

## North Yorkshire Pension Fund – Appendix 7

Risk Register: **May 2021 Review – detailed**  
 Next Review Due: **November 2021**  
 Report Date: **13<sup>th</sup> May 2021 (pw)**

Phase 1 - Identification											
<b>Risk Number</b>	44/4	<b>Risk Title</b>	44/4 - Pension Fund Solvency				<b>Risk Owner</b>	CD SR	<b>Manager</b>	CSD SR Head of Investments	
<b>Description</b>	Solvency deteriorates due to liability growth exceeding expectations and / or underperforming investment returns, inappropriate actuarial assumptions, adverse market conditions or legislative changes requiring a review of employer contributions, additional payments or extended recovery period					<b>Risk Group</b>	Financial	<b>Risk Type</b>			
Phase 2 - Current Assessment											
<b>Current Control Measures</b>		Deficit recovery period; adopt prudent actuarial assumptions; all assumptions reviewed every 3 years; measure liabilities against investment returns on a quarterly basis; regular reports to PFC; fixed income review; new rates provided for employers; high priority data quality actions have been completed; employer covenants completed as part of each triennial valuation and as required; DfE as guarantor of academies;									
<b>Probability</b>	M	<b>Objectives</b>	M	<b>Financial</b>	H	<b>Services</b>	L	<b>Reputation</b>	M	<b>Category</b>	2
Phase 3 - Risk Reduction Actions											
						<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>	<b>%</b>		
<b>Reduction</b>	44/7 - Regular review of investment strategy to maximise investments reviewed as part of the valuation but continues to be monitored quarterly and will need to consider post Covid recovery					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/551 - Continue to monitor risk around unguaranteed funds					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/554 - Monitor the legislative environment for any impact on solvency and respond to consultations as and when appropriate					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1909 - Continue with implementation of de-risking options in light of the current positive funding level					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1912 - Work through transition plan and new operational model for the new pensions pool; developing the sub funds to allow further transfers; still progressing through the timetable					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	H	<b>Services</b>	L	<b>Reputation</b>	M	<b>Category</b>	3
Phase 5 - Fallback Plan											
<b>Fallback Plan</b>	44/428 - Increased contribution rate from employers and/or extend recovery period							<b>Action Manager</b>			
								CSD SR Head of Investments			

## North Yorkshire Pension Fund – Appendix 7

Risk Register: **May 2021 Review – detailed**  
 Next Review Due: **November 2021**  
 Report Date: **13<sup>th</sup> May 2021 (pw)**

Phase 1 - Identification											
<b>Risk Number</b>	44/222	<b>Risk Title</b>	44/222 - LGPS Pooling Transition				<b>Risk Owner</b>	CD SR		<b>Manager</b>	CSD SR Head of Investments
<b>Description</b>	Failure to transition effectively to new pooling arrangements resulting in poorer value for money; lower investment returns; and inability to effectively execute investment strategy.					<b>Risk Group</b>	Change Mgt		<b>Risk Type</b>		
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			Pension Fund Committee involvement in key pooling decisions; NYPF officer involvement in pooling working groups; Periodic reporting of updates to the Pension Fund Committee; further detail behind the plans received; providing updates to the pension board on a quarterly basis around governance; legal advice on behalf on partner funds; pooling briefing provided to members;								
<b>Probability</b>	M	<b>Objectives</b>	M	<b>Financial</b>	H	<b>Services</b>	L	<b>Reputation</b>	H	<b>Category</b>	2
Phase 3 - Risk Reduction Actions											
						<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>	<b>%</b>		
<b>Reduction</b>	44/161 - Consultation with advisors on the implication of pooling and advice on setting up arrangements including sub funds; ongoing fund advice being sought					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/166 - Ensure PFC, Pension Board and employers are kept up to date on pooling progress; pooling update on PFC agenda each quarter; keeping updated through current revised Covid PFC and Board arrangements					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/447 - Ensure that as the sub-funds are set up that we can invest into and the process of transition is developed, NYPF have as much involvement as possible to shape this and ensure that it is suitable for our needs; continue to establish due diligence prior to fund transfer for each asset class					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/553 - Continue to ensure that pooling transitions are made at optimum time to reduce exposure to market volatility and costs impact, especially key given covid related volatility					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/569 - Ensure that PFC continue to be involved in key pooling decisions and informed of transition progress					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1913 - Ensure post pooling go live reporting and information is as required; as and when we move funds the reporting will be checked and monitored					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	M	<b>Objectives</b>	M	<b>Financial</b>	M	<b>Services</b>	L	<b>Reputation</b>	M	<b>Category</b>	4
Phase 5 - Fallback Plan											
									<b>Action Manager</b>		
<b>Fallback Plan</b>	44/567 - No current alternative to pooling							CD SR Head of Investments			

