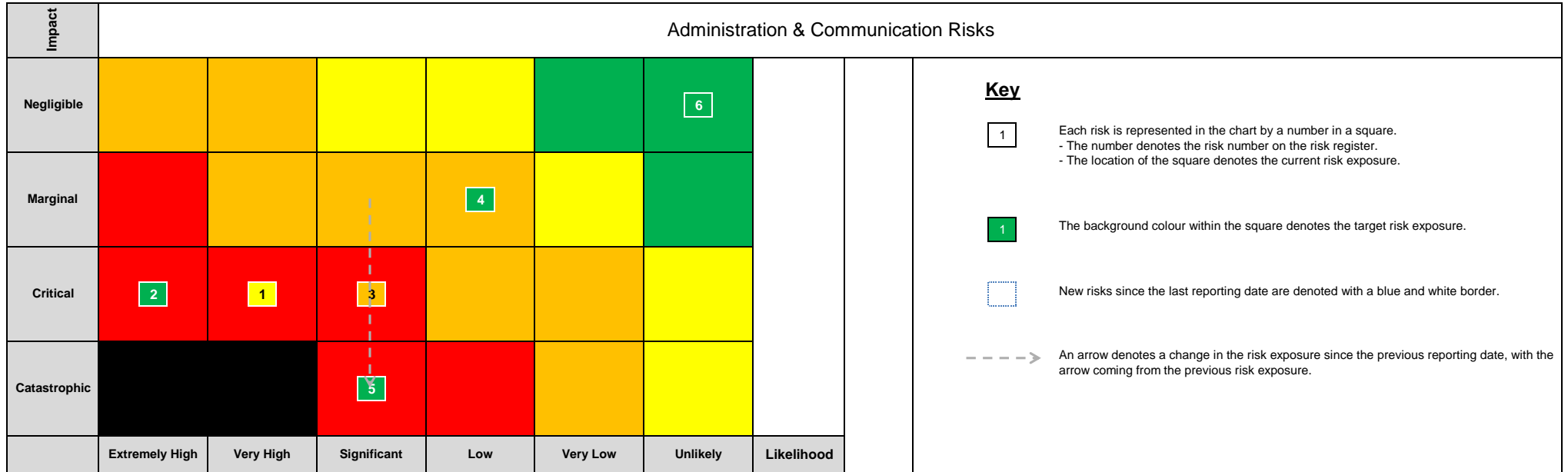


Administration and Communication Risks Heat Map and Summary



21 November 2018

Clwyd Pension Fund - Control Risk Register
Administration & Communication Risks

Objectives extracted from Administration Strategy (03/2017) and Communications Strategy (04/2016):

- A1 Provide a high quality, professional, proactive, timely and customer focussed administration service to the Fund's stakeholders
- A2 Administer the Fund in a cost effective and efficient manner utilising technology appropriately to obtain value for money
- A3 Ensure the Fund's employers are aware of and understand their roles and responsibilities under the LGPS regulations and in the delivery of the administration functions of the Fund
- A4 Ensure the correct benefits are paid to, and the correct income collected from, the correct people at the correct time
- A5 Maintain accurate records and ensure data is protected and has authorised use only
- C1 Promote the Scheme as a valuable benefit and provide sufficient information so members can make informed decisions about their benefits
- C2 Communicate in a clear, concise manner
- C3 Ensure we use the most appropriate means of communication, taking into account the different needs of different stakeholders
- C4 Look for efficiencies in delivering communications through greater use of technology and partnership working
- C5 Regularly evaluate the effectiveness of communications and shape future communications appropriately

