

| Risk Ref. | Risk Description | Risk Owner | Inherent Risk | | | | | | Control actions | Action by whom | Residual risk | | | | | | Reviewed on |
|-----------|---|---------------------|---------------|---------|-------|-------|--------|------------------|---|---------------------|---------------|---------|-------|-------|--------|------------------|-------------|
| | | | Impact | | | | | Total risk score | | | Impact | | | | | Total risk score | |
| | | | Fin | Service | Rep'n | Total | Likely | | | | Fin | Service | Rep'n | Total | Likely | | |
| F1 | Incorrect data due to employer error, user error or historic error leads to service disruption e.g. incorrect annual benefits statements being processes. Data not secure or appropriately maintained. | SW | 2 | 4 | 5 | 11 | 2 | 22 | TREAT 1) Implementation and monitoring of a Data Improvement Plan by the pension administration team. 2) The Board will be made aware of the 2020 data scores. The service will work with Pensions Admin on improving the data in the system and make recommendations. | TL/CC | 2 | 3 | 3 | 8 | 2 | 16 | Jul-21 |
| F2 | Risk of manual intervention in administration reporting. No manual intervention day to day outside of the project e.g. Miskey errors. | SW | 2 | 4 | 2 | 8 | 3 | 24 | TREAT 1) Automated extraction of data where viable and agreed process for audit assurance. | TL/CC | 2 | 3 | 2 | 7 | 3 | 21 | Jul-21 |
| F4 | Failure to communicate adequately and timely with scheme members | LS/RT | 2 | 4 | 4 | 10 | 3 | 30 | TREAT 1) Ensure the website is updated, that newsletters are published and annual benefit statements when due to be communicated. 2) Develop a COMMS strategy for scheme members in relation to scheme changes 3) Pensions SharePoint Site 4) Pension Admin to send out ABS 5) Communicated with Members the new LGA pensions website | LS/Pension Admin/MS | 2 | 4 | 4 | 10 | 2 | 20 | Jul-21 |
| F5 | Failure to recognise and manage conflicts of interests of Board members | Dem serv/LFPB Chair | 1 | 1 | 5 | 7 | 3 | 21 | TREAT 1) Declaration of interests at the beginning of each meeting. | Dem serv | 1 | 1 | 5 | 7 | 1 | 7 | Jul-21 |
| F6 | LFPB Policies and strategies not in place or reviewed. | LFPB Chair | 2 | 2 | 3 | 7 | 3 | 21 | TREAT 1) Reviewed by the Board 2) Ensure roles and responsibilities are clarified. | LFPB | 2 | 2 | 3 | 7 | 2 | 14 | Jul-21 |
| F8 | The lack of available skilled resources coupled with the absence of a coordinated training plan to address knowledge gaps, results in inefficiencies in Pension Admin. | SW | 3 | 4 | 4 | 11 | 3 | 33 | TREAT 1) Project underway to transfer pension administration to a third party. expected transfer date is September 2021. 2) Migration to XPS who do have this knowledge will continue to process key cases using the 2 bank staff we have retained to work on fire. 3) Recruitment underway within the Service for a Senior Pension Advisor and Project Support Officer | CC/TL | 3 | 4 | 4 | 11 | 3 | 33 | Jul-21 |
| F9 | Failure to administer the scheme in line with regulations and policies, compliance towards regulations and assurances need to be built in to ensure the pension scheme is administered in line with current in force regulation and policy. | SW | 2 | 2 | 4 | 8 | 4 | 32 | TREAT 1) Up to date knowledge through various sources such as SAB and the LGA. Up to date training. Attendance at regional fire administrator working groups. Information on the scheme is held on the Firefighters website. 2) Through strong governance arrangements and the active reporting of issues, seek to report all breaches as soon as they occur in order to allow mitigating actions to take place to limit the impact of any breaches. 3) LGA local pension training undertaken on 17/03/2021 4) Training log in place and TPR toolkit completed by all Board Members | CC/TL | 2 | 2 | 4 | 8 | 2 | 16 | Jul-21 |
| F9i | Failure to notify staff of the Modified Pension Scheme means the employer and employee has to collect contributions and make contribution shortfalls. | SW | 3 | 2 | 4 | 9 | 4 | 36 | TREAT 1) Officers to report to the Board. 2) Legal advice has been received. Contact has been made with members. 3) Awaiting further communications regarding second options exercise. 4) Letters have gone out to members who returned an expression of interest form and to those that did not respond. Response deadline December 2021. | TL/CC | 3 | 2 | 4 | 9 | 4 | 36 | Jul-21 |