## North Yorkshire Pension Fund – Appendix 7

Risk Register: **May 2021 Review – detailed**  
 Next Review Due: **November 2021**  
 Report Date: **13<sup>th</sup> May 2021 (pw)**

Phase 1 - Identification											
<b>Risk Number</b>	44/207	<b>Risk Title</b>	44/207 - Resources				<b>Risk Owner</b>	CD SR		<b>Manager</b>	CSD SR Head of Investments CSD SR Head of Pensions Administration
<b>Description</b>	Insufficient staffing and system resources to adequately service the needs of the Fund resulting in delays, reduced performance and complaints					<b>Risk Group</b>	Capacity/performance		<b>Risk Type</b>		
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			Recruited to Pension Investment Manager post;								
<b>Probability</b>	H	<b>Objectives</b>	M	<b>Financial</b>	M	<b>Services</b>	M	<b>Reputation</b>	M	<b>Category</b>	2
Phase 3 - Risk Reduction Actions											
								<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>	<b>%</b>
<b>Reduction</b>	44/478 - Assess areas of greatest concern, mapping workload against available resource and engaging with Tech and Change on potential efficiencies from the process mapping exercises, "as is" mapping complete, "to be" and accountancy mapping to do and will continue to work on this as we move through the delivery stage of the new modules that have been procured					CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions		Tue-30-Nov-21		60%	
<b>Reduction</b>	44/479 - Develop plan to deal with identified resource gaps; finance mapping taking place as part of new system implementation					CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions		Tue-30-Nov-21		0%	
<b>Reduction</b>	44/480 - Obtain sign off for any extra resource need identified					CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions		Tue-30-Nov-21		0%	
<b>Reduction</b>	44/589 - Ensure adequate Finance capacity is available to support the Pension Fund					CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions		Tue-30-Nov-21		0%	
<b>Reduction</b>	44/592 - Continue to monitor workload demands to ensure effective resource allocation					CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions		Tue-30-Nov-21		0%	
<b>Reduction</b>	44/595 - Commission third party to undertake the data gathering required for the McCloud Remedy work					CSD SR Head of Pensions Administration		Tue-30-Nov-21		0%	
<b>Reduction</b>	44/1895 - Ensure new system delivers earliest possible realisation of anticipated benefits					CSD SR Head of Pensions SR Senior Accountant Pensions		Tue-30-Nov-21		0%	
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	M	<b>Objectives</b>	M	<b>Financial</b>	M	<b>Services</b>	M	<b>Reputation</b>	L	<b>Category</b>	4

## North Yorkshire Pension Fund – Appendix 7

Risk Register: **May 2021 Review – detailed**  
Next Review Due: **November 2021**  
Report Date: **13<sup>th</sup> May 2021 (pw)**

Phase 5 - Fallback Plan		Action Manager
<b>Fallback Plan</b>	44/553 - Obtain assistance from 3rd party administration provider.	CSD SR Head of Investments CSD SR Head of Pensions Administration

## North Yorkshire Pension Fund – Appendix 7

Risk Register: **May 2021 Review – detailed**  
 Next Review Due: **November 2021**  
 Report Date: **13<sup>th</sup> May 2021 (pw)**

