

Local Pensions Board - Risk Register (LIVE)

Ref	Context / Causational trigger	Hazard (anything that may cause harm)	Impact (who/what may be harmed and how)	Gross Impact	Gross Likelihood	Gross Risk Score	Controls in place	Net Impact	Net Likelihood	Net Risk Score	Further controls required	Target Impact	Target Likelihood	Target Risk Score	Control Owner	Risk Owner
LPB001a	Cyber-attack	Complete loss of systems (WYPF)	Catastrophic loss of capability	5	4	20	Evidence of BC plan for WYPF received by the Service (March 2024). Updated business continuity plan received from WYPF.	3	3	9	Evidence of BC plan for WYPF	3	3	9		Mareena Anderson-Thorne
LPB001b	Cyber-attack	Complete loss of systems (DSFRS)	No impact on Pensioner Payroll. Would impact processing of retirements i.e. notification.	5	4	20	1. Technological security tested in recent Pen Test 2. Cyber-attack plan 3. BC plans (incl ICT) 4. Staff awareness 5. Additional comms to staff 6. Prog of BC exercises 7. Protective Monitoring System	3	3	9	None at this time	3	3	9	1 & 2 Head of ICT 3. HR R&B Mngr & HoICT 4 & 5 HR R&B Mngr 6. HR R&B Mngr & HoICT 7. Head of ICT 8. HR R&B Mngr	Maria Phillips (as Chair)
LPB002	System failure (To include power failure)	Temporary loss of systems	Systems unavailable until recovered and potential loss of data	4	3	12	1. BC Plan (incl ICT) 2. Departmental BC plans reviewed 3. Additional comms to staff 4. BC exercise 2 Dec 2019 5. Access to alternative locations (power failure) 6. Back-up generator available (power failure)	3	3	9		3	3	9	1. HR R&B Mngr & Ho ICT 2. HR R&B Mngr 3. HR Reward & Benefits Manager 4. HR R&B Mngr & HoICT 5. HR Reward & Benefits Manager	Maria Phillips (as Chair)
LPB004	Industrial Action	Loss of utilities or access to premises	Inability for staff to undertake work (existing pensions would continue to be paid)	3	3	9	1. BC Plan (incl ICT) 2. Departmental BC plans reviewed 3. Access to alternative locations and working from home	2	3	6	None at this time	3	2	6	1. Head of ICT & HR R&B Mngr 2. Heads of ICT; Finance; Estates & HR R&B Mngr 3. Ho ICT/Estates	Maria Phillips (as Chair)
LPB005	Member data incomplete or inaccurate	Incorrect pension calculations and Annual Benefit Statements and incorrect reporting to Home Office and The Pension Regulator	Pensioners may receive incorrect pensions Breaches of pension regulations	3	4	12	Active members, deferred members and pensioners have an online account and can check their information.	3	4	12	Payroll data for active members is provided by Pay & Conditions on a monthly basis to WYPF. WYPF Financial extracts spreadsheet.	2	2	4	1 to 4 HR Reward & Benefits Manager	Mareena Anderson-Thorne
LPB006	Administration process failure/ maladministration (WYPF)	Pension administration not undertaken to the required standard	Pensioners may receive incorrect pensions Breaches of pension regulations Fraud by admin staff Fraudulent payments Failure of bank account to make payment Incorrect taxation of benefits	3	4	12	1. Pension SLA in place with KPIs 2. Scheme of delegation in place 3. Regular communication with administrator 4. WYPF have significant experience of administering a number of Fire Authorities. 5. Trend lines within WYPF monthly reports for key measures 6. WYPF to report on the agreed KPIs	2	2	4	8. Review Pension Administrator's audit reports Fully trained and competent staff in P&C.	2	2	4	1 to 7 HR Reward & Benefits Manager 8. Head of Finance	Maria Phillips (as Chair)
LPB007	Annual Benefit Statement (ABS) not produced in time	Breach of statutory duty	ABS not received by member and likely to be a reportable breach	3	5	15	1. Pension data from P&C now available on a monthly basis including year-end data 2. WYPF developing an automated system for ABS statements for the Modified Pension Scheme	3	5	15	Financial extracts file. ABS production system used by WYPF (review of)	2	2	4	1 & 2 HR Reward & Benefits Manager	

