

APPENDIX D - RISK REGISTER

Likelihood	1	2	3	4	Impact	1	2	3	4	5
	>1%	>5%	>10%	>20%	% of assets or liabilities	>2%	>10%	>25%	>50%	>75%
	1 in 100 rare	1 in 20 unlikely	1 in 10 possible	1 in 5 likely						

This Risk Register has been updated for the July 2025 Pensions Committee. Tracked changes reflect updates relevant to the 2024–25 period, including macroeconomic developments, pension fund investment strategy changes, regulatory and actuarial updates, and changes in employer or member risk profile. Some risks have been updated or retired; others have been added to reflect emerging issues (e.g. Net Zero transition alignment, geopolitical pressures).

Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
1. FINANCIAL RISKS										
1. Fund assets fail to deliver returns (in-line with the anticipated returns underpinning valuation of liabilities over the long-term)	<ul style="list-style-type: none"> Long-term return assumptions are reviewed prudently in each triennial valuation to reduce reliance on high market returns. Regular performance reporting to Committee allows dynamic monitoring of strategy outcomes. Strategic asset allocation is aligned with updated liability profiles using Asset Liability Modelling (ALM) every three years. Fund restructured in 2023 to reduce equity exposure and increase allocations to ILGs, infrastructure, affordable housing, and Multi-Asset Credit — enhancing diversification and inflation resilience. Underperforming active managers (Harris, Baillie Gifford) are under close review, with potential 	2	3	6	<ul style="list-style-type: none"> Conduct an Investment Strategy Review following the March 2025 actuarial valuation, incorporating updated liability data, revised employer contribution capacity, and latest capital market assumptions. Continue close monitoring of underperforming active mandates, with particular focus on Harris and Baillie Gifford. Engage with LCIV regarding alternative strategies (e.g. Wellington Value Fund). Strengthen internal cashflow forecasting, ensuring strategic alignment between investment income and benefit outflows. 	1	3	3	Annually/ Quarterly	Pension Committee (PC)

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	reallocation being considered in collaboration with LCIV. • Fund maturity and cashflow profile are regularly monitored, and income-generating assets are favoured to manage future benefit payments. • Investment strategy remains under continuous review and will be revisited following the 2025 actuarial valuation.				• Maintain quarterly reporting to Pension Committee on absolute and relative fund performance, manager-specific returns. • Engage with LCIV and investment consultant to explore opportunities in income-generating and inflation-linked assets, balancing return and liquidity needs. • Enhance scenario stress testing and downside risk analysis using updated market data and actuarial input to support Committee decision-making. • Document and review progress against strategic objectives annually, with mid-cycle reviews between triennial valuation points, if market conditions shift materially.					
3. Inappropriate long-term investment strategy	• The Fund's investment strategy is reviewed at least every three years, with the most recent comprehensive Asset-Liability Modelling and Strategy Review completed in July	2	5	10	• Revisit the investment strategy in detail following the March 2025 actuarial valuation, incorporating updated liability	1	5	5	Quarterly	PC

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	<p>2023. This led to a reduction in equity exposure and increased allocations to inflation-sensitive and income-generating assets.</p> <ul style="list-style-type: none"> Alignment between investment and funding strategies is maintained through collaboration with the Fund actuary during each valuation cycle. The Fund receives quarterly performance, Value-at-Risk (VaR), and funding level updates, enabling timely monitoring of strategy effectiveness. Independent Investment Adviser and Consultant provide strategic insight and help Committee interpret market developments and risks. Diversification across asset classes, including private markets and infrastructure, helps mitigate reliance on any single return driver. Fund maturity, cashflow position, and liquidity risk are reviewed regularly to ensure the investment strategy remains suitable as the Fund evolves. 				<p>duration, demographic trends, and contribution capacity.</p> <ul style="list-style-type: none"> Enhance integration of cashflow planning and income-generation into strategic asset allocation — assessing how long-term income assets can meet maturing liabilities. Model alternative strategies based on varied market return and inflation scenarios to assess resilience and potential adjustment pathways. Continue to assess appropriateness of LCIV sub-funds as vehicles for implementation, ensuring that pool alignment does not compromise strategic intent. Provide Committee training on scenario planning, climate stress-testing, and illiquid asset implications to support informed strategic oversight. Embed a mid-cycle “light-touch” review mechanism to allow recalibration between formal triennial reviews in case of material economic changes. 					

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5. Pay and price inflation risk	<ul style="list-style-type: none"> The Fund sets assumptions based on real (net of inflation) expected returns, rather than nominal returns, reducing exposure to inflation variability. Index-linked gilts, infrastructure, long-lease property and affordable housing allocations (enhanced in the July 2023 Strategy Review) provide natural inflation protection. The Fund monitors CPI and pension increase trends through quarterly reporting, and cashflow analysis highlights inflationary impacts on benefits. April 2024 pension increase was 6.7% (CPI-based), but long-term inflation is expected to normalise towards 2% (Bank of England forecasts). The 2022 valuation used a long-term CPI assumption of 2.7%; the 2025 valuation will reflect updated short-term and long-term inflation pressures. Employer-specific inflation impacts (especially payroll-driven) are assessed in actuarial modelling and employer consultations. 	3	4	12	<ul style="list-style-type: none"> Set inflation and pay growth assumptions for the 2025 valuation that balance short-term cost volatility with long-term prudence and funding stability. Review inflation-linked allocations (e.g. ILGs, affordable housing) post-valuation to assess whether they provide adequate hedging in real terms. Stress-test funding position and contributions under alternative inflation pathways, especially if wage settlements outpace CPI. Continue to monitor RPI-CPIH transition (due 2030) and its effect on long-dated instruments and real yield pricing. Review employer pay policies, especially where 	2	4	8	Quarterly	PC

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	<ul style="list-style-type: none"> Fund actuary models prudence buffers for high short-term inflation when setting long-term contribution rates (e.g. for Camden Council). 				<p>there may be a skew in pay increases towards older active members (which increases liabilities).</p> <ul style="list-style-type: none"> Consider future use of inflation derivatives or dynamic hedging strategies, as permitted by CIPFA/LGPS guidance, particularly if inflation volatility returns. 					
2. Unacceptable level of investment risk (in asset allocation, use of financial instruments and leverage)	<ul style="list-style-type: none"> Strategic risk levels are set in collaboration with the Investment Consultant and Fund Actuary, using asset-liability modelling to align asset allocation with funding goals. The most recent Investment Strategy Review (July 2023) restructured the portfolio to reduce equity concentration (from ~65% to 45%) and increase diversification through infrastructure, MAC, and inflation-linked assets. Quarterly Value-at-Risk (VaR) analysis is reported to Pension Committee to assess and monitor the Fund's total risk budget. 	2	3	6	<ul style="list-style-type: none"> Following the 2025 valuation, review the Fund's total investment risk capacity using updated asset-liability modelling and funding ratio sensitivity testing. Enhance risk reporting dashboards to capture active risk contributions by mandate, leverage exposure (where relevant), and illiquid asset pacing plans. Conduct updated training for the Committee and Board on emerging risks, including 	1	3	3	Annually	PC