Phase 1 - Identification											
<b>Risk Number</b>	44/8	<b>Risk Title</b>	44/8 - Investment Strategy (including Responsible Investment)				<b>Risk Owner</b>	CD SR	<b>Manager</b>	CSD SR Head of Investments	
<b>Description</b>	Failure of the investment strategy to achieve sufficient returns from investments whilst responding to cash flows needs and maintaining assurances that investments are made in an environmentally and socially responsible manner					<b>Risk Group</b>	Strategic	<b>Risk Type</b>			
Phase 2 - Current Assessment											
<b>Current Control Measures</b>		Strategy reviewed through asset/liability modelling; risk budgeting; experience and knowledge of the market and suitable forms of investment; Member training; Independent Investment Adviser and Consultant reports; PFC workshops and sign off of strategy; regular monitoring of investment performance; fixed income review; impact of MiFID monitored; full review as part of the triennial review; Pool has a Responsible Investment Policy; NYCC strategy statement includes ethical investment policy; Cash Flow Policy; Responsible Investment Policy for NYCC;									
<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	H	<b>Services</b>	L	<b>Reputation</b>	H	<b>Category</b>	3
Phase 3 - Risk Reduction Actions											
							<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>	<b>%</b>	
<b>Reduction</b>	44/571 - Continue to work to the UK stewardship code (currently a Tier 1 signatory to the seven principles) ); need to consider the implications of the changed code as from 2021; guidance received and working towards a July 2021 implementation						CSD SR Senior Accountant Pensions	Sat-31-Jul-21		0%	
<b>Reduction</b>	44/590 - Ongoing monitoring of cash flow position and three year forward projection reports provided to PFC quarterly						CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%	
<b>Reduction</b>	44/591 - Understand impact of alternative investment payment schedules and ensure these are considered in cash flow projections						CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%	
<b>Reduction</b>	44/1876 - Continual review of the investment strategy and implement the recommendations, including consideration of pooling arrangements						CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%	
<b>Reduction</b>	44/1878 - Quarterly monitoring of appropriateness of strategy against prevailing market conditions (including Covid and Brexit)						CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%	
<b>Reduction</b>	44/1879 - Monitor the advisor and consultants reports and act on professional advice – ongoing given covid advice						CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%	
<b>Reduction</b>	44/1909 - Continue with implementation of de-risking options in light of the current positive funding level						CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%	
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	H	<b>Services</b>	L	<b>Reputation</b>	H	<b>Category</b>	3
Phase 5 - Fallback Plan											
										<b>Action Manager</b>	
<b>Fallback Plan</b>	44/430 - Review the strategy and implement changes as necessary based on the forward assessment of financial markets; media management through NYCC press office for any reputational incidents								CSD SR Head of Investments		

## North Yorkshire Pension Fund – Appendix 7

Risk Register: **May 2021 Review – detailed**  
 Next Review Due: **November 2021**  
 Report Date: **13<sup>th</sup> May 2021 (pw)**

Phase 1 - Identification											
<b>Risk Number</b>	44/20	<b>Risk Title</b>	44/20 - Fraud				<b>Risk Owner</b>	CD SR		<b>Manager</b>	CSD SR Head of Pensions Administration CSD SR Head of Investments
<b>Description</b>	Internal and/or external fraud as a result of inappropriate pension administration, investment activity and cash reconciliation results in financial loss, loss of reputation					<b>Risk Group</b>	Pers/Capacity		<b>Risk Type</b>		
Phase 2 - Current Assessment											
<b>Current Control Measures</b>		Internal and external Audit; internal checking and authorisation procedures and levels in both pension section and finance; split between administration and finance; all third parties have regular audits and regulated by FCA; legally binding contracts in place; governance arrangements for the delegation of duties; use of BACS payments; monthly mortality monitoring; participate in National Fraud Initiative									
<b>Probability</b>	L	<b>Objectives</b>	L	<b>Financial</b>	H	<b>Services</b>	L	<b>Reputation</b>	M	<b>Category</b>	3
Phase 3 - Risk Reduction Actions											
						<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>	<b>%</b>		
<b>Reduction</b>	44/572 - Veritau get the output from National Fraud Initiative and pursue any cases of concern for fraud					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/583 - Increase awareness within the teams of potential for pension scams including cash equivalent transfers,					CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1887 - Continually review processes and procedures including authorisation levels; being looked at again as part of the "to be" aspect of the system procurement and development exercise					CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1888 - Ongoing internal audit assessment and annual review by external auditors;					CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1890 - Annual independent external audit of pension fund (separate from County Council) and carry out appropriate recommendations;					CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions	Thu-30-Sep-21		0%		
<b>Reduction</b>	44/1894 - Continue to review external manager audit and risk reports					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	L	<b>Financial</b>	M	<b>Services</b>	L	<b>Reputation</b>	M	<b>Category</b>	5
Phase 5 - Fallback Plan											
						<b>Action Manager</b>					
<b>Fallback Plan</b>	44/434 - Review incident and update procedures/processes accordingly					CSD SR Head of Pensions Administration CSD SR Head of Investments					

## North Yorkshire Pension Fund – Appendix 7

Risk Register: **May 2021 Review – detailed**  
 Next Review Due: **November 2021**  
 Report Date: **13<sup>th</sup> May 2021 (pw)**

