

## **Appendix 2: changes to the risk management policy**

### **1. Document information**

- Amended review frequency to annual (from every three years)

### **4. Aims and Objectives**

- Inclusion of “advisers” in second bullet point.
- Addition of new bullet point: “improve the financial management of the fund”.
- Inclusion of “threats” in fourth bullet point.

### **6. Appetite for risk**

- Inclusion of a new bullet point under section 6.2: to ensure risks “are fully understood and taken into account in making decisions linked to any new areas of activity (new investment strategies, joint working, framework agreements etc.)”.

### **7. Risk management process**

#### **Identification:**

- Inclusion of a new bullet point: “risk assessment awareness exercises provided to the Pension Fund Committee, Local Pension Board and senior Fund officers.”
- Inclusion of “business plan” in penultimate bullet point.

#### **Analysis and evaluation**

- Section title amended to include “evaluation”.
- Paragraph 7.8 amended to include reporting requirement.

#### **Classification**

- Definition of “very high (very severe)” risks amended to include service disruption, financial losses and adverse media coverage.
- New paragraph 7.11 describing “likelihood” assessment criteria.

#### **Control**

- New sentence setting out the responsibilities of the fund’s section 15 officer with regard to risk management.

### **8. Reporting**

- Paragraph 8.2 amended to “serious risks (for example, scored 12 or more)” to ensure consistency with previously included scoring matrix.

### **10. Approval and review**

- Amended review frequency to annual (from every three years).

### **11. Related documents**

- Added Isle of Wight Council Risk Management Framework
- Reformatted to include hyperlinks to published documents.