

Firefighter Pension Scheme Risk Register

Risk Area - OPERATIONS	Likelihood	Impact	Score	Control	Owner	Test / Review	Comments
Operational disaster (i.e. flood/fire)	1	8	8	All records are stored electronically. Data is backed up regularly and server providers also have business continuity procedures in place.	Pension Provider	Annual review	Business continuity and safety/security of records is part of contract agreements
				The majority of pension documents are electronic and all personnel files will be electronic. Data is regularly backed up, can be accessed from anywhere on the network by those with the necessary level of access and server providers also have business continuity procedures in place.	Scheme Manager / IT Manager		Business continuity and safety/security of records is part of data storage contract agreements
				Contracts with pension provider are stored electronically and hard copy stored in Legal	Scheme Manager		
Member data incomplete or inaccurate	3	8	24	Annual reconciliation of member data to ensure accuracy and resolve any gaps	Scheme Manager	Annual	Currently, checks are completed in preparation for annual returns.
				Address data cleanse completed annually and any addresses found to be incorrect are investigated using a tracing agency	Pension Provider	Annual	
				Robust payroll processes in place to ensure accuracy of data sent to pension provider	Scheme Manager	Monthly	

Administration Failure / Maladministration	2	9	18	Formal agreement in place with pension provider including SLAs	Scheme Manager	Quarterly	Receive quarterly reports from the provider's performance management system outlining where SLAs have been met / breached.
				Authority Levels and signatory lists clearly documented and up to date	Scheme Manager / Provider	When there is a change in staff or policy	
				Review Pension Providers audit reports	Scheme Manager	Annually	
				Close management of administration contract	Scheme Manager	Quarterly	Scheduled quarterly contract meetings with provider.

Risk Area – FINANCIAL	Likelihood	Impact	Score	Control	Owner	Test / Review	Comments
Excessive charges by provider	2	5	10	<p>Contracts are governed by OJEU rules and are often limited to 2 years with the option to extend, meaning providers are regularly reviewed.</p> <p>Contract prices and any adhoc scenarios where additional charges</p>	Scheme Manager	Term of the Contract	It is always possible that changes to pension regs or tax regs will incur additional work for the provider and therefore unexpected costs for the FRA i.e. GMP reconciliation.

				may be incurred are laid out in the contract terms.			
Fraud / Fraudulent behaviour	2	8	16	Authority Levels and signatory lists clearly documented and up to date	Scheme Manager / Provider	When there is a change in staff or policy	
				Reconciliation of any new pension payments or increases to existing payments	HR Business Support Manager / Finance	Monthly	
				Utilise government Tell Us Once service to receive notifications when a pensioner passes away to prevent overpayments	Provider	Monthly	
Costs incurred due to failure to apply scheme/tax rules correctly or in a timely manner	2	9	18	Horizon scanning to ensure up to date information.	Scheme Manager	Ongoing	Subscribe to: <ul style="list-style-type: none"> - HMRC pension update, - Attend regional FPOG meetings - Subscribe to LGA knowledge hub - Attend FPS AGMs - Read meeting minutes from technical group and SAB
				Establish access to professional legal and tax advisory services	Scheme Manager	Ongoing	

				Provide training for all Pension Board members and staff/board advisors	Scheme Manager	Annually and for any starters	Utilise free training provided by LGA and LGA knowledge hub
				Ensure sufficient resource and knowledge is available to interpret scheme/tax rules and implement changes	Scheme Manager	Ongoing	

Risk Area – FUNDING	Likelihood	Impact	Score	Control	Owner	Test / Review	Comments
Failure to deduct correct contributions from pay	4	8	32	Implement and test payroll software to ensure it accurately captures scheme rules.	Scheme Manager	On System implementation	<ul style="list-style-type: none"> - Allocation to pension bandings - Employee and employer rates - Assumed Pensionable Pay - Emoluments of pay for APBs - Pensionable pay
				Regular reconciliation of deductions to ensure system rules are maintained	Scheme Manager	Monthly	
				Training and guidance for any outsourced payroll provider to ensure they understand scheme rules relating to payroll	Scheme Manager	Ongoing	
Failure of employer to pay contributions to the scheme	1	4	4	Pension deductions are accounted for by the FRA and therefore contributions are deducted directly from employee pay and accounted for in the pension fund account.	Finance / Treasurer	Monthly	Monthly checks are conducted on this by the Finance team.

Failure to manage FPS fund correctly i.e. injury pension accounting	2	8	16	Training and guidance Participate in the Fire Finance network			
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Risk Area – REGULATORY AND COMPLIANCE	Likelihood	Impact	Score	Control	Owner	Test / Review	Comments
Failure to interpret rules or legislation correctly	2	8	16	Ensure key staff responsible for scheme have access to updates and are added to distribution lists from bodies such as LGA, TPR, HMRC and The Home Office	Scheme Manager	Ongoing	
				Utilise briefings and Services of the Kier technical team	Scheme Manager	Ongoing	
				Ensure key staff responsible for implementation have access to LGA knowledge hub	Scheme Manager	Ongoing	
				Provide training to legal, payroll and HR teams to ensure knowledge is up to date and accurate	Scheme Manager	Annually	
				Procure professional legal / tax advice where necessary	Scheme Manager	Ongoing	
Failure to comply with disclosure requirements	2	7	14	Robust HR business processes in place for auto-enrolment and annual pension band changes	Scheme Manager	Monthly	
				Provider processes and software specification adequate to provide ABSs accurately and on time	Provider	Annually	

Failure to communicate with staff	2	7	14	Establish an intranet page specifically for pension matters	Scheme Manager	Quarterly	
				Publish articles in the green bulletin advising employees of changes to scheme / tax rules using industry recommended communications practices i.e. Plain English ABS templates	Scheme Manager	As required	
				Provide face to face support for pre-retirement employees	Scheme Manager / Provider	Annually	
				Provide an employee helpline for pensions queries	Provider	Quarterly	
				Provide access to Self-Service for employees to run own estimates and raise queries	Provider	Ongoing	
Failure to comply with TPR requirements	2	7	14	Breaches policy in place	Scheme Manager	Annually	
				Conduct TPR Self-Assessment on current pension scheme practices to show due diligence	Scheme Manager	Annually	
				Ensure key staff responsible for compliance subscribe to TPR updates	Scheme Manager	Ongoing	