Phase 1 - Identification												
<b>Risk Number</b>	44/1	<b>Risk Title</b>	44/1 - Employer Contributions				<b>Risk Owner</b>	CD SR		<b>Manager</b>	CSD SR Head of Pensions Administration	
<b>Description</b>	Failure to maintain sustainability and affordability of employer contributions and ensure those contributions are efficiently collected at the required times					<b>Risk Group</b>	Legislative		<b>Risk Type</b>			
Phase 2 - Current Assessment												
<b>Current Control Measures</b>			Ongoing consultation with Employers; manage the employer contributions through investment strategy; assumptions used in triennial valuation, cost sharing mechanism, funding strategy statement; letter going out advising caution on reductions on future budget position (re not taking payment holiday); Contribution Deferral Policy									
<b>Probability</b>	M	<b>Objectives</b>	M	<b>Financial</b>	M	<b>Services</b>	Nil	<b>Reputation</b>	M	<b>Category</b>	4	
Phase 3 - Risk Reduction Actions												
						<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>	<b>%</b>			
<b>Reduction</b>	44/555 - Work with employers where necessary to find solutions for contribution deferral due to cashflow issues as a direct result of COVID-19 and agree payment schedules to ensure contributions are fully paid by the end of the financial year					CSD SR Head of Pensions Administration	Tue-30-Nov-21		0%			
<b>Reduction</b>	44/573 - Continue to review the employer contributions spreadsheet to seek to improve the chasing of late payments					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%			
<b>Reduction</b>	44/1880 - Maximise investments / returns by implementation of the investment strategy					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%			
Phase 4 - Post Risk Reduction Assessment												
<b>Probability</b>	M	<b>Objectives</b>	M	<b>Financial</b>	M	<b>Services</b>	Nil	<b>Reputation</b>	M	<b>Category</b>	4	
Phase 5 - Fallback Plan												
								<b>Action Manager</b>				
<b>Fallback Plan</b>	44/428 - Increased contribution rate from employers and/or extend recovery period							CSD SR Head of Pensions Administration CSD SR Head of Investments				

## North Yorkshire Pension Fund – Appendix 7

Risk Register: **May 2021 Review – detailed**  
 Next Review Due: **November 2021**  
 Report Date: **13<sup>th</sup> May 2021 (pw)**

Phase 1 - Identification											
<b>Risk Number</b>	44/16	<b>Risk Title</b>	44/16 - Key Personnel				<b>Risk Owner</b>	CD SR	<b>Manager</b>	CSD SR Head of Investments CSD SR Head of Pensions Administration	
<b>Description</b>	Loss and unavailability of key personnel, leading to potential knowledge gaps and delays to provision of advice as new personnel take on key roles resulting in reduced performance and complaints.					<b>Risk Group</b>	Capacity/performance	<b>Risk Type</b>			
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			Procedure notes; knowledge sharing; file management; deputies; co-operation between departments; pensions management meetings; comprehensive training matrix; PFC action notes; professional advisors; increase resources agreed in finance team; Joint Head of Pension Fund Investments appointed; carried out introduction to LGPS for PFC and Board members 2021;								
<b>Probability</b>	M	<b>Objectives</b>	M	<b>Financial</b>	L	<b>Services</b>	M	<b>Reputation</b>	M	<b>Category</b>	4
Phase 3 - Risk Reduction Actions											
							<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>	<b>%</b>	
<b>Reduction</b>	44/589 - Ensure adequate Finance capacity is available to support the Pension Fund						CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%	
<b>Reduction</b>	44/1905 - Continue to build resilience, particularly at Senior Accountant level, to meet current and anticipated future demands and complexity, accountant in place						CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%	
<b>Reduction</b>	44/1907 - Carry out appropriate induction and ongoing training for new PFC and Pension Board members;						CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%	
<b>Reduction</b>	44/1908 - Ensure inclusion of key personnel with relevant external advisers or feedback from such meetings/telephone calls (on going)						CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%	
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	L	<b>Services</b>	M	<b>Reputation</b>	M	<b>Category</b>	5
Phase 5 - Fallback Plan											
										<b>Action Manager</b>	
<b>Fallback Plan</b>	44/441 - Identify temporary cover arrangements plus additional resources where required								CSD SR Head of Investments CSD SR Head of Pensions Administration		



## North Yorkshire Pension Fund – Appendix 7

Risk Register: **May 2021 Review – detailed**  
 Next Review Due: **November 2021**  
 Report Date: **13<sup>th</sup> May 2021 (pw)**

