the opportunity to manage an orderly exit and recover any deficit if it exists.</p>	<p>Financial burden would have to be picked up the rest of the employers in the Fund.</p>	<p>Minor (1)</p>	<p>Unlikely (1)</p>	<p>Low (1)</p> 	<p>Head of Pensions</p>	<p>Treat</p>	<p>The Admissions agreement signed by each employer requires employers to inform the Pension Fund of forthcoming changes to its membership position.</p> <p>The Pension Fund officers engage with employers who have a falling active membership to explain the options available when the last active employer ceases contributing.</p> <p>Vetting of employers in regards to financial security of funding streams.</p> <p>Seeking a funding guarantee or indemnity from the scheme employer.</p> <p>Review to ensure Bonds are renewed when expiring and</p>	

									reflect current employer position.
<b>SPF 21</b>	<b>Administration &amp; Communication</b> Failure to communicate or engage with Pension Fund stakeholders	Can lead to non-compliance with legislation and best practice.  Disengagement with the Fund leading to a fall in active members.  Damage to the reputation of the Fund	Moderate (2)	Possible (2)	Medium (4) 	Head of Pensions	Treat	Maintenance and implementation of the Communication strategy, which is subject to regular review. This was last reviewed in February 2021.  The use of Member Self Service enables effective and cost efficient communications for all active, deferred and pensioner members that have signed up to it.  Regular communications to employers are provided through the form of Pension Matters newsletters and the Annual Employer meetings.  Pension Fund Committee and Pension Board papers are published within statutory deadlines.	

									The Pension Fund website was updated in 2022 to enable a better user experience.
<b>SPF 22</b>	<b>Administration &amp; Communication</b> Failure of Pensions administration IT systems	Pension Benefits are not paid on time.  Failure to meet statutory requirements.  Inability to deal with enquiries effectively.  Reputational risk to Suffolk County Council and the Pension Fund.	Major (3)	Possible (2)	Medium (6)	↔	Head of Pensions	Treat	Suffolk County Council has a disaster recovery plan in place which includes the key tasks within the Pension Fund.  The Pension Fund administration and pensioner payroll system is hosted by its supplier, Heywoods.  Systems are backed up nightly.
<b>SPF 23</b>	<b>Administration &amp; Communication</b> Risk of a successful cyber attack.	The Fund suffers significant financial cost.  Pension Benefits are not paid on time.  Failure to meet statutory requirements.	Major (3)	Possible (2)	Medium (6)	↔	Chief Financial Officer	Treat	The Pension Fund administration and pensioner payroll system is hosted by its supplier, Heywoods.  Systems are backed up nightly.  Mandatory training on preventing cyber-attack risks.

		<p>Inability to deal with enquiries effectively.</p> <p>Unable to manage cashflow, contributions, capital calls or distributions.</p> <p>Reputational risk to Suffolk County Council and the Pension Fund.</p>						<p>Robust IT security systems in place to identify risks, evolving threats and prevention.</p> <p>Robust arrangements with the data processors of the Fund's member data.</p>
<b>SPF 24</b>	<b>Administration &amp; Communication</b> Failure to implement and comply with LGPS benefit regulations	<p>Could result in incorrect benefit calculations and members not getting the correct benefit that they are entitled to.</p> <p>Pension Benefits are not paid on time.</p> <p>Additional time and cost with the Pension administration team to correct.</p>	Major (3)	Unlikely (1)	Low (3) 	Head of Pensions	Treat	<p>The Pensions administration team adheres to stringent procedures required to comply to the benefits regulations.</p> <p>Regular system updates by Heywood's to incorporate the change to benefit regulations</p> <p>Knowledge and understanding is kept up to date by attending the relevant training courses on offer by professional bodies.</p>

		Loss of trust from members of the Fund.							<p>All calculations are independently checked and verified.</p> <p>Sample testing is undertaken by internal and external audit.</p>
SPF 25	<p><b>Administration &amp; Communication</b></p> <p>Failure to collect and account for full receipt of contributions and deficit payments received from employers.</p>	<p>Fund cannot meet its immediate liabilities because it has insufficient liquidity, leading to additional costs associated with borrowing to meet the cash flow requirements.</p>	Moderate (2)	Unlikely (1)	Low (2)	↔	Head of Pensions	Treat	<p>The Administration Strategy sets out the employers' responsibilities and is reviewed at least every three years. It was last approved by the Pension Fund Committee at its meeting on 24 November 2021.</p> <p>Reconciliations are undertaken to reconcile the receipts from employers against the rate that they should be paying.</p> <p>Timeliness of receipts are monitored and reported.</p> <p>Non-compliance is addressed.</p> <p>Sample testing is undertaken by internal and external audit.</p>