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	<ul style="list-style-type: none"> The Independent Investment Adviser conducts due diligence and challenges all manager and strategy-level risks, including leverage, derivatives, and asset-level exposures. Officers and the adviser hold quarterly review meetings with all managers, with a focus on mandate risk levels, investment instruments used, and compliance with stated strategies. Illiquid asset exposure is carefully staged to align with the Fund's cashflow profile and avoid over-concentration. Member training (e.g. June 2022) has improved Committee awareness of asset-level risk factors including credit risk, liquidity risk, and counterparty risk. 				climate-adjusted VaR, illiquidity premiums, and manager-specific strategy drift. <ul style="list-style-type: none"> Engage with LCIV on risk transparency for pooled funds, particularly in multi-asset and private markets mandates. Re-assess risk tolerances given the Fund's improving funding level and increasing maturity — consider whether risk can be reduced without compromising returns. Implement more formalised mid-cycle 'light-touch' risk reviews in between major strategy reviews, especially during volatile macroeconomic periods. 					
7. Market failure risk (e.g. in the Eurozone)	<ul style="list-style-type: none"> The Fund's asset allocation is globally diversified across geographies, currencies and asset classes, reducing overexposure to any single market or systemic risk (e.g. Eurozone crisis, US fiscal disruption, China slowdown). 	3	3	9	<ul style="list-style-type: none"> Implicitly assessed within Fund Actuary's modelling work as part of 2025 valuation Undertake scenario-based stress testing of the investment strategy at least annually to model potential 	3	2	6	Ongoing	PC / Head of Treasury

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	<ul style="list-style-type: none"> Equity and bond mandates are fully global, with no UK or regional home bias. This ensures greater flexibility and geographic balance. Fund has increased exposure to real assets and private markets, which are less correlated with public equity markets (e.g. infrastructure, affordable housing, long-income property). Regular monitoring of macroeconomic and geopolitical risk by officers, consultant and independent adviser; escalation of material issues to Committee. Quarterly Investment Manager meetings include stress testing discussions and review of managers' exposure to market fragilities (e.g. Russia, China, Middle East, US debt ceiling debates). Committee receives quarterly market intelligence and outlook reports through the independent adviser and LCIV, including geopolitical risk assessments. 				<p>impacts of systemic market failure, geopolitical shocks, and regional crises (e.g. US fiscal policy disruption, eurozone fragmentation, or China property stress).</p> <ul style="list-style-type: none"> Rely on the Fund Actuary's modelling of downside risk and systemic market events as part of the triennial valuation process (next due 2025), including stochastic scenario analysis covering economic and geopolitical risks. In non-valuation years, review this risk annually alongside the Risk Register, incorporating input from officers, the Investment Consultant, and the Independent Adviser as needed. Continue to monitor geopolitical developments and macroeconomic disruptions through quarterly performance reports, escalating any material issues to Pension Committee as appropriate. 					

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					<ul style="list-style-type: none"> Ensure that investment strategy reviews and rebalancing exercises incorporate lessons from past systemic market failures and reflect current global risk outlooks. 					
6. Investment vehicle is not understood	<ul style="list-style-type: none"> Investment Consultant and Independent Advisor feed into decisions on new asset classes Member training (especially for the newer asset class of private equity, infrastructure and affordable housing) Fund officers attend quarterly manager meetings and receive regular updates from LCIV on the design and risk characteristics of sub-funds. Legal and operational due diligence is conducted by external advisers (where appropriate) before any new commitment. Pension Committee receives regular briefings on performance, structure, and developments in all investment vehicles — including summary notes on LCIV pooled fund governance and mandates. 	2	3	6	<ul style="list-style-type: none"> Ensure that any new investment vehicle considered in or after 2025 (e.g. LCIV Value Fund, private debt) is accompanied by plain-language briefing notes for Members, covering structure, risk profile, and exit terms. Continue officer and Member training, with priority placed on understanding illiquid strategies, cashflow implications, and ESG integration within pooled structures. Maintain and periodically refresh the internal summary register of all investment mandates, including their legal structure, vehicle type, 	1	3	3	Ongoing	PC / Head of Treasury

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	<ul style="list-style-type: none"> Training for Members and officers is provided through Hymans Robertson's LGPS Online Learning Academy, as well as bespoke sessions during strategy reviews and product approvals 				liquidity terms, and underlying exposure strategy. <ul style="list-style-type: none"> Schedule manager presentations for complex or new asset classes, especially if strategy drift or mandate changes occur post-appointment. Leverage Camden's Independent Adviser to challenge and verify the appropriateness and transparency of fund structures under consideration. Prior to any major allocation shift, include a section in the Committee paper on how the vehicle aligns with the Fund's strategic objectives and liquidity needs. 					
13. Employer contribution rate increases (effect on service delivery including admitted /scheduled bodies)	<ul style="list-style-type: none"> Stability mechanism for Council contribution rate, limiting increases from one year to the next. Based on Fund Actuary's modelling and in place for several valuations now Seek feedback from employers on scope to absorb short-term contribution rises 	3	2	6	<ul style="list-style-type: none"> As part of the 2025 valuation, continue to engage early with all employers to discuss contribution outcomes, especially those with small active memberships or weak covenants. 	2	2	4	Annually by PSC / Ongoing by officers	PC / Head of Treasury

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	<ul style="list-style-type: none"> Mitigate impact through measurement of added risk to the Fund of permitting reduced contributions and possible phasing in of contribution rises Consult employers on possibility of paying more (extra administration and higher regular contributions) to enable employer-specific investment strategies to give greater certainty of cost Employer register considered annually by Pension Committee Continued dialogue between officers, actuary and employers to determine risk All employers to be visited in the next triennial valuation cycle 2022 triennial valuation approach allowed measurement of risks/probabilities associated with different contribution levels per employer and this approach is expected to continue in 2025. See also item 30 				<ul style="list-style-type: none"> Use the actuarial modelling toolkit to explore options for phasing, contribution caps, or surplus management (where applicable) for individual employers. Reassess the Council's stability mechanism to confirm its adequacy under current funding levels and inflation outlook. Maintain close monitoring of employer payment performance and contribution receipts to flag any signs of affordability strain. Ensure the updated FSS (2025) incorporates flexibility to reflect employer-specific risks, including the ability to adjust contributions post-valuation where needed. Continue active use of the employer register and liaise with Pension Shared Services to flag staffing or financial trends that could lead to future funding risk. 					

