

Risk Ref.	Risk Description	Risk Owner	Inherent Risk					Total risk score	Control actions	Action by whom	Residual risk					Reviewed on																
			Impact								Total risk score	Impact																				
			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							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. 3) When the PSS' were issued late in January 2022 it came to light that the salary information that had been provided to XPS was incorrect. Meetings have taken place to resolve the error. 4) Salary information has been compiled SCC and is ready for a cross analysis to the data held by XPS.	PJ/CP & XPS								22	3	3	2	8	2	16	Nov-22							
F4	Failure to communicate adequately and timely with scheme members	CP/PJ							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 Administrators to send out ABS 5) Communicated with Members the new LGA pensions website 6) Members self-service	PJ / CP								2	4	4	10	3	30	2	3	4	9	1	9	Nov-22		
F6	LFPB Policies and strategies not in place or reviewed.	LFPB Chair							TREAT 1) Reviewed by the Board 2) Ensure roles and responsibilities are clarified. 3) An overriding pension policy has been created and will be made live shortly on SharePoint	LFPB								2	2	3	7	3	21	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							TREAT 1) Project has completed to transfer pension administration to a third party. 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 has completed and a Senior Pension Advisor and Project Support Officer have now joined the Service. 4) Probable resourcing issues with McCloud and the Modified Scheme legislation both being implemented at the same time. Resource needs to be identified for both of these projects. A business case has been confirmed to recruit a new member to the team to assist with the admin in the team. 5) Training is also taking place with the Subject Matter Experts to improve the knowledge of pensions within the team.	XPS / PJ / CP										3	4	4	11	3	33	3	3	2	8	2	16	Nov-22
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							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 29/03/2022 4) Training log in place and TPR toolkit completed by all Board Members	SW / PJ / CP										2	2	4	8	4	32	2	2	1	5	2	10	Nov-22

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. 4) An update from the Home Office and LGA have confirmed it is likely the modified scheme will open via the second options exercise in October 2023. The affected members have been notified of this update.	SW / PJ / CP		3	3	3	9	2	18	Nov-22
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.  There will be a new employer member joining the Board who will require additional training to increase their knowledge.	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 5) Training packs to be sent to new board member and support to be provided by the wider Board and pensions team to increase their knowledge.	LFPB		2	2	3	7	2	14	Jul-22
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	SW / PJ / CP		3	3	3	9	1	9	Jul-22
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		2	2	2	6	1	6	Nov 22
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 and will be sent out once the discussions with the FBU have been finalised. 6) the 10% project has recommenced and it is hoped members from Priority group 2 onwards, will be contacted shortly.	SW		2	2	3	7	3	21	Nov-22

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	TREAT: 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. 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. 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. 4) The second options exercise is unlikely to be opened until October 2023. Communications to members to be sent out. The second options exercise will be affecting	SW / PJ / CP						3	3	3	9	3	27	Nov-22
F28	Failure to hold personal data securely.	SW						1	1	4	6	2	12	TREAT- 1) Information security was identified as a possible risk by XPS in their Assurance Report on Internal Controls (2022). Controls were detailed in the document, and the auditor did not feel further measures could be taken at present. 2) A Certificate of Assurance was submitted to SFRS in June 2022 to confirm XPS complies with the requirements of the cyber essential plus scheme. 3) All files shared between SFRS and XPS Administration are sent securely via the XPS file sharing portal. All files sent to SFRS from XPS are password protected. 4) Paperwork submitted to SFRS is scanned and saved onto the server. Hard copies are destroyed via the confidential shredding service. 5) SCC IT data security policy adhered to where applicable	SW						1	1	4	6	2	12	Nov-22
F29	With pension administration now sitting with a third party administrator, there are still BAU work and additional projects to be completed by a in-house team. Without the resource in place this could: 1. Delay delivery of project work 2. Have knock on effect on BAU including New Starters, Leavers, Transfers in, pensionable pay information, year end submission for annual benefit statements, as resources could be diverted to project work  Additionally, expertise and knowledge lies with Bank staff. If they leave there will not be an opportunity to pass on this knowledge which may impact the exit process and value and efficiency of the service going forward	TL/CC						2	3	2	7	2	14	TREAT- 1) If Bank Staff leave the Service significant knowledge of the firefighters pensions will be lost, at present no process in place for the transfer of knowledge. 2) Identify and prioritise project work vs BAU work to ensure maximum value achieved utilising existing limited resource 3) A business case has been implemented for two team members to have their Bank contracts extended to allow for priority projects to be completed and transfer of knowledge. 4) Initial discussions have taken place to transfer the knowledge to the newer team members. 5) The first session has taken place for the transfer of knowledge to take place. Further topics will be discussed in the coming weeks.	SW / PJ / CP						2	3	2	7	2	14	Nov-22