SPF 26	<b>Administration &amp; Communication</b> Staff fraud /theft / negligence	Reputational risk to Suffolk County Council and the Pension Fund.	Moderate (2)	Unlikely (1)	Low (2)	↔	Head of Pensions	Treat	Systems have security measures in place to reduce the risk.  Administration staff cannot access their own records or records of relatives using their log in.  Finance staff cannot authorise payments on the custodian system that they have entered using their log in.  All financial transactions are independently checked and verified with further scrutiny undertaken when authorised.  Internal and external audit undertake scrutiny and testing of the internal controls arrangements.
SPF 27	<b>Resource &amp; Skills</b> Pension Fund Committee members do not have the appropriate skills or knowledge to discharge their responsibility.	Could lead to inappropriate decisions being made.  Could increase the liability strain for the employer	Major (3)	Unlikely (1)	Low (3)	↔	Pension Fund Committee	Treat	The Committee has adopted the CIPFA Pensions Knowledge and Skills Framework as the basis for assessing its training and development needs.  Committee members are required to undertake the

		<p>making the scheme unaffordable.</p> <p>Could lead to investment managers not permitting the Fund to retain its MiFID opt up as a professional client and the fund having to disinvest from investments that are not open to non-professional clients.</p>							<p>Hymans online training modules to demonstrate their understanding.</p> <p>The Committee approves a formal training plan which is designed to cover the Committee's responsibilities. This training is delivered by Pension Fund officers, investment consultants and subject matter experts.</p> <p>New Committee members and substitutes receive appropriate training before attending a committee meeting and are fully briefed by a Pension Fund officer to enable them to participate.</p> <p>External advisors are employed to advise the Pension Fund Committee.</p>
<b>SPF 28</b>	<b>Resource &amp; Skill</b> Pension Fund officers do not have the appropriate skills or knowledge to complete statutory duties or advise the Pension Fund appropriately.	<p>Could lead to inappropriate decisions being made.</p> <p>Could increase the liability strain for the employer</p>	Major (3)	Unlikely (1)	Low (3)	↔	Head of Pensions	Treat	<p>Pension Fund officers attend seminars, conferences, training and webinars laid on by the professional bodies involved with the LGPS.</p> <p>Staff are recruited with the necessary skills to undertake the</p>



		making the scheme unaffordable.  Reputational risk to Suffolk County Council and the Pension Fund.							relevant duties assigned to them.  Training and development needs are identified through the personal development review (PDR) process.
<b>SPF 29</b>	<b>Resource &amp; Skill</b> Pension Fund does not have appropriate staffing resources to carry out all the pension functions and is open to key man risk.	Could lead to key work deliverables not being met.  Could lead to a back log of work without an SLA but still requires completion.  Key staff leaving due to inappropriate workloads leading to a lack of continuity and transfer of knowledge.	Major (3)	Possible (2)	Medium (6)	↔	Head of Pensions	Treat	Future new regulations are evaluated and additional resource requirements are identified ahead of time.  Processes are documented to assist continuity of process.  Regular one- to-one discussions with manager should be used to highlight workload issues.  Completion statistics on administration tasks with SLA's and other administrative tasks are regularly reported.
<b>SPF 30</b>	<b>Reputational</b> Conflicts of interest between the County Council and the Pension Fund	Advice and decisions may be taken in the best interest of the Council or the Fund which may differ.	Major (3)	Unlikely (1)	Low (3)	↔	Chief Financial Officer	Treat	The Council constitution sets out the roles and responsibilities of all entities.  The conflict of interest policy sets out the code of conduct and

		Employers cannot differentiate between the Council and the Pension Fund					Pension Fund Committee		recognition of potential conflicts of interest for officers and Committee members and how they should be managed. This was last updated in June 2020.
<b>SPF 31</b>	<b>Reputational</b> The Pension Fund does not proficiently administrate the Fund.	Incorrect information is reported and used to make decisions.  Members records are not up to date which could cause transfers or benefits to be paid incorrectly.  Loss of credibility amongst external bodies and peers.	Major (3)	Unlikely (1)	Low (3)	↔	Chief Financial Officer  Pension Fund Committee  Head of Pension	Treat	The Pension Fund annually approves a Business Plan that identifies the key developments to be achieved. Progress and completion of each key tasks is reported.  Feedback is sought from Professional advisers.  Costs are annually benchmarked with similarly sized funds.
<b>SPF 32</b>	<b>Reputational</b> Failure by the Pension Fund to manage Environmental, Social and Governance (ESG) risk within the investment strategy	Investments have poor ESG compliance leading to adverse publicity and financial loss in asset value.	Major (3)	Probable (3)	High (9)	↔	Pension Fund Committee	Treat	Regular meetings with investment managers to discuss investment performance, investment strategy and engagement activities.  Diversification of asset classes and investment manager

	and implementation of investment decisions.	<p>Risk to income yield by restricting the market due to ESG concerns without considering the wider picture on the investment strategy.</p> <p>Risk to investment managers capacity to implement the investment strategy by restricting investments.</p> <p>Risk to wider ESG issues by focusing on a single issue.</p>						<p>structure minimises the impact of a single stock underperforming.</p> <p>Regular reporting of ESG implementation by investment managers and voting at shareholder meetings on behalf of the Pension Fund.</p> <p>Investment Managers are required to demonstrate how they incorporate ESG into their investment strategy.</p>
--	---	---	--	--	--	--	--	--