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12. Investment manager under-performance (relative to target)	<ul style="list-style-type: none"> Short term (quarterly) investment monitoring analyses market performance and active managers relative to their index benchmark. Quarterly monitoring of all managers is conducted by officers, the Independent Adviser, and the Investment Consultant, with reports to the Pension Committee. Performance is assessed against benchmark and target over appropriate timeframes, with attribution analysis and commentary provided. The Fund has a track record of acting decisively: <ul style="list-style-type: none"> Exits from Brevan Howard, Aberdeen, Insight, and Fidelity in prior years. Recent de-risking: Harris and Baillie Gifford equity allocations trimmed (to 5% and 8%, respectively) in the 2023 Strategy Review. Manager meetings held quarterly, open to Members, and key issues are escalated for Committee scrutiny. The Independent Adviser conducts due diligence and challenges both 	3	2	6	<ul style="list-style-type: none"> The Committee has had Harris' performance under close scrutiny and is actively discussing CIV alternatives with participation in the CIV Seed Investor Group Continue close monitoring of underperforming mandates, especially Harris and Baillie Gifford. Where conviction falls further, prepare recommendations for reallocation. As part of the 2025 post-valuation strategy refresh, review whether active mandates still deliver sufficient risk-adjusted return to justify costs. Consider transition options for reallocating away from underperforming managers (e.g. LCIV Wellington Value Fund as alternative to Harris). Ensure manager presentations focus on both performance and organisational stability (e.g. team turnover, philosophy drift). 	2	2	4	Quarterly	PC

APPENDIX D - RISK REGISTER

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	structural and cyclical underperformance. <ul style="list-style-type: none"> The Fund actively engages with LCIV on sub-fund performance — particularly for BG Global Alpha and MAC funds (both under enhanced monitoring). 				<ul style="list-style-type: none"> Maintain pressure on LCIV to address underperformance transparently, particularly where Camden is a significant investor in sub-funds. Document clear triggers for underperformance escalation and exit, aligned with updated strategic benchmarks and the Investment Strategy Statement. 					

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9. Actuarial Risk (miscalculation of liabilities or inappropriate assumptions)	<ul style="list-style-type: none"> The Fund maintains close contact with its actuary Advice is delivered via formal meetings involving elected members, and recorded properly Advice is subject to professional requirements such as peer review Technical Actuarial Standards in place, which in effect impose best practice requirements on actuarial advice The Fund now has two experienced actuaries with Camden-specific knowledge (Barry Dodds and Mark Picken) advising its officers and Committee Assumptions are reviewed formally during each triennial valuation and benchmarked against LGPS-wide data and best estimate economic forecasts. Committee reviews and signs off key valuation assumptions, including salary growth, longevity, inflation, and investment return. Fund actuary is accredited under the Institute and Faculty of Actuaries (IFoA) Quality Assurance Scheme, which requires external 	2	5	10	<ul style="list-style-type: none"> As part of the 2025 triennial valuation, review all demographic and financial assumptions in light of updated market conditions and fund experience. Stress test funding outcomes under a range of prudence levels and economic scenarios (e.g. lower returns, higher inflation, longer life expectancy). Ensure all actuarial assumptions are clearly explained to Committee members, with training provided where required. Monitor any updates from Club Vita, ONS, and the LGPS Scheme Advisory Board that could materially affect future longevity or salary trend assumptions. Maintain integration between funding strategy, investment strategy and employer contribution policy, avoiding mismatches between assumptions. Ensure the actuarial valuation report clearly 	1	5	5	Ongoing	PC / Officers

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	assessment and annual submissions to IfoA				articulates sensitivities and justifies the proposed discount rate and inflation assumptions, particularly in light of the Fund's strong funding level. •					
51. Sub-funds of London CIV fail to perform	<ul style="list-style-type: none"> The London CIV is well resourced and has skilled and experienced staff who can exercise appropriate due diligence. The multi asset funds at the CIV are all under-performing 	2	2	4	<ul style="list-style-type: none"> Continue to engage with LCIV on sub-funds under enhanced monitoring, including performance, governance, and any 	1	2	4		

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	<p>and so close attention needs to be paid to how the CIV navigate these performance issues. There is also a risk that the last investor remaining has wind-up costs to deal with.</p> <ul style="list-style-type: none"> The CIV addressed concerns over the Multi-asset credit fund by adding a second manager to the mandate and this has helped to balance performance. Pension Committee reviews investments with the CIV and progress at the CIV quarterly As the Fund moves more into CIV sub-funds this will become a bigger issue. The Fund should ensure that there is appropriate monitoring rigour at the CIV 				<p>changes in underlying manager teams or investment philosophy.</p> <ul style="list-style-type: none"> Ensure clear documentation and Committee visibility of any sub-fund governance or performance concerns — and ensure officers escalate issues where Camden holds a material stake. Monitor whether Camden's exposure to any sub-fund becomes disproportionately high (e.g. due to other investors exiting), potentially increasing risk of forced redemption costs. Review and record the rationale for remaining invested or disinvesting, especially for funds under sustained underperformance or strategic misalignment. 					
10. Geographical/ Currency risk in investments	<ul style="list-style-type: none"> Limit concentration of investment in any one specific market through manager agreements Regular review of compliance with manager agreements 	2	2	4	As part of the 2025 post-valuation Investment Strategy Review, reassess whether current levels of currency hedging (if any) remain appropriate, especially for	2	2	4	Ongoing	PC / Head of Treasury

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	<ul style="list-style-type: none"> Monitor markets constantly, and seek advice of managers, consultants and independent advisor The Fund considered the use of a strategic currency hedge to limit risk, agreeing to delegate to individual managers (March 15) Diversification of UK passive holding into Global passive holding (Sept and Nov 15) 				<p>private markets and income-generating assets with foreign currency exposure.</p> <p>Request from investment managers a summary of currency exposure and hedging policy in their portfolios, particularly in illiquid strategies (e.g. infrastructure, private debt) where currency risk is less transparent.</p> <p>Where feasible, include currency sensitivity in the Fund's risk reports, particularly for mandates with material non-GBP exposure.</p> <p>If making new allocations to non-GBP denominated assets (e.g. global property, infrastructure), ensure currency risk is considered explicitly in due diligence papers and presented to Committee.</p>					
15. Excessive fees paid to investment managers	<ul style="list-style-type: none"> Manager fees keenly negotiated at time of appointment to achieve best result for the Fund All Fund fees and expenses are reviewed regularly by officers 	2	2	4	<ul style="list-style-type: none"> Ensure Fund Managers sign up to the Scheme Advisory Board's Code of Transparency. Baillie 	2	2	4	Ongoing	PC / Officers