Phase 1 - Identification											
<b>Risk Number</b>	44/11	<b>Risk Title</b>	44/11 - Benefit Payments				<b>Risk Owner</b>	CD SR		<b>Manager</b>	CSD SR Head of Pensions Administration
<b>Description</b>	Incorrect/late benefits and payments to members resulting in criticism, customer dissatisfaction, under/over payments					<b>Risk Group</b>	Performance		<b>Risk Type</b>		
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			Up to date procedures and procedural checking; pension software up to date; workflow system; authorisation procedures; pro formas; staff training; audit trail; internal and external audits; Pensions Administration Strategy; Manuals available for calculation procedure; action plan for clean data requirements; use of task checklists; ESS; payment timetable flowchart; new system process mapping completed								
<b>Probability</b>	M	<b>Objectives</b>	L	<b>Financial</b>	L	<b>Services</b>	L	<b>Reputation</b>	M	<b>Category</b>	4
Phase 3 - Risk Reduction Actions											
						<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>	<b>%</b>		
<b>Reduction</b>	44/593 - Roll out the monthly online returns					CSD SR Head of Pensions Administration	Thu-31-Mar-22		40%		
<b>Reduction</b>	44/1893 - Improved communication with employers, with particular regard to customer expectations; supported by the employer relationship role created in the team					CSD SR Head of Pensions Administration	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1896 - Regular liaison with ESS regarding operational arrangements; ongoing via employer relationship role					CSD SR Head of Pensions Administration	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1911 - Continue to implement the plans for the managed reduction of outstanding work					CSD SR Head of Pensions Administration	Tue-30-Nov-21		0%		
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	L	<b>Financial</b>	L	<b>Services</b>	L	<b>Reputation</b>	M	<b>Category</b>	5
Phase 5 - Fallback Plan											
<b>Fallback Plan</b>	44/435 - Correct errors and review and amend existing procedures							<b>Action Manager</b>			
								CSD SR Head of Pensions Administration			

## North Yorkshire Pension Fund – Appendix 7

Risk Register: **May 2021 Review – detailed**  
 Next Review Due: **November 2021**  
 Report Date: **13<sup>th</sup> May 2021 (pw)**

Phase 1 - Identification											
<b>Risk Number</b>	44/10	<b>Risk Title</b>	44/10 - Regulations and Legislation				<b>Risk Owner</b>	CD SR		<b>Manager</b>	CSD SR Head of Pensions Administration
<b>Description</b>	LGPS Regulations and Employer Related Legislation not interpreted and implemented correctly resulting in legal challenge					<b>Risk Group</b>	Performance		<b>Risk Type</b>		
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			Specialist knowledge; designated members of staff; regular updates & comms with CLG; LGPC; Actuarial advice; Employers Forums; NEPOF; section training by specialist staff; specialist software; advice on calculations interpretations; investment mgt agreement; awareness of overriding legislation; broadening of knowledge across MT; LGE advice; nat. technical pension group provide advice; Trustees knowledge and understanding toolkit; Pensions Administration team structure reviewed; training feedback received in order to continually strengthen understanding; GDPR advice and training sessions; mandatory GDPR training for asset owners; impact of MiFID monitored								
<b>Probability</b>	M	<b>Objectives</b>	L	<b>Financial</b>	L	<b>Services</b>	L	<b>Reputation</b>	L	<b>Category</b>	5
Phase 3 - Risk Reduction Actions											
						<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>	<b>%</b>		
<b>Reduction</b>	44/157 - Implementation of staff training programme training schedule created					CSD SR Head of Pensions Administration	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/589 - Ensure adequate Finance capacity is available to support the Pension Fund					CSD SR Head of Pensions Administration CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1910 - Continue to promote cross skilling within the section to improve resilience;					CSD SR Head of Pensions Administration	Tue-30-Nov-21		0%		
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	M	<b>Objectives</b>	L	<b>Financial</b>	L	<b>Services</b>	L	<b>Reputation</b>	L	<b>Category</b>	5
Phase 5 - Fallback Plan											
						<b>Action Manager</b>					
<b>Fallback Plan</b>	44/437 - Review existing interpretations, take legal advice and amend procedures as required						CSD SR Head of Investments CSD SR Head of Pensions Administration				

## North Yorkshire Pension Fund – Appendix 7

Risk Register: **May 2021 Review – detailed**  
 Next Review Due: **November 2021**  
 Report Date: **13<sup>th</sup> May 2021 (pw)**

