

Report of the Director, West Yorkshire Pension Fund, to the meeting of West Yorkshire Pension Fund Pension Board to be held on 24 March 2020.

AD

Subject: Risk Register

Summary statement:

WYPF maintains a Risk Register which contains 44 risks that have been identified and framed into scenarios. The risks have been rated, 21 of these are above their acceptable tolerance level, 23 below the tolerance line.

A presentation on 5 risks from the 21 above their tolerance levels identified in this report will be given, so that the Pensions Board can ensure adequate Management Action Plans are in place to monitor those risks.

Recommendation

It is recommended that the 5 risks and action plans to manage and mitigate them are noted.

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Director

Portfolio

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Overview & Scrutiny Area

1. Background

- 1.1 WYPF's Risk Management Plan establishes the process for implementing proactive risk management as part of the overall management of the pension fund. The purpose of risk management is to identify potential problems before they occur, so that risk handling activities may be planned and invoked as needed to mitigate adverse impacts on achieving objectives. Risk management is a continuous, forward looking process that addresses issues that could endanger the achievement of critical objectives and includes the early risk identification through the collaboration and involvement of relevant stakeholders.
- 1.2 WYPF have identified risks which have been rated and plotted on a matrix and a risk tolerance line agreed in order to prioritise the risks. The risk matrix measures each risk for its likelihood and impact in terms of its potential for affecting the ability of WYPF to achieve its objectives.
- 1.3 As part of a regular review by the Senior Management Team, 44 risks have been identified and framed into scenarios. The risks identified have been rated, 21 of these above their acceptable tolerance level, 23 below the tolerance line.
- 1.4 Management Action Plans (MAPs) are agreed for the risks above the tolerance levels which include target and critical success factors to allow the risks to be monitored.

2. Top Risks

- 2.1 The Pensions Board will receive a presentation on 5 risks from the 21 above their tolerance levels at each of their meetings so that they can ensure that adequate management Action Plans are in place to monitor all risks over time.
- 2.2 The risks to be covered at this meeting are:-

Risk 48	Prompt payment of pension
Risk 49	Key staff on long term absence
Risk 53	Fire Authority Shared Service
Risk 57	Lincolnshire and LB of Hounslow Pension Fund Shared Service
Risk 63	Compliance with GDPR requirements

3 Risk Register

- 3.1 The full Risk Register can be found at Appendix A.

4 Recommendations

It is recommended that the 5 risks and action plans to manage and mitigate them are noted.

5 Appendix

Appendix A – Risk Register