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	<ul style="list-style-type: none"> Participation in London CIV to achieve economies of scale and ensure optimal fee structures. The CIV have recently introduced Assessment of Value methodology and are looking at a property offer for common underlying property holdings. Regularly benchmark fees (CEM) The Fund has exited Hedge Fund investments which have higher fees. It has also recently invested in CQS, a fixed income manager, in the CIV with lower fee structures. 				<p>Gifford have already done so.</p> <ul style="list-style-type: none"> Move to passive mandates where outperformance on active portfolio does not justify higher fees charged. 					
16. Asset manager or bank failure	<ul style="list-style-type: none"> Detailed due diligence is carried out when new manager or custodian is appointed (financially and legally) In future this due diligence will be the responsibility of the London CIV with a wider resource base Financial stability of managers and custodian monitored by officers and Independent Advisor Investment Consultant has coverage of all investment managers Assets under management with all managers are monitored as dramatic falls are likely to place 	1	4	4	<p>Continue to monitor financial stability and AUM trends of all appointed investment managers and custodians, with alerts triggered if assets fall significantly or there are adverse credit developments.</p> <p>Ensure that the Fund's assets are held in ring-fenced, segregated accounts or pooled vehicles with appropriate legal protections, and confirm that custodial arrangements remain compliant with regulatory standards.</p>	1	4	4	Ongoing	Officers

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	pressure on manager business models (PC Mar 16)									
53. Fossil Fuel linked investments suffer losses due to stranded assets and reputational damage.	<ul style="list-style-type: none"> Equity managers review ESG issues as part of investment decision, and report issues and company engagement as part of quarterly reports The Government's legislation to reduce carbon to net zero emissions has increased the pace of change The Fund has reduced its proportion of the Fund invested in fossil fuels over 7 years from 7.2% of the Fund in 2012 to 1.99% (December 2024). Membership of LAPFF and appointment of corporate governance advisor providing research on companies invested participation with LAPFF to engage with fossil fuel companies and boards and continue work in this area including 'aiming for A', strategic resilience resolutions, and managed decline of fossil fuel extraction 	3	2	6	<ul style="list-style-type: none"> Continue to engage with fund managers (directly and via LCIV) to ensure that fossil fuel exposure is being actively monitored, with clear transition plans, climate risk modelling, and alignment to Paris targets. Commission updated carbon footprint analysis of the Fund's listed equity and credit holdings using LCIV Climate Analytics, and use this to inform future investment decisions and Committee reporting. Review and update the Fund's Investor Belief Statement and Responsible Investment Policy by 2026 to reflect current Net Zero targets, divestment pressures, and the need for credible climate transition pathways. 	3	2	6	Ongoing	PC/ Head of Treasury

APPENDIX D - RISK REGISTER

Likelihood	1	2	3	4	Impact	1	2	3	4	5
	>1%	>5%	>10%	>20%	% of assets or liabilities	>2%	>10%	>25%	>50%	>75%
	1 in 100 rare	1 in 20 unlikely	1 in 10 possible	1 in 5 likely						

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APPENDIX D - RISK REGISTER

Likelihood	1	2	3	4	Impact	1	2	3	4	5
	>1%	>5%	>10%	>20%	% of assets or liabilities	>2%	>10%	>25%	>50%	>75%
	1 in 100 rare	1 in 20 unlikely	1 in 10 possible	1 in 5 likely						

Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
	<ul style="list-style-type: none"> Investment in Legal and General Future World Fund which has a lower carbon footprint Agreement to move funds in the Baillie Gifford Fund to a variant which is Paris aligned and has a 43% lower carbon intensity than the current fund. The vice chair of this Committee is now on the LAPFF executive 									
8. Forced selling of assets in falling market due to cash flow requirements	<ul style="list-style-type: none"> Monitoring of cash flows and Fund maturity, and taking appropriate strategic action (as above) Dividends can be used to fund benefit payments. Additionally redeemable structures with most managers mean assets can be sold or units redeemed to fund benefits. July 2020 Investment Strategy review used an Asset Liability modelling approach which will ensure assets are appropriate for liabilities (and hence cash flow) 	1	3	3	<ul style="list-style-type: none"> Maintain and regularly update the Fund's cashflow forecast, incorporating benefit payments, income distributions, and expected capital calls to ensure liquidity planning remains robust. Prioritise investments in income-generating and liquid assets (e.g. infrastructure debt, long lease property, listed credit) to support cashflow needs and reduce reliance on asset sales during adverse market conditions. Incorporate detailed cashflow and liquidity analysis into the 2025 	1	2	2	Ongoing	PC / Officers

APPENDIX D - RISK REGISTER

Likelihood	1 >1% 1 in 100 rare	2 >5% 1 in 20 unlikely	3 >10% 1 in 10 possible	4 >20% 1 in 5 likely	Impact % of assets or liabilities	1 >2%	2 >10%	3 >25%	4 >50%	5 >75%
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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
					Investment Strategy Review, ensuring that the revised asset allocation supports the Fund's ability to meet benefit payments without needing to sell assets in stressed market conditions.					
17. Investment manager style drift	<ul style="list-style-type: none"> Managers are monitored closely by officers and advisors, with quarterly investment reports and regular review meetings held and minuted Reasoning behind any proposed changes to investment approach are explained by the investment manager Committee has Investment Manager summaries which set out mandate key principles and provide triggers for review Minutes from Investment Manager meetings considered at the following Pension Committee meeting 	3	1	3	<p>Continue quarterly manager review meetings to monitor for any deviations from agreed mandate style, investment philosophy, or portfolio construction, and escalate concerns to Committee where appropriate.</p> <p>Require advance notification from managers (via LCIV where applicable) of any material changes to key personnel, investment process, or risk limits that could lead to style drift or performance divergence.</p>	3	1	3	Ongoing	Officers / Advisers
18. Fraud risk	<ul style="list-style-type: none"> All investment managers required to submit audits on internal controls and summarised as part of the annual report to members 	1	3	3	<ul style="list-style-type: none"> Explore cyber-security risks with fund managers and the Pension Shared Service to ensure good safekeeping employer and systems are robust and protected from 	2	3	6	Ongoing	PC / Head of Treasury

