

### Copy of Local Pensions Board - Risk Register v1.09

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
LPB001	Cyber attack	Complete loss of systems	Catastrophic loss of capability	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. BC exercise 2 Dec 2019	4	3	12	7. Evidence of BC plan for WYPF	3	3	9	1. Head of ICT 2. Head of ICT 3. HR R&B Mngr & HoICT 4. HR Reward & Benefits Manager 5. HR Reward & Benefits Manager 6. HR R&B Mngr & HoICT 7. HR Reward & Benefits Manager	Mike Pearson
LPB002	System 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	3	3	9	5. Evidence of BC plan for WYPF	3	3	9	1. HR R&B Mngr & Ho ICT 2. HR Reward & Benefits Manager 3. HR Reward & Benefits Manager 4. HR R&B Mngr & HoICT 5. HR Reward & Benefits Manager	Mike Pearson
LPB003	Power supply failure	Temporary loss of systems	Systems unavailable until recovered	3	3	9	1. BC Plan (incl ICT, HR & Finance) 2. Departmental BC plans reviewed 3. Access to alternative locations 4. Back-up generator available	2	3	6	None at this time	2	3	6	1. Heads of ICT, Finance & HR R&B Mngr 2. Heads of ICT, Finance, Estates & HR R&B Mngr 3. Head of Estates 4. Head of Estates	Shayne Scott
LPB004	Loss of premises	Loss of utilities or access to premises due to industrial action	Inability for staff to undertake work	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	Shayne Scott
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	1. Payroll data for active members is provided by Pay & Conditions on a monthly basis to WYPF 2. Active members, deferred members and pensioners have an online account and can check their information 3. A data reconciliation exercise has been undertaken with GAD. 4. Address data cleanse completed annually and any address found to be incorrect or not known are investigated using a tracing agency.	2	2	4	None at this time	2	2	4	1. HR Reward & Benefits Manager 2. HR Reward & Benefits Manager 3. HR Reward & Benefits Manager 4. HR Reward & Benefits Manager	Zoe Smyth
LPB006	Administration process failure/ maladministration	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. Within P&C, we have a settled team who are competent in role. 6. Trend lines within WYPF monthly reports for key measures 7. WYPF to report on the agreed KPIs	2	2	4	8. Review Pension Administrator's audit reports	2	2	4	1. HR Reward & Benefits Manager 2. HR Reward & Benefits Manager 3. HR Reward & Benefits Manager 4. HR Reward & Benefits Manager 5. HR Reward & Benefits Manager 6. HR Reward & Benefits Manager 7. HR Reward & Benefits Manager 8. Head of Finance	Shayne Scott
LPB007	Annual Benefit Statement (ABS) not produced in time	There are required deadlines for a pension administrator to complete the Annual Benefit Statements in line with required timescales by TPR.	ABS not received by member and likely to be a reportable breach	3	4	12	1. Pension data from P&C now available on a monthly basis including yearend data 2. WYPF developing an automated system for ABS statements for the Modified Pension Scheme	2	2	4	None at this time	2	2	4	1. HR Reward & Benefits Manager 2. HR Reward & Benefits Manager	Zoe Smyth
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 adhoc scenarios where additional charges may be incurred are included in the contract terms.	2	2	4	None at this time	2	2	4	1. Head of Finance 2. Head of Finance	Shayne Scott