Risk no.	Risk Overview (this will happen)	Risk Description (if this happens)	Strategic objectives at risk (see key)	Current impact (see key)	Current likelihood (see key)	Current Risk Status	Internal controls in place	Target Impact (see key)	Target Likelihood (see key)	Target Risk Status	Meets target?	Date Not Met Target From	Expected Back On Target	Further Action and Owner	Risk Manager	Next review date	Last Updated
1	Unable to meet legal and performance expectations (including inaccuracies and delays) due to staff issues	That there are poorly trained staff and/or we can't recruit/retain sufficient quality of staff, including potentially due to pay grades	All	Critical	Very High		<ul style="list-style-type: none"> 1 - Training Policy, Plan and monitoring in place 2 - BP 2017/18 improvements assist with staff engagement 3 - Benefit consultants available to assist if required 4 - Ongoing task/SLA reporting to management/AP/PC/LPB to quickly identify issues 5 - Data protection training, policies and processes in place 6 - System security and independent review/sign off requirements 7 - ELT established 8 - Temporary staff changed to permanent, and further resource increase 	Negligible	Low		☹️ Current impact 2 too high Current likelihood 2 too high	01/07/2016	Mar 2020	<ul style="list-style-type: none"> 1 - Ongoing training (HB) 2 - Ongoing bedding in of aggregation team and use of Mercers with backlogs (HB) 3 - Ongoing monitoring of ELT and Ops resource/workload for backlogs (HB) 4 - Recruitment to new posts (PPOs) 5 - Ongoing consideration of resource levels post recruitment of new posts (PL) 	Pensions Administration Manager	28/02/2019	20/11/2018
2	Unable to meet legal and performance expectations (including inaccuracies and delays) due to employer issues	Employers: -don't understand or meet their responsibilities -don't have access to efficient data transmission -don't allocate sufficient resources to pension matters	A1 / A4 / A5 / C2 / C3 / C4 / C5	Critical	Extremely High		<ul style="list-style-type: none"> 1 - Administration strategy updated 2 - Employer steering group established 3 - Greater engagement through Pension Board 4 - Backlog project in place 5 - Establishment of ELT 6 - Increased data checks/analysis (actuary and TPR) 	Negligible	Very Low		☹️ Current impact 2 too high Current likelihood 4 too high	01/07/2016	Mar 2019	<ul style="list-style-type: none"> 1 - Ongoing roll out i-connect (HB) 2 - Ongoing monitoring of ELT resource/workload (HB) 3 - Implement further APP data checks to identify issues (PL) 4 - Develop and roll out APP training (PL) 5 - Identify other employer data issues and engage directly with employers on these (PPOs) 	Pensions Administration Manager	28/02/2019	20/11/2018
3	Unable to meet legal and performance expectations due to external factors	Big changes in employer numbers or scheme members or unexpected work increases (e.g. severance schemes or regulation changes)	A1 / A4 / A5 / C2 / C3 / C4 / C5	Critical	Significant		<ul style="list-style-type: none"> 1 - Ongoing task and SLA reporting to management/AP/PC/LPB to quickly identify issues 2 - Benefit consultants available to assist if required 	Marginal	Low		😊 Current impact 1 too high Current likelihood 1 too high	27/08/2018	Mar 2019	<ul style="list-style-type: none"> 1 - Recruitment to new posts (PPOs) 2 - Ongoing consideration of resource levels post recruitment of new posts (PL) 	Pensions Administration Manager	28/02/2019	20/11/2018
4	Scheme members do not understand or appreciate their benefits	Communications are inaccurate, poorly drafted or insufficient	C1/ C2 / C3	Marginal	Low		<ul style="list-style-type: none"> 1 - Communications Strategy in place 2 - Annual communications survey for employees and employers 3 - Specialist communication officer employed 4 - Website reviewed and relaunched (2017) 5 - Member self service launched (2017) 	Negligible	Very Low		☹️ Current impact 1 too high Current likelihood 1 too high	01/07/2016	Mar 2019	<ul style="list-style-type: none"> 1 - Ongoing promotion of member self service (HB) 2 - Ongoing identification of data issues and data improvement plan (HB) 3 - Review of effectiveness of new website/Connect planned for 2018/19 (HB) 	Pensions Administration Manager	28/02/2019	04/06/2018
5	High administration costs and/or errors	Systems are not kept up to date or not utilised appropriately, or other processes inefficient	A2 / A4 / C4	Catastrophic	Significant		<ul style="list-style-type: none"> 1 - Business plan has number of improvements (i-connect/MSS etc) 2 - Review of ad-hoc processes (e.g. deaths and aggregation) 3 - Participating as a founding authority on national framework for admin systems (if it proceeds) 4 - Procurement of Altair on business plan 5 - Joined latest Heywood Testing Party 	Negligible	Very Low		☹️ Current impact 3 too high Current likelihood 2 too high	01/07/2016	Mar 2020	<ul style="list-style-type: none"> 1 - Ongoing roll out of iConnect 2 - Ongoing identification of data issues and data improvement plan (HB) 3 - Review of effectiveness of new website/Connect planned for 2018/19 (HB) 4 - Implementation of other Altair modules in 2018/19 business plan (HB) 5 - Increased engagement with Heywood about change in their business model (HB) 	Pensions Administration Manager	28/02/2019	20/11/2018
6	Service provision is interrupted	System failure or unavailability	A1 / A4 / C2	Negligible	Unlikely		<ul style="list-style-type: none"> 1 - Disaster recover plan in place and regularly checked 2 - Hosting implemented 	Negligible	Unlikely		😊			<ul style="list-style-type: none"> 1 - Ongoing checks relating to interface of recovery plan with non-pensions functions (HB) 2 - Resolve other areas identified by last disaster recovery test (HB) 3 - Implement lump sum payments via pensioner payroll facility (HB) 	Pensions Administration Manager	28/02/2019	13/11/2007