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LPB008	Excessive charges by Pension Administrator	Unplanned increases in charges	Additional pressure on the budgetary efficiency of the Service	3	4	12	1. Contracts are controlled by OJEU rules and the contract is subject to renewal on a 5 year basis with the option for an extension for 1-2 years. 2. Contract prices and any ad hoc scenarios where additional charges may be incurred are included in the contract terms.	2	2	4	None at this time	2	2	4	1 & 2 Head of Finance	Maria Phillips (as Chair)
LPB009	Officers or Members acting outside of delegated responsibility	Officers or Members either deliberately or unknowingly acting outside of their delegated responsibility	Additional financial implications for the pension schemes or breach of the pension regulations	3	4	12	1. Authority Members have agreed an approved Scheme of Delegation and financial limits for decisions associated with the pensions. 2. A Pensions Discretions Policy is in place. 3. Officers are competent in pension matters and receive CPD training 4. Support and advice is available through the WYPF Client Manager and the LGA Pension Advisors	2	2	4	None at this time	2	2	4	1. Dem Services Manager 2 to 4 HR Reward & Benefits Manager	Maria Phillips (as Chair)
LPB010	Employer fails to deduct correct pension contributions from members	Incorrect pension contribution being recorded and collected	Active pensioners and DSFRS have to backdate pension contribution arrears	3	4	12	1. Pension deductions and rules are set within the payroll system based on earnings 2. New joiners are entered into the applicable pension scheme 3. Staff who have opted-out are auto-enrolled into the applicable pension scheme unless they opt-out again 4. Reconciliation of deduction carried out by Finance on a monthly basis 5. Internal audit review deductions as part of audit scope	2	4	8	None at this time	2	2	4	1. Head of Finance 2 & 3 HR Reward & Benefits Manager 4 & 5 Head of Finance	Maria Phillips (as Chair)
LPB011	Failure by the Pension Administrator to interpret rules or legislation correctly	Incorrect pension calculations and estimates	Incorrect pensions received and either backdated employer and employee contributions required or overpayments collected.	3	4	12	1. Regular attendance at pension training and update events by WYPF. 2. Regular monitoring of key sources of information e.g. LGA Bulletins, Scheme Advisory Board. 3. DSFRS have regular client meetings with WYPF and scrutinise pension changes	2	2	4	None at this time	2	2	4	1 to 3 HR Reward & Benefits Manager	Mareena Anderson-Thorne
LPB012	Annual Statutory Accounts criticised by external auditors / The Pension Regulator	Major issues exist with the Management and Administration, and/or accounting for the Firefighter Pension Schemes	Reputational damage to the Service. Dissatisfaction from staff in the service they receive.	3	4	12	1. Trained, experienced officers produce the accounts to a detailed timescale. 2. Pension data for the accounts is provided by the Governments Actuary Departments (GAD). 3. Advice available from the Fire Finance network, LGA and Pension Administrator	2	2	4	None at this time	2	2	4	1 to 3 Head of Finance	Maria Phillips (as Chair)
LPB013	Failure to communicate with staff concerning significant changes to pension arrangements	Pension members not receiving correct information	Members could make key pension decisions with inadequate information available to them	3	4	12	1. Regular attendance at LGA pension training events. 2. Regular monitoring of key sources of information e.g. LGA Bulletins, Scheme Advisory Board. 3. Client meetings with WYPF and scrutiny of pension changes 4. Ensure information on the impact of promotions to the Annual Allowance is made clear to staff. 5. Service aware of communication sent by WYPF (July 2024) with delays in ABS.	3	3	9	National communication messages from the LGA.	1	2	2	1 to 4 HR Reward & Benefits Manager	Mareena Anderson-Thorne

