

CYNGOR SIR POWYS COUNTY COUNCIL

Powys Pension Board
20th November 2023

REPORT BY: Board Secretary

SUBJECT: Risk Management Policy

REPORT FOR: Information

1 Introduction

- 1.1 Board have recently conducted several deep dives into the Fund's risk register, spending time focussing on each of the individual risk pillars (Administration, Governance and Investment). In an effort to further strengthen the governance around risk management and operate best practice, a draft Risk Management Policy that clearly outlines how the Fund manages risk, is presented to Board for consideration and comment.

2 Background

- 2.1 A copy of the draft policy can be found within appendix 1 and the most pertinent points from the policy can be summarised as follows:
- **Risk management approach** - the acknowledgement that risk cannot be eliminated entirely, but the utilisation of an appropriate risk management process will result in better decision-making, improved performance and delivery of services, more effective use of resources and the protection of the Funds reputation.
 - **Risk management process** - the Fund adopts a risk management process consisting of risk identification, analysis, control and monitoring. This process is a continuous approach which systematically looks at risks surrounding the Fund.
 - **Monitoring of the policy** - the Fund will review the delivery of the requirements of this policy on an annual basis, taking into consideration any feedback from the Local Pension Board.
 - **Key risks to the effective delivery of the policy** - there are an array of risks that could affect the extent to which the Fund is able to deliver the objectives of the policy. The Pensions and Investment Committee, with assistance from the Local Pension Board, will monitor these and other key risks and consider how to respond to them.

3. Recommendation

- 3.1 To note the contents of this report and the draft Risk Management Policy.
- 3.2 It is intended that this policy will be presented to the Pensions and Investment Committee for approval at the December 2023 meeting.