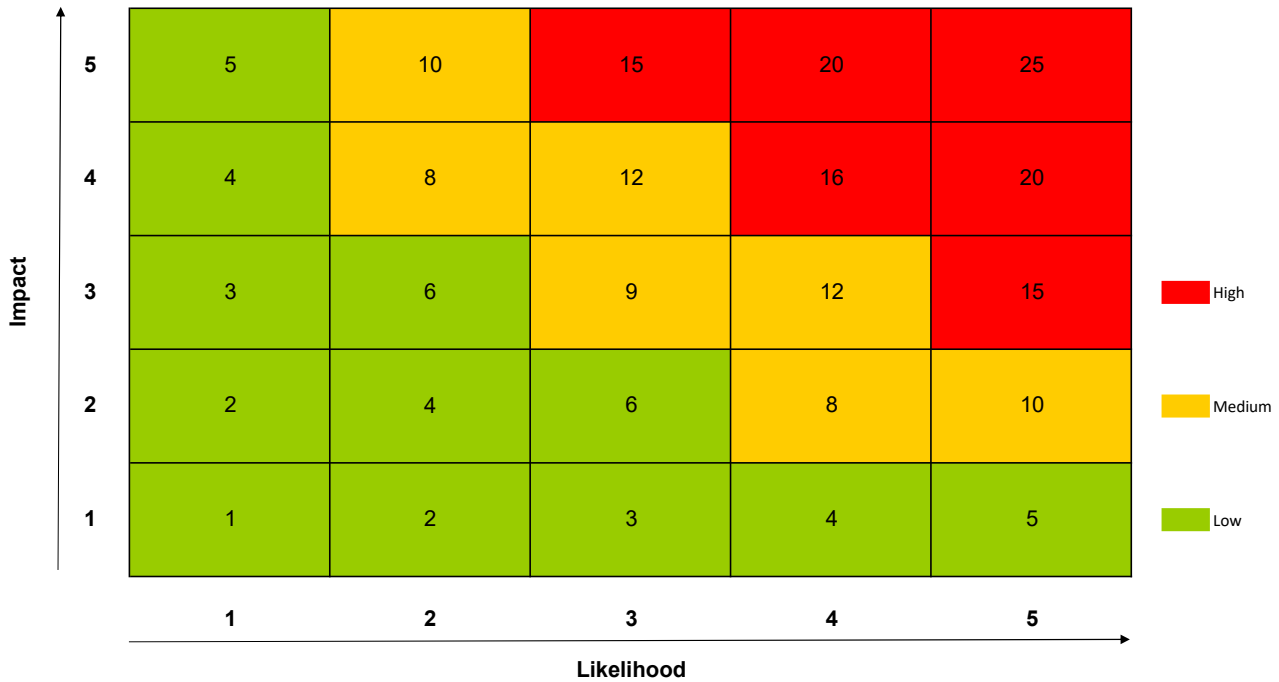
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LPB009	Officers or Members acting outside of delegated responsibility	Officers or Members either deliberately or unknowingly acting outside of their delegated responsibility	Additional financial implications for the pension schemes or breach of the 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. HR Reward & Benefits Manager 3. HR Reward & Benefits Manager 4. HR Reward & Benefits Manager	Mike Pearson
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	2	4	None at this time	2	2	4	1. Head of Finance 2. HR Reward & Benefits Manager 3. HR Reward & Benefits Manager 4. Head of Finance 5. Head of Finance	Shayne Scott
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	3	6	1. HR Reward & Benefits Manager 2. HR Reward & Benefits Manager 3. HR Reward & Benefits Manager	Zoe Smyth
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. Head of Finance 2. Head of Finance 3. Head of Finance	Shayne Scott
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.	1	2	2	None at this time	1	2	2	1. HR Reward & Benefits Manager 2. HR Reward & Benefits Manager 3. HR Reward & Benefits Manager 4. HR Reward & Benefits Manager	Zoe Smyth
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	3	5	15	1. Employers will be represented at the ET. 2. Ensuring that historic data that might be required is retained to help manage any potential remedy 3. Pension reserve in place to support administration costs 4. Accessing information from LGA to ensure we are fully informed 5. Receiving updates from Fire Finance Network and national reps	2	5	10	6. Consideration of data retention pending remedy 7. Ability to take on additional staff to support administration (pending reserve)	2	5	10	1. HR Reward & Benefits Manager 2. HR Reward & Benefits Manager 3. Head of Finance 4. HR Reward & Benefits Manager 5. Head of Finance 6. HR Reward & Benefits Manager 7. HR Reward & Benefits Manager	Shayne Scott
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	1. Employers will be represented at the ET. 2. Ensuring that historic data that might be required is retained to help manage any potential remedy 3. Pension reserve in place to support administration costs 4. Accessing information from LGA to ensure we are fully informed 5. Receiving updates from Fire Finance Network and national reps	2	5	10	6. Consideration of data retention pending remedy 7. Ability to take on additional staff to support administration (pending reserve)	2	5	10	1. HR Reward & Benefits Manager 2. HR Reward & Benefits Manager 3. Head of Finance 4. HR Reward & Benefits Manager 5. Head of Finance 6. HR Reward & Benefits Manager 7. HR Reward & Benefits Manager	Shayne Scott