F30	Business Operations have raised a risk in respect of Transfer to third party administrator. The change comes right at the heart of the testing programme for Unit 4/DB&I delivery. With a SAP freeze in place because of the DB&I programme it is going to be very challenging to design/test/deliver reporting for the new provider for 1 Aug AND design/test/deliver it again for the Unit 4 system in time to go-live with that system in December. There is not the resource to do this.	Bus Ops		2	2	3	7	4	28	TREAT- 1 )Had a meeting with business ops on 22 February 2021. Outcome was agreement to look into an annual data submission in March which would allow for new system to be in place and reports built. 2) Year end data was sent to XPS by end of April 2022. The GL mapping has been finalised. 3) A 'go -live' date has not yet been confirmed by SCC and it is not estimated to be live before the end of 2022. Once Unit 4 is in use, monthly data transfers with XPS will be able to take place via i-connect.	PJ		1	1	4	6	2	12	Nov-22
F32	Modified scheme.  Communications have been sent to affected members to provide a further opportunity for those who did not respond to previous mailing to confirm if they want further information on the second option to join the modified scheme. However there have been no further updates from the Government as to when the scheme will reopen. This may cause members further and prolonged frustrations.	SW / PJ / CP	2	4	5	11	3	33	TREAT 1) Open and transparent communications are to be sent regularly to keep affected members up to date. 2) Update from the Government has been received in March 2022 as to when the second options exercise will open (October 2023). Calculations cannot be finalised as there are a number of standard assumptions which the Home Office need to confirm first. It is unknown as to when the standard assumptions will be completed and shared to FRA's.	SW / PJ / CP	2	3	3	8	3	24	Nov-22		
F33	10% Project  As part of this project, SFRS will be required to pay contributions to the pension pot for members pensions in relation to the 10% allowance the member received at the time of employment which we were not previously pensionable. SFRS will also need to pay members additional amounts in terms of lump sums and pension arrears. It is not yet known if this will be covered by the pension top up grant received each year. Additionally there may also be Unauthorised Payment Charges or tax contributions which the Service will be required to pay due to the length of time which has passed since the original lump sums were paid and also the amount of the lump sum.	SW / AT		2	3	4	9	3	27	TREAT 1) Andy Tink to be informed and guidance to be sought from him 2) Monitoring of the costs involved as the calculations are being completed 3) Plan to knowledge transfer from SME's to pension team staff or even consider if a business case for a new team member is required 4) A budget has been created to identify how much the costs are for the project and is updated as the calculations for each priority group are finalised. Legal advice is required to confirm the tax needed for the pension arrears lump sum. This has been requested from Weightmans. 5) Legal advice has been received and the Service are now happy with their position. The project is due to recommence shortly. Pension arrears and pension lump sums will be liable for unauthorised payment charges and surcharges.	AT / PJ / CP		2	2	3	7	3	21	Nov-22

