

Risk ID	Risk Title	Risk Area	Risk sub-ID	Original Risk Number	Causes	Effect	Risk Owner	Likelihood (1-5)	Impact (1-5)	Overall Score	Key Existing Management Controls	Planned Enhancements to Controls (Actions)	Action by Whom	Target Review Date
1	Data Management		1A	F1	Incorrect data due to employer error, user error or historic error.	Service disruption such as incorrect annual benefits statements being processed. Data not secure or appropriately maintained.	Scheme Manager	2	3	6	TREAT/TOLERATE 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.		Senior Pensions Advisor / Pensions Project Officer & XPS	Jan-23
1	Data Management		1B	F28	Failure to hold personal data securely	Data is shared with unauthorised parties or can be targeted by cyber criminals	Scheme Manager				TREAT/TOLERATE 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) XPS submitted a Certificate of Assurance to SFRS in June 2022 to confirm they comply 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.		Scheme Manager	Jan-23
2	General Member Communications		2A	F4	Failure to communicate adequately and timely with scheme members		Senior Pensions Advisor / Pensions Project Officer	1	2	2	TREAT/TOLERATE 1) Develop a communications strategy for scheme members in relation to scheme changes and updates. 2) Update the pensions SharePoint Site. 3) Pension Administrators to send out ABS and PSS. 4) Communicate to members the new LGA pensions website. 5) Members self-service portal available from XPS. 6) Send regular communications and updates via SFRS News.		Senior Pensions Advisor / Pensions Project Officer	Jan-23
3	Policies		3A	F6	LFPB Policies and strategies not in place or reviewed.		LFPB Chair	1	2	2	TREAT/TOLERATE 1) Reviewed by the Board 2) Ensure roles and responsibilities are clarified. 3) An overriding pension policy has been created and is available on SharePoint.		Local Firefighter Pension Board	Jan-23

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4	Governance & Compliance		4A	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.		Scheme Manager	1	2	2	TREAT/TOLERATE 1) Update Pensions Team's knowledge through various sources such as SAB and the LGA. 2) Ensure team training is up to date. 3) Pensions Team to attend and regional fire administrator working groups. 4) 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.		Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	Jan-23
			4B	F11	Inability to respond to a significant event.	Prolonged service disruption and damage to reputation.	Scheme Manager				TREAT/TOLERATE 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.		Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	Jan-23
5	Pensions Team Skills and Team Resourcing		5A	F8	The lack of available skilled resources coupled with the absence of a coordinated training plan to address knowledge gaps.	Inefficiencies in Pension Admin	Scheme Manager	3	4	12	TREAT/TOLERATE 1) Administration was transferred to a third party in 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) 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. 4) Training is also taking place with the Subject Matter Experts to improve the knowledge of pensions within the team.		Senior Pensions Advisor / Pensions Project Officer & XPS	Jan-23
			5B	F29	Expertise and knowledge lies with Bank staff.	If the Bank staff leave unexpectedly there will not be an opportunity to pass on their knowledge which may impact the exit process and value and efficiency of the service going forward	Scheme Manager				TREAT/TOLERATE 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) Initial discussions have taken place to transfer the knowledge to the newer team members. 3) The first session has taken place for the transfer of knowledge to take place particularly in relation to BAU tasks. Further topics will be discussed in the coming weeks. 4) 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. This is now in place. 5) Bank staff to provide training before leaving. 6) The tasks completed by the Bank staff is listed so training can be directed as required.	Access to SAP pay data to be granted to Pensions Team staff	Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	Jan-23

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6	Software		6A	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	1	2	TREAT/TOLERATE 1) Meeting took place with business ops on 22 February 2021. Outcome was agreement to look into an annual data submission in March 2022 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 for the new system 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. 4) Further discussions need to take place with XPS once Unit 4 is live to ensure data can be transferred seamlessly and whether year end reporting is still required. 5) This risk is to be updated once the Unit 4 'go-live' date has been confirmed.		Senior Pensions Advisor	Jan-23
7	Pension Board		7A	F10	Gaps in skills and knowledge of Board members	Board will be unable to adequately make decisions, provide assurance and to scrutinise the efficiency of the SFRS Pension Schemes.	LFPB Chair	2	2	4	TREAT/TOLERATE 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 annual training provided by the LGA. The last session took place on 29/03/22 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. 6) A new employer member joined the Board in July 2022 and was provided with the relevant details of the TPR toolkit for Board Members.	1) LGA training due to take place in April 2023 for LFPB and pensions team members	Local Firefighter Pension Board	Jan-23

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8	10% Day Related Flexible Hours Allowance and Variable Crewing Hours Allowance		8A	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.	Scheme Manager	3	3	9	TREAT/TOLERATE 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.		Scheme Manager	Jan-23
			8B	F33	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 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.	Increase pressure on SFRS operating fund if the costs cannot be covered by the pension fund.	Scheme Manager				TREAT/TOLERATE 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) 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. 4) 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.	Senior Finance Business Partner / Senior Pensions Advisor / Pensions Project Officer	Jan-23	
9	Retained Firefighters' Modified Pension Scheme Update (Matthews) Project		9A	F9I	Failure to notify staff of the Modified Pension Scheme	The employer and employee have to collect contributions and make contribution shortfalls.	Scheme Manager	3	3	9	TREAT/TOLERATE 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. 5) 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.		Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	
			9B	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.	Scheme Manager				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.	Scheme Manager / Senior Pensions Advisor / Pensions Project Officer		

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			9C	F32	<p>Communications have been sent to affected members to provide a further opportunity for those who did not respond to previous mailings to confirm if they want further information on the second option to join the modified scheme.</p> <p>However there have been no further updates from the Government as to when the scheme will reopen.</p>	The lack of updates from the Government and action the pensions can take, may cause members further and prolonged frustrations.	Scheme Manager				<p>TREAT/TOLERATE</p> <p>1) Open and transparent communications are to be sent regularly to keep affected members up to date.</p> <p>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.</p>		Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	
			9D	F35	<p>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.</p>	Member's frustrations may increase further as there is no work for SFRS to continue with until Q3 or Q4 of 2023.	Scheme Manager				<p>TREAT:</p> <p>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.</p> <p>2) The team are also sending communications at appropriate intervals to ensure members are kept up to date and key messages remain transparent.</p>		Scheme Manager / Senior Pensions Advisor / Pensions Project Officer	
			9E	F36	<p>It is known at this stage of the financial costs to implement the Modified Scheme.</p> <ul style="list-style-type: none"> - The standard assumptions have not yet been disclosed to the Fire Sector. - Employee contributions could date back as far as the 1960s. 	The Service is unable to plan accordingly. As the standard assumptions have not yet been defined, the Service cannot begin to predict the costs	Scheme Manager				<p>TREAT:</p> <p>1) The Service will be able to undertake preliminary work such as identifying those in scope, data cleansing, identifying access to legacy systems etc. Some of this work has started.</p> <p>2) Calculations cannot be carried out until legislation has been implemented in September 2023.</p>		Scheme Manager / Senior Pensions Advisor	

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