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LPB016	COVID-19 Pandemic	Pension scheme administration cannot be undertaken	Increase in administration of pensioner records and administrator absence due to illness	3	5	15	1. Working at home arrangements 2. HR Business continuity plans 3. Government guidance on healthy workplaces	2	3	6	4. WYPF business continuity arrangements (received not yet reviewed)	2	3	6	1. HR Reward & Benefits Manager 2. HR Reward & Benefits Manager 3. HR Reward & Benefits Manager 4. HR Reward & Benefits Manager	Zoe Smyth
LPB017	Loss of Key Staff	Single points of failure	Pensioners may receive incorrect pensions Breaches of pension regulations	3	4	12	1. Head of HR supported by Rewards and Benefits Manager 2. Pension SLA in place with KPIs 3. Scheme of delegation in place 4. WYPF has an experienced team 5. P&C has an experienced team. 6. WYPF to report on the agreed KPIs	2	2	4	None at this time	2	2	4	1. HR Reward & Benefits Manager 2. HR Reward & Benefits Manager 3. HR Reward & Benefits Manager 4. HR Reward & Benefits Manager 5. HR Reward & Benefits Manager 6. HR Reward & Benefits Manager	Zoe Smyth
LPB018	GDPR Breach	Failure to comply with GDPR	Prosecution, fines, enforcement notices, civil action, reputational damage.	3	4	12	1. GDPR impact assessments conducted by DSFRS as part of GDPR prep 2. GDPR requirements included in pensions administration contract 3. Data sharing agreements in place with WYPF 4. Staff induction and CPD includes GDPR	2	2	4	None at this time	2	2	4	1. HR Reward & Benefits Manager 2. HR Reward & Benefits Manager 3. HR Reward & Benefits Manager 4. HR Reward & Benefits Manager	Zoe Smyth
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	3	9	1. LPB induction includes: TPR CoP 14; TPR e-learning; and LGA training 2. Attendance at LGA Annual Fire Pensions Conference 3. Regular LPB meetings 4. LPB meetings include a training topic to reinforce learning or generate debate	2	2	4	5. TNA and individual training plans	2	1	2	1. HR Reward & Benefits Manager 2. HR Reward & Benefits Manager 3. HR Reward & Benefits Manager 4. HR Reward & Benefits Manager 5. HR Reward & Benefits Manager	Mike Pearson
LPB020	Employer incorrectly enrolls 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	4	12	1. P&C staff informed that only FF on permanent contracts can be enrolled in the FFPS. 2. P&C staff informed to not include the FFPS in the offer letter for FF on FTCs but to include the LGPS. 3. Auto enrolment for FF on temporary contacts will only be applied under the LGPS.	2	2	4		2	2	4	1. HR Reward & Benefits Manager	Zoe Smyth

## RISK MEASUREMENT MATRIX



### Likelihood

Score	Likelihood Description	
1	Not likely	0-10% chance of occurring
2	Possible	11to 20% chance of occurring
3	Quite possible	21 to 50% chance of occurring
4	Likely	51 to 80% chance of occurring
5	Very likely	>81% chance of occurring

### Impact

The explanation as to the appropriate level of impact will be different depending upon the type of work undertaken. It is not appropriate to have a score of 5 in all aspects, i.e. a project that protects heritage should not have an impact as high as a project that potentially prevents multiple fatalities. The different explanations are provided under four headings below.

Community life risk, health and safety		
Score	£	Impact Description
1	£Nil to £1,000	Negligible risk of injury
2	£10,000	Minor illness or injury requiring little or no treatment
3	£100,000	Temporary injury or damage requiring extended treatment
4	£1 million	Critical, death/serious injury or damage
5	£2 million	Catastrophic, single or multiple fatalities, extreme loss

Environment and heritage		
Score	£	Impact Description
1	£Nil to £1,000	Negligible risk to the environment/heritage
2	£10,000	Minor damage to habitat or heritage site, localised pollution with no loss of life, effects short term
3	£100,000	Restricted loss to habitat or heritage site, localised environmental pollution with loss of animal life, effects short term
4	£1 million	Critical, total loss of habitat or heritage site, extensive environmental pollution with loss of animal life, effects long term or irreversible

Use of resources and organisational effectiveness		
Score	£	Impact Description
1	£Nil to £1,000	Negligible loss of service delivery or departments/function's effectiveness
2	£10,000	Minor loss of resources impinging on efficiency and effectiveness from one department/function
3	£100,000	Loss of resources disrupting service delivery from one or more departments
4	£1 million	Critical, loss of resources preventing aspects of service delivery from one or more departments/functions
5	£2 million	Catastrophic, significant or total loss of resources preventing intervention or prevention service delivery, loss of reputation

Corporate Governance		
Score	£	Impact Description
1	£Nil to £1,000	Negligible risk of contravening procedures
2	£10,000	Minor non-compliance with legislation, enforcement action, audit requirements, national targets involving the identification of Recommended Actions, or non compliance with local procedures, good management practice or local performance targets
3	£100,000	Non-compliance with legislation, enforcement actions or audit requirements involving government intervention, prosecution, significant fines or loss of reputation