F34	Pension Team Planning  Currently there are two Subject Matter Experts who are not only working on the 10% project but who are also completing some of the employer BAU processes and are the link between payroll and XPS. Should the SME wish to not continue in their roles after the 10% project has completed there will be a significant lack of knowledge for further work such as modified to commence in house or new team members will need to be recruited to complete BAU tasks.	SW						2	3	3	8	3	24	TREAT: 1) It has been confirmed by the Scheme Manager that SAP access can be requested so remaining members of the pension team can access pay details if needed 2) Bank staff to provide training before leaving 3) The tasks completed by the Bank staff is listed so training can be directed as required. 4) Sap access has now been provided for the wider pensions team and training will commence to allow all team members to participate in BAU work.	SW							2	3	2	7	2	14	Nov-22	
F35	Delays to Government progress of key projects  It was expected in January 2022 onwards for updates to be provided by the government (Home Office & Her Majesty's Treasury) for updates around the McCloud and Matthews/O'Brien projects. Unfortunately there has been little movement throughout 2022 and the updates provided means further work cannot be completed. Furthermore we have received insights from the LGA that significant progress will not be possible until Q3 or Q4 of 2023.	SW						2	4	4	10	3	30	TREAT: 1) The pensions project team continue to read the latest guidance and attend LGA coffee mornings where further information on these projects could be gained. 2) The team are also sending communications at appropriate intervals to ensure members are kept up to date and key messages remain transparent.	SW								2	3	3	8	3	24	Jul-22
F36	Unknown financial costs to implement the Modified Scheme. - The standard assumptions have not yet been disclosed to the Fire Sector. - Employee contributions could date back as far as the 1960s.	SW						4	3	4	11	3	33	TREAT: 1) The Service will be able to undertake preliminary work such as identifying those in scope, data cleansing, identifying access to legacy systems etc. This has not yet started. 2) Calculations cannot be carried out until legislation has been implemented in September 2023.	SW / PJ								4	3	3	10	3	30	Nov-22

F37	<p>Incorrect pensionable pay and salary details submitted to XPS.</p> <p>After the Pension Saving Statements (PSS) were sent out late in January 2022, XPS were made aware from some of our members that their pay information was incorrect. The Service has been working with XPS on this to understand where the discrepancies between the salaries and pensionable pay of these members originated from.</p> <p>For the ten members who were sent PSS, the incorrect salary information may mean they have incurred annual allowance charges which need to be paid and reported. The members have until end of July to confirm if they would like to utilise the scheme pays option. This is a complex matter and there are concerns the revised PSS' may not be sent to members in time.</p> <p>Additionally, from looking into the data, it seems the incorrect salary information is not isolated to these ten members and will affect all our members. This will also have an impact for all members to calculate their pension accurately.</p> <p>Investigations are underway to resolve this.</p>	SW	2	2	3	7	2	14	<p>TREAT:</p> <p>1) The Senior Finance Partner has carried out a labour intensive exercise and has reviewed the salary information available to try and identify the root cause of why there are discrepancies in the salary data.</p> <p>2) It has been identified that certain firefighter allowances had been included to salaries in some financial years, but not all financial years, among other issues.</p> <p>3) The priority list (those who received PSS') has now been compiled and completed and that data has been provided to XPS who can now recalculate the PSS'.</p> <p>4) Regular meetings have taken place to try and resolve this issue and should members have an annual allowance charge, they have until 31st July 2022 to utilise the 'scheme pays' method, should members wish to do so. Otherwise members may/will have to pay for the annual allowance charges themselves.</p> <p>5) An extensive review regarding has now been completed. There were no errors with the pensionable pay data in relation to the FPS 2015 scheme yet the salary information was inconsistent in relation to the FPS 1992 scheme due to the inclusion of CPD payments. A detailed spreadsheet was submitted to XPS so it could be understood where CPD payments were or were not included in pensionable pay.</p>	SW / PJ	2	2	3	7	2	14	Nov-22
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