APPENDIX D - RISK REGISTER

Likelihood	1 >1% 1 in 100 rare	2 >5% 1 in 20 unlikely	3 >10% 1 in 10 possible	4 >20% 1 in 5 likely	Impact % of assets or liabilities	1 >2%	2 >10%	3 >25%	4 >50%	5 >75%
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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
	<ul style="list-style-type: none"> Detailed due diligence is carried out when new managers are appointed (financially and legally) Audit of the fund is carried out by competent auditors Internal audit is carried out by competent auditors to review benefit fraud and operational risks Custodian has strong internal controls including reconciliation of asset values and performance Managers able to give complete look through into underlying assets Assets held in segregated accounts where possible Investment Consultant has coverage of all investment managers 				hacking especially those with a more quantitative nature.					
19. Custodian Risk - creditworthiness, ability to settle trades, provide secure safekeeping and accurate and timely reporting	<ul style="list-style-type: none"> Service Level Agreement in contract Review of custodian Key Performance Indicators Regular officer meetings with custodian 	1	3	3	<ul style="list-style-type: none"> Assets managed directly by our custodian have reduced over the years (only with Harris and CBRE) with most other funds being pooled funds 	1	3	3	Ongoing	Officers
14. Investment counterparty risk (related to stock lending and use of derivatives)	<ul style="list-style-type: none"> Practice of stock lending and use of derivatives monitored by officers and Independent Advisor 	1	2	2		1	2	2	Ongoing	PC / Officers

APPENDIX D - RISK REGISTER

Likelihood	1	2	3	4	Impact	1	2	3	4	5
	>1%	>5%	>10%	>20%	% of assets	>2%	>10%	>25%	>50%	>75%
	1 in 100	1 in 20	1 in 10	1 in 5	or liabilities					
	rare	unlikely	possible	likely						

Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
	<ul style="list-style-type: none"> Investment Consultant has coverage of all investment managers Regular review of managers' due diligence processes at officer meetings 									
11. Illiquidity of assets - benefits cannot be paid and strategy changes become difficult	<ul style="list-style-type: none"> The Fund's asset allocation and liquidity profile are reviewed every three years as part of the Investment Strategy Review, with a focus on matching liquid assets to projected benefit payments and capital calls. Cashflow projections and funding maturity are reviewed regularly by officers and the actuary and were most recently refreshed during the 2022 valuation. 	1	2	2	<ul style="list-style-type: none"> Cashflow maturity of whole Fund will be reassessed by the Fund Actuary, in light of the 2025 actuarial valuation results Review any new illiquid investment proposals (e.g. private debt, long-lease property) for liquidity compatibility before commitment, ensuring that aggregate illiquidity stays within acceptable risk tolerance levels. 	1	2	2	Ongoing	PC / Head of Treasury
20. Environmental, Social & Governance issues not addressed (and leading to loss on investments)	<ul style="list-style-type: none"> Equity managers review ESG issues as part of investment decision, and report issues and company engagement as part of quarterly reports Membership of LAPFF and appointment of corporate governance advisor providing research on companies invested 	1	2	2	Incorporate ESG risk summaries in all future investment manager review meetings, with focus on climate transition plans, human rights risks, and Net Zero strategy alignment. Commission an updated ESG/climate metrics report	1	2	2	Ongoing	PC / Officers

APPENDIX D - RISK REGISTER

Likelihood	1 >1% 1 in 100 rare	2 >5% 1 in 20 unlikely	3 >10% 1 in 10 possible	4 >20% 1 in 5 likely	Impact % of assets or liabilities	1 >2%	2 >10%	3 >25%	4 >50%	5 >75%
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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
	<ul style="list-style-type: none"> Our Investment Consultant understands the importance of Responsible Investment in order to support Pension Committee in this work. This has been further embedded in the subsequent Investment Strategy Reviews (July 2020, 2021 and 2023) Investor Belief Statement agreed (November 2019) and revisited in October 2022 Officers, committee members and independent adviser proactively challenge managers on ESG issues at the quarterly fund manager meetings. Signatories of the Stewardship Code 				<p>using the LCIV Climate Analytics tool or a third-party provider, assessing the Fund's current exposure to carbon, social, and governance risk factors across asset classes.</p> <p>Review and refresh the Fund's Responsible Investment Policy and Investor Belief Statement ahead of the 2026 strategy cycle, including clearer guidance on divestment thresholds, engagement escalation, and ESG integration across mandates.</p> <p>Engage with LCIV to strengthen stewardship reporting, ensuring that pooled funds used by Camden demonstrate tangible outcomes on ESG engagement priorities.</p>					

2. DEMOGRAPHIC RISKS

APPENDIX D - RISK REGISTER

Likelihood	1	2	3	4	Impact	1	2	3	4	5
	>1%	>5%	>10%	>20%	% of assets	>2%	>10%	>25%	>50%	>75%
	1 in 100	1 in 20	1 in 10	1 in 5	or liabilities					
	rare	unlikely	possible	likely						

Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
21. Deteriorating active membership (due to employer savings programmes)	<ul style="list-style-type: none"> The Fund monitors active membership trends via annual administration and valuation reports and considers maturity and cashflow implications as part of the triennial valuation. The 2022 valuation used scenario modelling to understand the funding impact of continued active member decline. Deficit recovery contributions are often expressed as fixed cash payments, which de-links them from payroll declines. Officers engage with employers during employer forums and through one-on-one meetings to understand restructuring plans or outsourcing activity. Regular liaison with the actuary ensures that risks associated with declining participation are identified early. 	2	3	6	<ul style="list-style-type: none"> As part of the 2025 valuation, continue to model the impact of declining active membership on Fund maturity, employer contributions, and cashflow stability. Maintain dialogue with employers to understand workforce planning and outsourcing intentions that could accelerate active member reductions. Consider including maturity metrics in quarterly monitoring (e.g. active-to-pensioner ratio, net cashflow position) to support early visibility of trend shifts. 	1	3	3	Quarterly	PC / Officers

APPENDIX D - RISK REGISTER

Likelihood	1	2	3	4	Impact	1	2	3	4	5
	>1%	>5%	>10%	>20%	% of assets or liabilities	>2%	>10%	>25%	>50%	>75%
	1 in 100 rare	1 in 20 unlikely	1 in 10 possible	1 in 5 likely						

Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
23. Longevity risk (pensioners living longer)	<ul style="list-style-type: none"> The Fund actuary sets base mortality based on research carried out by Club Vita. The longevity assumptions are a bespoke set of 'VitaCurves' specifically tailored to fit the membership profile of the Fund and this has been reported as part of the triennial valuation Fund actuary sets mortality assumptions with some allowance for future increases in life expectancy Fund actuary monitors combined experience of around 55 LGPS funds to look for early warnings of lower pension amounts ceasing than assumed in funding <ul style="list-style-type: none"> The 2022 valuation considered the long-term effects of COVID-19 and updated its improvement models accordingly. Fund officers and the Committee receive longevity trend briefings during valuation discussions, with training provided where needed. The Fund encourages later retirement ages, where appropriate, as a cost-mitigation measure (each year 	2	5	10	<ul style="list-style-type: none"> Continue dialogue with employers Pension Committee to receive a report on mortality triennially Training for members by Club Vita (July 2020) on longevity issues <ul style="list-style-type: none"> Reassess longevity assumptions during the 2025 valuation, using the latest Club Vita curves and any emerging post-COVID demographic trends. Continue dialogue with the actuary and Club Vita to monitor signs of unexpected changes in longevity — especially in older pensioner cohorts. Provide briefing or refresher training to the Committee on how longevity assumptions impact funding outcomes ahead of the valuation sign-off. 	1	5	5	Triennial	PC