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| F10 | Gaps in skills and knowledge of Board members to adequately make decisions, provide assurance and to scrutinise the efficiency of the SFRS Pension Schemes. | LFPB Chair | 2 | 3 | 3 | 8 | 3 | 24 | TREAT 1) Members of the Board will be mindful of the Attendance and Knowledge and Understanding Policy when setting objectives and establishing training needs. 2) The board has approval from Audit and Governance committee to establish substitutes. 3) All board members to attend LGA provided training. 4) Training log in place and all members have completed TPR toolkit for Board Members | LFPB | 2 | 3 | 3 | 8 | 2 | 16 | Jul-21 |
| F11 | Inability to respond to a significant event leads to prolonged service disruption and damage to reputation. | SW | 3 | 3 | 3 | 9 | 3 | 27 | TREAT 1) Disaster recover plan in place 2) Ensure system security and data security is in place 3) Business continuity plans regularly reviewed, communicated and tested 4) Assess compliance with the Government's National Cyber Security Strategy 2016-2021 | CC/TL | 3 | 3 | 3 | 9 | 1 | 9 | Jul-21 |
| F16 | Workforce Reform leads to changes within our working arrangements without consideration of the pensions implications | SW | 3 | 3 | 2 | 8 | 3 | 24 | TREAT 1) Regular monitoring by the scheme manager 2) Regular discussion at Assurance and Transformation SLT meetings 3) Scheme Manager added to the Workforce Working Group attendees 4) JCCN meetings are in place for escalating concerns not resolved through internal governance. | SW | 3 | 3 | 2 | 8 | 2 | 16 | Jul-21 |
| F21 | Moving out of County Hall could adversely affect team morale as majority of the staff are within a few miles of County Hall. A move to an office further away may result in employees finding jobs elsewhere to minimise the commute. Resulting in: - Significant loss of skilled and experience staff. | TL/CC | 2 | 3 | 3 | 8 | 3 | 24 | TREAT 1) Pensions admin exploring other arrangements. 2) Engage with staff early and to understand their concerns which should be fed into the consideration of new location. 3) Following the recent closure of County Hall, Kingston the Pensions Team have temporary accommodation at Fairmount House in Leatherhead. The majority of the team are continuing to work from home, however we do have staff going to the office twice a week to open, scan and index post. In late Summer 2021, the Pensions Team will move to their permanent new location of Dakota. This building will only allow for 60% capacity so we are currently planning what attendance in the office will look like in the future. | TL/CC | 2 | 3 | 3 | 8 | 2 | 16 | Mar-21 |
| F23 | Pension administration service disrupted due to Covid 19. A number of staff may be off work due to the virus and there is also an impact on the productivity due to prolonged working from home without sufficient support. | TL/CC | 2 | 4 | 3 | 9 | 3 | 27 | TREAT: 1) Encourage working from home where it is possible and providing appropriate guidance to help individuals to work effectively. 2) Encourage cross training where it is possible. 3) Using secure email, instead of sending out letters. | SW/TL/CC/NM | 1 | 3 | 2 | 6 | 3 | 18 | Jul-21 |
| F24 | Failure to respond to legal advice for staff of the 10% pensionable pay allowances. There is a risk the employer may not collect all contributions due. | SW | 2 | 2 | 4 | 8 | 4 | 32 | TREAT 1) Officers to report to the Board. 2) Legal advice has been received. Contact has been made with members. 3) Letters going to Fire Services to communicate with members who have transferred out. 4) Members that are currently in receipt of the 10% allowance are now making regular contributions. 5) Letters being finalised to go out to Members. | SW | 2 | 2 | 4 | 8 | 4 | 32 | Jul-21 |

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| F25 | Following the European Court of Justice's decision in O'Brien v Ministry of Justice which is a case concerning fee paid judges in the Judicial Pension Scheme, the UK Government have recognised the right for retained firefighters employed before 1 July 2000 to elect to become a special member from the start date of their employment. A second options exercise will require additional resources which are limited. | SW | | 2 | 2 | 4 | 8 | 4 | 32 | <p>TREAT:</p> <p>1) A second options exercise is required, for which legal discussions have commenced between central government, the LGA on behalf of FRAs and trade union legal representatives to consider who is in scope and the details of the settlement exercise.</p> <p>2)The most recent LGA Factsheet relating to this case stated that regulations for England will be drafted and consulted on following the conclusion of the legal discussions. It is expected further regulations and consultations for the devolved governments will follow later. No timescales are known at this stage.</p> <p>3) It is likely that the options exercise will be undertaken post a decision on future pension administration services. The scope of the activity will be considered as more information becomes available.</p> | SW/TL/CC/NM | | 2 | 2 | 4 | 8 | 4 | 32 | Jul-21 |
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