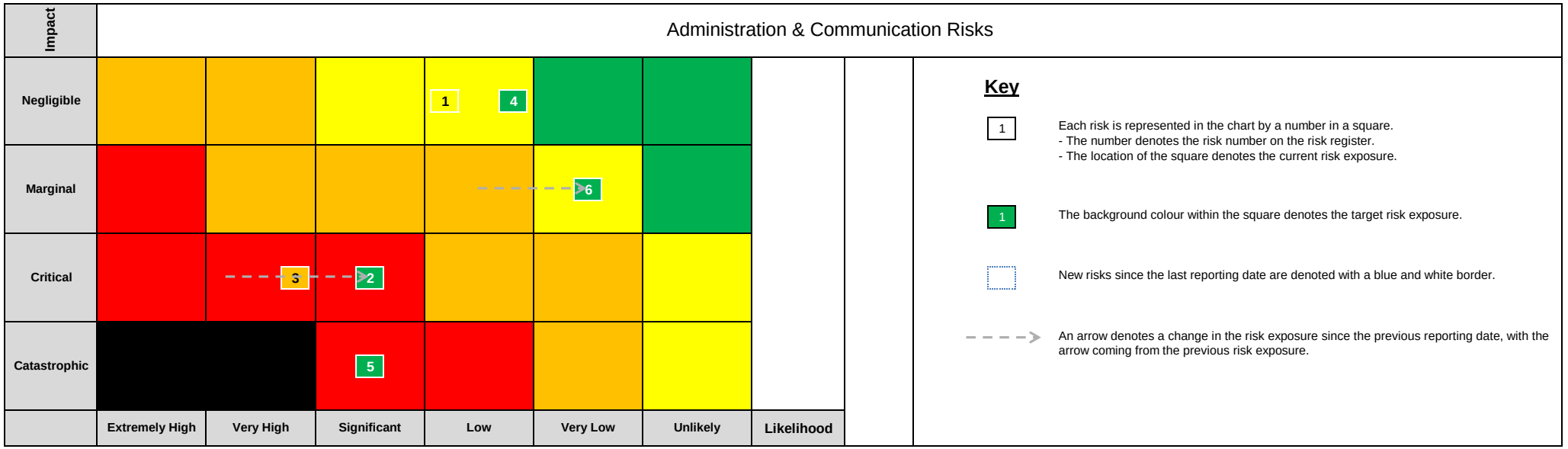
Administration and Communication Risks Heat Map and Summary **Appendix 2**



27 January 2020

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	Negligible	Low		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/recruitment to new posts 9 - Ongoing monitoring of ELT and Ops resource/workload for backlogs 10 - Estabishment of aggregation team 11 - Ongoing training within the team	Negligible	Low		☺			1 - Ongoing consideration of resource levels post recruitment of new posts (KW) 2 - Review structure of Technical team (AH)	Pensions Administration Manager	31/03/2020	08/11/2019
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	Significant		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/analsyis (actuary and TPR) 7 - Implemented further APP data checks to identify issues 8 - Updated Admin Strategy to include a compliance declaration	Negligible	Very Low		☹ Current impact 2 too high Current likelihood 2 too high	01/07/2016	Mar 2021	1 - Ongoing roll out I-connect (AH) 2 - Ongoing monitoring of ELT resource/workload (KR) 3 - Develop and roll out APP training - in house and employers (KM) 4 - Identify other employer data issues and engage directly with employers on these (KM/AH)	Pensions Administration Manager	31/03/2020	27/01/2020
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	Very High		1 - Ongoing task and SLA reporting to management/AP/PC/LPB to quickly identify issues 2 - Benefit consultants available to assist if required 3 - Recruitment to new posts	Marginal	Low		😐 Current impact 1 too high Current likelihood 2 too high	27/08/2018	Oct 2020	1 - Ongoing consideration of resource levels post recruitment of new posts (KW) 2 - Ongoing consideration of likely national changes and impact on resource (KW)	Pensions Administration Manager	31/03/2020	08/11/2019
4	Scheme members do not understand or appreciate their benefits	Communications are inaccurate, poorly drafted or insufficient	C1/ C2 / C3	Negligible	Low		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) 6 - Comms Officer recruited	Negligible	Very Low		😐 Current likelihood 1 too high	01/07/2016	Jun 2020	1 -Ongoing promotion of member self service (KM) 2 - Ongoing identification of data issues and data improvement plan (All) 3 - Review of effectiveness of new website/iConnect/member self-service planned for 2019/20 (KM)	Pensions Administration Manager	31/03/2020	08/11/2019
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		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 6 - Implementation of other Altair modules including in-house lump sum payment facility	Negligible	Very Low		☹ Current impact 3 too high Current likelihood 2 too high	01/07/2016	Mar 2020	1 - Ongoing roll out of iConnect (AH) 2 - Ongoing identification of data issues and data improvement plan (All) 3- Review of effectiveness of new website/iConnect planned for 2019/20 (KM) 4- Increased engagement with Heywood about change in their business model (KW) 5 - Development of pension admin system national framework as a founder member (KW)	Pensions Administration Manager	31/03/2020	14/08/2019
6	Service provision is interupted	System failure or unavailability, including as a result of cybercrime	A1 / A4 / C2	Marginal	Very Low		1 - Disaster recover plan in place and regularly checked 2 - Hosting implemented 3 - Implement lump sum payments via pensioner payroll facility	Negligible	Unlikely		😐 Current impact 1 too high Current likelihood 1 too high	08/11/2019	Jun 2020	1 - Ongoing checks relating to interface of recovery plan with non-pensions functions (KW) 2 - Develop business continuity policy for CPF (KW) 3 - Review of cybercrime risk controls (KW/PL)	Pensions Administration Manager	31/03/2020	27/01/2020