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LPB014	Court of Appeal decision on unlawful discrimination from Transitional arrangements for transfer from the 1992 to 2015 (McCloud/Sargent case)	2015 scheme members will need to be transferred back to their preferred pension scheme	Significant pension administration in making back-dated adjustments to pensions. Implementation of the remedy may be problematic due to data gaps following transfer of payroll and pensions providers. Lack of resourcing and pension knowledge within the team, reducing the ability to process in a timely manner.	4	5	20	<ol style="list-style-type: none"> Employers will be represented at the ET. Ensuring that historic data that might be required is retained to help manage any potential remedy Pension reserve in place to support administration costs Accessing information from LGA to ensure we are fully informed Receiving updates from Fire Finance Network and national reps Legal advice LGA 'coffee mornings' Pensions Officer re-appointed, starting October 2024. 	2	5	10	<ol style="list-style-type: none"> Consideration of data retention pending remedy Ability to take on additional staff to support administration (pending reserve) Longer term resourcing plan 	2	5	10	<ol style="list-style-type: none"> HR Reward & Benefits Manager Head of Finance HR Reward & Benefits Manager Head of Finance HR Reward & Benefits Manager Head of Finance 	Maria Phillips (as Chair)
LPB015	Court of Appeal decision on unlawful discrimination for Part-time workers prior to 2000 (O'Brien/Matthews case)	Pension entitlement prior to 2000 will need to be calculated and a repayment scheme made available (similar to 2006 modified exercise)	Significant pension administration in making back-dated adjustments to pensions. Implementation of the remedy may be problematic due to data gaps following transfer of payroll and pensions providers (and potential to go back to 1976 service)	3	5	15	<ol style="list-style-type: none"> Employers represented at the ET. Ensuring that historic data that might be required is retained to help manage any potential remedy Pension reserve in place to support administration costs Accessing information from LGA to ensure we are fully informed Receiving updates from Fire Finance Network and national reps Pensions Officer re-appointed, starting October 2024. 	2	5	10	<ol style="list-style-type: none"> Consideration of data retention pending remedy Ability to take on additional staff to support administration (pending reserve) Longer term resourcing plan GAD Calculator and manual process for GAD cases 	2	5	10	<ol style="list-style-type: none"> HR Reward & Benefits Manager Head of Finance HR Reward & Benefits Manager Head of Finance HR Reward & Benefits Manager 	Maria Phillips (as Chair)
LPB016	Pandemic	Pension scheme administration cannot be undertaken	Increase in administration of pensioner records and administrator absence due to illness	3	4	12	<ol style="list-style-type: none"> Working at home arrangements HR Business continuity plans Government guidance on healthy workplaces WYPF business continuity arrangements 	2	2	4	None at this time	2	2	4	1 to 4 HR Reward & Benefits Manager	Mareena Anderson-Thorne
LPB017	Loss of Key Staff	Single points of failure	Pensioners may receive incorrect pensions Breaches of pension regulations	3	4	12	<ol style="list-style-type: none"> Pension SLA in place with KPIs Scheme of delegation in place WYPF has an experienced team WYPF to report on the agreed KPIs 	4	5	20	<ol style="list-style-type: none"> P&C has an experienced team. Head of HR supported by Rewards and Benefits Manager Pensions Officer recruitment Succession planning in place Additional FTC posts in P&C 	2	2	4	1 to 9 HR Reward & Benefits Manager	Mareena Anderson-Thorne
LPB018	GDPR Breach	Failure to comply with GDPR	Prosecution, fines, enforcement notices, civil action, reputational damage.	3	4	12	<ol style="list-style-type: none"> GDPR impact assessments conducted by DSFRS as part of GDPR prep GDPR requirements included in pensions administration contract Data sharing agreements in place with WYPF Staff induction and CPD includes GDPR 	2	2	4	None at this time	2	2	4	1 to 4 HR Reward & Benefits Manager	Mareena Anderson-Thorne
LPB019	Failure of LPB members to maintain knowledge and understanding to required level	Failure of LPB to discharge its statutory functions	Breaches of the law. Action by TPR. Reputational damage	3	5	15	<ol style="list-style-type: none"> LPB induction includes: TPR CoP 14; TPR e-learning; and LGA training Regular LPB meetings LPB meetings include a training topic to reinforce learning or generate debate 	2	1	2	<ol style="list-style-type: none"> Review Terms of Reference, to include required minimum attendance at Board meetings. TNA and individual training plans 	2	1	2	1 to 5 HR Reward & Benefits Manager	Maria Phillips (as Chair)
LPB020	Employer incorrectly enrolls or fails to enrol, an employee into the Firefighter's Pension scheme	Failure to auto enrol in an appropriate pension scheme resulting a breach of the law from incorrect application of pension rules and incorrect deductions from pay	Fines or other action by the Pension Regulator. Reputational damage. Staff dissatisfaction and complaints take up management time.	3	5	15	<ol style="list-style-type: none"> P&C staff informed that only FF on permanent contracts can be enrolled in the FFPS. P&C staff informed to not include the FFPS in the offer letter for FF on FTCs but to include the LGPS. Auto enrolment for FF on temporary contracts will only be applied under the LGPS. 	2	2	4	Review JDs of roles regarding engagement of FF activity.	2	2	4	1 to 3 HR Reward & Benefits Manager	Mareena Anderson-Thorne

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LPB021	Insufficient resources at WYPF		1. WYPF reported to the Ombudsman/TPR 2. e.g. WYPF failing to issue starter packs - data uploads not being processed. 3. DSFRS Personnel impacted by lack of action 4. Financial Penalty (DSFRS) 5. Quality of Service	3	5	15	1. The Service to monitor and report breaches as soon as they arise 2. HR Management to continue to liaise with WYPF over concerns 3. Re-establishing quarterly meetings (prioritised) 4. WYPF progressing with recruitment.	3	4	12	Assurance by WYPF of the risk being monitored	2	2	4		Maria Phillips (as Chair)