**Firefighter Pension Scheme Risk Register**

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| **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 are about to be scanned.  Data is regularly backed up, can be accessed from anywhere on the network and server providers also have business continuity procedures in place. | Scheme 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 |  |  |
| Administration Failure / Maladministration | 2 | 9 | 18 | Formal agreement in place with pension provider including SLAs | Scheme Manager | Quarterly | Receive quarterly reports from the providers 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 |  |  |
| Close management of administration contract | Scheme Manager | Quarterly | Scheduled quarterly contract meetings with provider. |

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| **Risk Area – FINANCIAL** | **Likelihood** | **Impact** | **Score** | **Control** | **Owner** | **Test / Review** | **Comments** |
| Excessive charges by provider | 2 | 5 | 10 | Contracts are governed by OJEU rules and are often limited to 2 years with the option to extend, meaning providers are regularly reviewed.  Contract prices and any adhoc scenarios where additional charges may be incurred are laid out in the contract terms. | 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. |
| Fraud / Fraudulent behaviour | 2 | 8 | 16 |  |  |  |  |
| Costs incurred due to failure to apply scheme/tax rules correctly or in a timely manner | 2 | 9 | 18 | * Keep up to date with changes * Attend regional meetings * Subscribe to knowledge hub * Subscribe to HMRC pension tax updates * Pension board involvement * Access professional advice before proceeding |  |  |  |

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| **Risk Area –**  **FUNDING** | **Likelihood** | **Impact** | **Score** | **Control** | **Owner** | **Test / Review** | **Comments** |
| Failure to deduct correct contributions from pay | 4 | 8 | 32 |  |  |  |  |
| 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 – Guidance  Fire Finance network links |  |  |  |

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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 | Central LGA resource and regional / national groups to assist with interpretation of rules and possible provision of legal opinion where this has been sought – with the caveat that each FRA should take own legal advice. |  |  |  |
| Technical team of pension provider |  |  |  |
| Access to knowledge hub and HMRC pension tax updates |  |  |  |
| Training |  |  |  |
| Access professional legal / tax advice where necessary |  |  |  |
| Failure to comply with disclosure requirements or communicate with staff |  |  |  | IDRP process …..  Communications with staff  ABS  HR processes in place for auto-enrolment and annual pension band changes mail merges |  |  |  |