APPENDIX D - RISK REGISTER

Likelihood	1 >1% 1 in 100 rare	2 >5% 1 in 20 unlikely	3 >10% 1 in 10 possible	4 >20% 1 in 5 likely	Impact % of assets or liabilities	1 >2%	2 >10%	3 >25%	4 >50%	5 >75%
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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
	of delay reduces pension costs by ~5%).									
24. Substantial early retirements	<ul style="list-style-type: none"> Employers are charged the extra capital cost (strain cost) of non-ill-health retirements following each individual decision. The cash flow report shows that Strain costs have reduced over recent years. Strain cost factors were revisited following the 2019 valuation to ensure appropriate 	3	1	3	<ul style="list-style-type: none"> Review and, if necessary, update strain cost factors as part of the 2025 valuation, reflecting current discount rates and mortality assumptions. Continue to monitor retirement patterns across employers, and raise any concerns about high early retirement volumes with the relevant employer and actuary. 	2	1	2	Annually	PC
22. Substantial ill-health retirements	<ul style="list-style-type: none"> Monitoring of each employer's ill-health experience on an ongoing basis. The employer may be charged additional contributions if this exceeds the ill-health assumptions built-in. Employers informed of ill health insurance option at Employer Forums 	1	2	2	<ul style="list-style-type: none"> Review actual ill-health experience against assumptions as part of the 2025 valuation and flag any employers whose experience materially exceeds expected levels. Continue to promote ill-health insurance to smaller and high-risk employers, 	1	2	2	Annually	PC

APPENDIX D - RISK REGISTER

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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
					<p>especially those with limited capacity to absorb volatile pension strain costs.</p> <ul style="list-style-type: none"> Ensure the Funding Strategy Statement provides flexibility to adjust contributions for employers where ill-health retirement strain is consistently above expected. 					
3. REGULATORY RISKS										
26. Changes to regulations and legislation , (e.g. more favourable benefits package, potential new entrants to scheme, part-time employees)	<ul style="list-style-type: none"> Changes due imminently as a result of the McCloud and Goodwin cases: LGPS benefits to be improved (and backdated to 2014), with associated administrative and funding issues 	2	5	10	An allowance for the impact of the McCloud case has been made at the 2022 triennial valuation. The impact of the Goodwin case is expected to be minimal.	2	5	10	Ongoing	PC
25. National pension scheme changes (e.g. benefits, regulation from The Pensions Regulator, and/or HM Revenue & Customs rules)	<ul style="list-style-type: none"> The Fund is alert to the potential creation of additional liabilities and administrative difficulties for employers and itself Any changes to the regulations, scheme design and benefits package should be reported to Pension Committee Scheme changes and benefits are communicated to members 	3	2	6	<ul style="list-style-type: none"> The most recent national Cost Management results were released recently and confirmed that no changes will be made to the benefit or employee contribution structure of the LGPS 	3	2	6	Ongoing	PC / Pensions Manager

APPENDIX D - RISK REGISTER

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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
	<ul style="list-style-type: none"> Opt outs are monitored as part of the Cash Flow & Administration report The result of the most recent reforms (2014 scheme) are built into each triennial valuation Published new Investment Strategy Statement from 1 April and new regulation issued New 2018 and 2020 regulations permit exiting employers to recover surpluses built up with the fund (previously known as trapped surpluses) and the Fund now has an Exit credit policy (July 2021) 									
4. GOVERNANCE RISKS										
50. Pool implementation – strategy deferral	<ul style="list-style-type: none"> Delay in implementing strategy due to inception of pools, on-boarding asset classes and availability of sub-funds. This Fund has demonstrated that this is not an obstacle with the award of the Private Equity mandate and removal of Aberdeen. We also conducted an Investment Strategy Review in 2021. Continued advice from Investment Consultant and Independent investment advisor 	3	4	12	<ul style="list-style-type: none"> The CIV are looking at how they might offer a property fund but legacy assets may not be transferable. 	2	4	8	Quarterly	Chair/ Officers

APPENDIX D - RISK REGISTER

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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
	<ul style="list-style-type: none"> continued Membership (through the Sectoral Joint Committee), Shareholders' Committee (our Chair also chairs this forum) and officer engagement with London CIV to ensure they adhere to implementation schedule Investment strategy review in 2020 									
27. Forced merger of LGPS funds	<ul style="list-style-type: none"> Participation in MHCLG consultations On-going debate with advice from Pensions experts on a national basis Increased risk of Pool mergers after recent Government announcements 	2	5	10	<ul style="list-style-type: none"> Ensure that Camden participate in any future consultation and raise concerns to the appropriate authority All 8 pools have been approved and officers nationwide are working towards inception Phase III of the Good Governance project will see the SAB consider how statutory guidance can be used to put the LGPS governance framework in place, and what KPIs can be used to measure governance effectiveness. The Fund continues to allocate to CIV funds where the investment objective can 	2	5	10	TBC	PC / Officers

APPENDIX D - RISK REGISTER

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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
					be met – i.e. the CIV inflation plus fund - £95m and the Baillie Gifford DGF £95m also.					
34. Maintaining adequate level of experience at officer level	<ul style="list-style-type: none"> Continued staff appraisal and development plan Effective personnel management and succession planning Independent investment advisor has run training sessions for staff new to the Pension Fund area 	2	4	8	<ul style="list-style-type: none"> Ensure officers continue to undergo relevant training utilise membership of the Hymans LGPS Online Learning Academy 	2	4	8	Ongoing	Officers
52. Risk of high transition costs of assets in pool	<ul style="list-style-type: none"> Discussion about Transition management with the London CIV 	3	2	6	<ul style="list-style-type: none"> For the Multi Asset Credit mandate these transition costs were mitigated by having a phased investment profile. 	3	2	6		
38. Undetected structural changes in an employer's membership (e.g. large fall in employee members, large number of retirements).	<ul style="list-style-type: none"> The Actuary may be instructed to consider revising the Rates and Adjustments certificate to increase an employer's contributions (under Regulation 78) between triennial valuations Deficit contributions are expressed as monetary amounts 	3	2	6	<ul style="list-style-type: none"> Considered by Actuary at triennial valuation and also as a result of officer liaison with employers 	3	2	6	Ongoing	Officers