Phase 1 - Identification											
<b>Risk Number</b>	44/14	<b>Risk Title</b>	44/14 - IT Systems				<b>Risk Owner</b>	CD SR	<b>Manager</b>	CSD SR Head of Pensions Administration	
<b>Description</b>	Failure of the physical or digital security of the Pension IT system leaving it vulnerable to downtime or cyber crime attack (includes other IT systems on which pensions rely if affected for more than 2 days or at a critical time) resulting in financial loss, backlog, incorrect payments, increased overtime, criticism					<b>Risk Group</b>	Technological	<b>Risk Type</b>			
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			Manual payments, DR plan and tested, contracts for server maintenance, backups off site, major external providers have DR plans, manual calculation procedures, administration manuals, annual financial check, contingency plan in place, modern council; modern council working to aid resilience, mandatory training, tech and change security policies in place.								
<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	L	<b>Services</b>	M	<b>Reputation</b>	M	<b>Category</b>	5
Phase 3 - Risk Reduction Actions											
							<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>	<b>%</b>	
<b>Reduction</b>	44/477 - Ensure business continuity and system resilience matters are appropriately considered with the procurement exercise for the pension system development						CSD SR Head of Pensions Administration	Tue-30-Nov-21		0%	
<b>Reduction</b>	44/594 - Ensure cyber security staff training is up to date and that key messages on threats etc are distributed and discussed						CSD SR Head of Pensions Administration	Tue-30-Nov-21		0%	
<b>Reduction</b>	44/1884 - Ensure that contingency planning arrangements are regularly reviewed and updates logged on the corporate system; running with contingency arrangements through Covid situation						CSD SR Head of Pensions Administration	Tue-30-Nov-21		0%	
<b>Reduction</b>	44/1898 - Sense check any IT recovery assumptions with Tech & Change						CSD SR Head of Pensions Administration	Tue-30-Nov-21		0%	
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	L	<b>Services</b>	M	<b>Reputation</b>	M	<b>Category</b>	5
Phase 5 - Fallback Plan											
<b>Fallback Plan</b>	44/433 - Recourse to manual calculations and payments, Liaise with software provider to restore system, find alternative supplier							<b>Action Manager</b>			
								CSD SR Head of Pensions Administration			

## North Yorkshire Pension Fund – Appendix 7

Risk Register: **May 2021 Review – detailed**  
 Next Review Due: **November 2021**  
 Report Date: **13<sup>th</sup> May 2021 (pw)**

Phase 1 - Identification											
<b>Risk Number</b>	44/7	<b>Risk Title</b>	44/7 - Investment Manager				<b>Risk Owner</b>	CD SR		<b>Manager</b>	CSD SR Head of Investments
<b>Description</b>	Failure of a pension fund investment manager to meet adequate performance levels resulting in reduced financial returns, re-tendering exercise					<b>Risk Group</b>	Performance		<b>Risk Type</b>		
Phase 2 - Current Assessment											
<b>Current Control Measures</b>			Qrtly review of investment mgr targets; std terms and conds re termination of contract; ext advisers monitor mgrs perf; qrtly repts to Pension Fund Comm; benchmarking against other approp comparators; investment strategy review; risk budgeting exercise via Aon; reporting by Custodian; fund mgr attend at PFC; Member training; best practice procurement process; diversified portfolio of investments;								
<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	M	<b>Services</b>	L	<b>Reputation</b>	L	<b>Category</b>	5
Phase 3 - Risk Reduction Actions											
						<b>Action Manager</b>	<b>Action by</b>	<b>Completed</b>	<b>%</b>		
<b>Reduction</b>	44/574 - Closer monitoring of the managers where NYCC only funds are being reduced / removed.					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1873 - Continue to monitor and report on investment returns on a regular basis					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1874 - Continue to meet/report to PFC by Fund Managers and assess critical analysis by advisers					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1875 - When pool options are unavailable, carry out a tender exercise and use best practice procurement process to ensure positive outcome re new investment manager(s)					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
<b>Reduction</b>	44/1913 - Ensure post pooling go live reporting and information is as required; as and when we move funds the reporting will be checked and monitored					CSD SR Senior Accountant Pensions	Tue-30-Nov-21		0%		
Phase 4 - Post Risk Reduction Assessment											
<b>Probability</b>	L	<b>Objectives</b>	M	<b>Financial</b>	M	<b>Services</b>	L	<b>Reputation</b>	L	<b>Category</b>	5
Phase 5 - Fallback Plan											
						<b>Action Manager</b>					
<b>Fallback Plan</b>	44/429 - Change Fund Manager and redistribute funds, potentially transfer to temporary passive Fund Manager						CSD SR Head of Investments				