APPENDIX D - RISK REGISTER

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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
28. Knowledge and Understanding deficiency (Members and officers)	<ul style="list-style-type: none"> Ensure training opportunities are shared, attended and reported on (part of the quarterly Business Plan) introductory training for all new members to PC to attend – delivered in June 2022 post municipal elections Set up semi-annual member training for all Pension Committee Ensure officers go on relevant training Make sure independent is involved in training requirements 	2	3	6	<ul style="list-style-type: none"> Complete CIPFA Knowledge & Skills framework for Members and officers, to assess any knowledge gaps Under MiFID II Investment managers could take away our opted up status if new members are not adequately trained. A structured programme of training has been put in place for new members and the semi-annual training for members will continue. Introduction of Hymans Robertson LGPS Online Learning Academy facility 	2	3	6	Ongoing	PC / Head of Treasury
30. Employer risk (bankruptcy)	<ul style="list-style-type: none"> Seeking a funding guarantee from another scheme employer, or external body, where ever possible Work done as part of the 2019 valuation results in alerting the prospective employer to its obligations and encouraging it to take independent actuarial advice Vetting prospective employers before admission requiring a bond to protect the scheme from the extra cost of early retirements on redundancy if the employer fails 	3	2	6	<ul style="list-style-type: none"> Additional forward looking measures put in place in employer register received each November Seek potential security from employers where restrictions on contribution affordability and/or higher perceived business risk (see also item 13) Make use of deferred debt agreements agreed as part 	3	1	3	Annually	PC

APPENDIX D - RISK REGISTER

Likelihood	1	2	3	4	Impact	1	2	3	4	5
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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
	<ul style="list-style-type: none"> regular bond reviews Annual review of the employer register (March 2020) Dialogue with (potential) employers during the tender process and subsequently to ensure risks are understood and managed, such as at Employers Forum and meetings with employers to ensure they understand their obligations , liabilities and funding position Engage with employers during the triennial valuation (Employer Forum run in October 2019) 				of the revised Funding Strategy Statement and Exit Credit Policy (July 2021) <ul style="list-style-type: none"> monitor employer contribution receipts on a more detailed monthly basis to help flag such cases 					
32. Actuarial or investment advice is not sought, or is not heeded, or proves to be deficient in some way	<ul style="list-style-type: none"> The Administering Authority maintains close contact with its advisers and takes decisions in public – Part II agenda items are kept to an absolute minimum Advice is delivered via formal meetings involving elected members, and recorded properly Advice is subject to professional requirements such as peer review Members and officers with suitable skills, knowledge and understanding to discharge their roles 	1	5	5		1	5	5	Ongoing	PC / Officers

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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
29. Forced disinvestment (from active managers and Fund of Fund vehicles)	<ul style="list-style-type: none"> DLUHC is not currently considering this possibility On-going debate with advice from Pensions experts on a national basis. 	2	2	4	<ul style="list-style-type: none"> Participate in consultations and raise concerns to the appropriate authority 	2	2	4	TBC	PC / Officers
31. Reputational risk from unaddressed ESG (Environmental, Social & Governance) issues	<ul style="list-style-type: none"> Membership of LAPFF providing active corporate engagement and championing of ESG issues Corporate Governance advisor, PIRC, provides company research and ensures Camden voting policy executed on shareholdings is best in class Members and officers aware of fiduciary responsibilities, acting in the long-term interest of the Fund and taxpayers become a signatory to the Stewardship code – awarded tier one status 	2	2	4	<ul style="list-style-type: none"> engage with Divest Camden and other interested parties on the transition to the low carbon economy The independent advisor led training on the spectrum of capital in preparation for an item at Committee on agreeing an Investor belief statement (November 2019) 	2	2	4	Ongoing	PC / Officers
33. Employer cessation not identified (due to closing to new entrants)	<ul style="list-style-type: none"> Employer Register is maintained and reviewed annually by Committee (each November) 	2	2	4	<ul style="list-style-type: none"> Continued dialogue with employers to ensure risks are understood and managed especially in 2022 as part of the valuation and individual employer results monitor employer contribution receipts on a 	2	2	4	Ongoing	PC / Pensions Manager

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Likelihood	1	2	3	4	Impact	1	2	3	4	5
	>1%	>5%	>10%	>20%	% of assets	>2%	>10%	>25%	>50%	>75%
	1 in 100	1 in 20	1 in 10	1 in 5	or liabilities					
	rare	unlikely	possible	likely						

Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
					more detailed monthly basis to help flag such cases					
35. Legislative risk - failure to comply with legislation, statutory regulation and formal guidance	<ul style="list-style-type: none"> Officers seek guidance and advice from independent sources as appropriate Advisers proactively raise issues and keep Officers aware of relevant issues Officers receive regular training and attend appropriate LGPS events 	1	4	4		1	4	4	Ongoing	Officers
36. Conflict of interests (elected members, officers and advisers)	<ul style="list-style-type: none"> Officers/ Committee seeks guidance and advice from independent sources as appropriate Officers and members receive regular training and attend LGPS events, at which conflict issues will be raised as appropriate Members are required to declare conflicts of interest at the start of meetings and at the point in a meeting when a conflict arises Pension Board have their own conflicts of interest policy Conflicts management plan in place with Hymans 	1	3	3	<ul style="list-style-type: none"> The Pensions Regulator's role in the LGPS include governance and conflict issues, and guidance and training will be forthcoming on these topics Requirements and/or best practice may change as a result of the Good Governance initiative in the LGPS 	1	3	3	Ongoing	PC / Officers

APPENDIX D - RISK REGISTER

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	>1%	>5%	>10%	>20%	% of assets or liabilities	>2%	>10%	>25%	>50%	>75%
	1 in 100 rare	1 in 20 unlikely	1 in 10 possible	1 in 5 likely						

Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
37. Mandate burden - number of investment mandates inhibits Committee in its governance of investments	<ul style="list-style-type: none"> Performance and relevant information of investment mandates reported to Committee as part of quarterly Performance Report Committee provides clear delegation to Executive Director Corporate Services as and when required Officers and Members meet regularly with investment managers outside of Committee time and feed back minutes of meetings Independent investment advisor conducts separate monitoring meetings with managers as appropriate Investment managers to be brought to Committee or London CIV (where their sub-fund is used) for targeted discussion where appropriate Increased use of CIV sub-funds increases governance oversight and reduces burden on Fund governance 	2	1	2		2	1	2	Ongoing	PC / Officers
39. Termination valuation not undertaken – missed opportunity to call in a debt.	<ul style="list-style-type: none"> Admission Bodies are required to notify the Administering authority of termination and it requires employers with Best Value contractors to inform it of forthcoming changes. 	2	1	2	<ul style="list-style-type: none"> Regulations permit retrospective cessation valuation monitor employer contribution receipts on a more detailed 	2	1	2	Ongoing	Officers

APPENDIX D - RISK REGISTER

Likelihood	1 >1% 1 in 100 rare	2 >5% 1 in 20 unlikely	3 >10% 1 in 10 possible	4 >20% 1 in 5 likely	Impact % of assets or liabilities	1 >2%	2 >10%	3 >25%	4 >50%	5 >75%
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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
					monthly basis to help flag such cases					
40. Lack of delegation arrangements	<ul style="list-style-type: none"> Detailed scheme of delegation adopted for Council officers, and reviewed annually Decisions to delegate specific activities from Committee to Executive Director Corporate Services agreed and documented at Committee meetings 	1	2	2		1	2	2	Ongoing / As Necessary	Officers / PC
5. ADMINISTRATION RISKS										
44. Adequate level of administration officer knowledge and skills (Pension shared service)	<ul style="list-style-type: none"> Effective personnel management and succession planning Induction and knowledge sharing on local issues and requirements for new officers 	2	3	6	<ul style="list-style-type: none"> Ensure audit takes place post current restructure Ensure the Hymans LGPS online learning academy is used 	2	3	6	Ongoing	Pensions Manager
42. Changes to scheme members (starters, leavers, retirements etc.) are not processed properly	<ul style="list-style-type: none"> Scheme regulations are followed Pensions team are well trained Induction of new pensions administrators Shared Service performance statistics are reviewed regularly by officers 	2	2	4	<ul style="list-style-type: none"> Actuary reviews changes in membership as part of each triennial funding valuation and will flag any issues monitor employer contribution receipts & benefit payments on a more 	2	2	4	Ongoing	Pensions Manager

APPENDIX D - RISK REGISTER

Likelihood	1 >1% 1 in 100 rare	2 >5% 1 in 20 unlikely	3 >10% 1 in 10 possible	4 >20% 1 in 5 likely	Impact % of assets or liabilities	1 >2%	2 >10%	3 >25%	4 >50%	5 >75%
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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
					detailed monthly basis to help flag such cases					
46. Data and records are not accurate or accessible during lockdown	<ul style="list-style-type: none"> Records have correct supporting documentation Input and output checks are performed Data matching exercises identify discrepancies (National Fraud Initiative) Reliance provided by internal audit The shared service have been fully operational during the COVID 19 pandemic and available to members and employers. 	2	2	4	<ul style="list-style-type: none"> Reconciliations are performed between payroll and pensions systems Data quality is of the highest order at the Pension Shared Service to ensure valuation results are as accurate as possible. Actuary reviews and reports as part of formal valuation Additional scrutiny from Government Actuary's Department , DLUHC, Scheme Advisory Board, and the Pension Regulator 	2	2	4	Ongoing	Pensions Manager
47. Employer Contributions not received or recorded properly	<ul style="list-style-type: none"> Pensions team dedicates appropriate time and resource to managing contributions Reconciliations are carried out monthly 	2	2	4	Monitor employer contribution receipts on a more detailed monthly basis to help avoid such cases	2	2	4	Monthly	Pensions Manager
41. Added complexity of scheme benefits (following introduction of LGPS 2014 impacting officer time and risk of miscalculation)	<ul style="list-style-type: none"> Scheme regulations are followed Pensions team are well trained 	1	3	3	<ul style="list-style-type: none"> Audit to be carried out to review compliance with new regulations Impending McCloud retrospective changes will 	1	3	3	Ongoing	Pensions Manager

APPENDIX D - RISK REGISTER

Likelihood	1 >1% 1 in 100 rare	2 >5% 1 in 20 unlikely	3 >10% 1 in 10 possible	4 >20% 1 in 5 likely	Impact % of assets or liabilities	1 >2%	2 >10%	3 >25%	4 >50%	5 >75%
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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
					make administration of the benefits more complex					
45. Systems are not secure and well maintained	<ul style="list-style-type: none"> Internal audit of system setup and security Systems administrator well trained Data is backed up daily System is protected from viruses and hacking System is up to date and latest features of the software are used Council clients the software provider and ensures issues are raised and addressed in latest releases 	1	3	3	Monitor employer contribution receipts & benefit payments on a more detailed monthly basis to help independently verify up to date maintenance	1	3	3	Ongoing	Pensions Manager
43. Employers' data inaccurate	<ul style="list-style-type: none"> Liaison with schools, Supporting People directorate and out-sourced payroll providers to ensure accurate and timely data is received 	3	1	3	<ul style="list-style-type: none"> Audit exercise planned to review outsourced school payroll data Introduction of i-connect employer module with Pension administration software at Pension Shared Service has improved data accuracy. All employers in the Camden Fund have gone live or engaging with the Shared Service to move to I Connect. High level checks carried out by the Fund actuary as part of the 2022 valuation 	3	1	3	Ongoing	Pensions Manager

APPENDIX D - RISK REGISTER

Likelihood	1 >1% 1 in 100 rare	2 >5% 1 in 20 unlikely	3 >10% 1 in 10 possible	4 >20% 1 in 5 likely	Impact % of assets or liabilities	1 >2%	2 >10%	3 >25%	4 >50%	5 >75%
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Risk	Current controls	Likelihood	Impact	Risk factor	Action Plan to Improve and/or additional control measures	Likelihood	Impact	Risk factor	Timescale/ Review Frequency	Responsibility
					<ul style="list-style-type: none"> Monitor employer contribution receipts & benefit payments on a more detailed monthly basis to help flag such cases 					
48. Incorrect benefits paid	<ul style="list-style-type: none"> Pensions team are well trained Payments have correct supporting documentation Management check performed on benefit payments before processing 	1	2	2	Monitor employer benefit payments on a more detailed monthly basis to help flag such cases	1	2	2	Ongoing	Pensions Manager
49. Audit fail to undertake proper checks	<ul style="list-style-type: none"> Audit plan work to get reasonable expectation of detecting control weaknesses 	2	1	2		2	1	2	Annually	Pensions Manager

APPENDIX D - RISK REGISTER

Likelihood	1	2	3	4	Impact % of assets or liabilities	1	2	3	4	5
	>1%	>5%	>10%	>20%		>2%	>10%	>25%	>50%	>75%
	1 in 100 rare	1 in 20 unlikely	1 in 10 possible	1 in 5 likely						

Cover Note for Pensions Committee – July 2025

This report presents the updated Risk Register for the Camden Pension Fund, reflecting changes and developments relevant to the 2024–25 period. The Register has been fully reviewed to ensure that risks are appropriately identified, controlled, and scored. The following key updates are noted:

- The Fund’s estimated funding level as at March 2025 is 121% (pre-valuation), improving the position for financial risks.
- The exit from Harris and CQS has progressed, aligning manager structure with Committee decisions.
- New risks have been added to reflect emerging concerns around Net Zero transition alignment, geopolitical instability, and long-term impact of inflation.

The Committee is asked to:

1. Note the revised Risk Register (Appendix 1)
2. Approve the inclusion of three new risks as detailed
3. Endorse the ongoing monitoring and refresh process ahead of the 2025 actuarial valuation