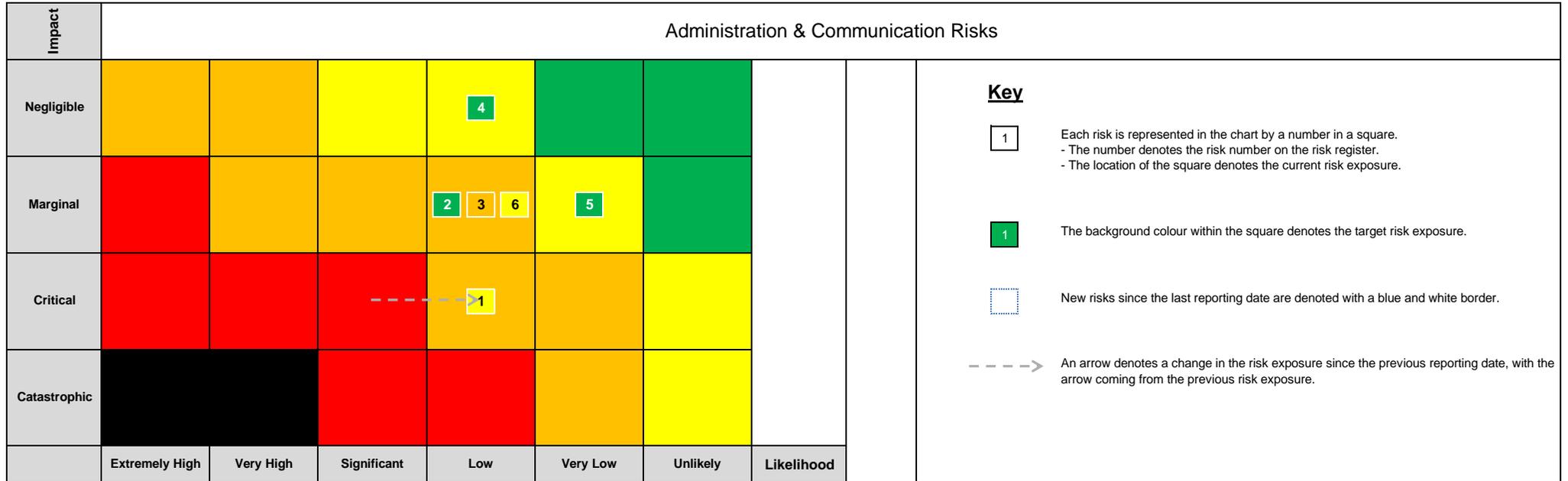


Administration and Communication Risks Heat Map and Summary



16 February 2024

Clwyd Pension Fund - Control Risk Register

Administration & Communication Risks

Objectives extracted from Administration Strategy (05/2021) and Communications Strategy (09/2019):

- 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 but with a default of using electronic communications where efficient and effective to do
- C4 Look for efficiencies and environmentally responsible ways 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	Low	High	1 - Training Policy, Plan and monitoring in place 2 - National Framework can be utilised if required 3 - Ongoing task/SLA reporting to management/AP/PC/LPB to quickly identify issues 4 - Data protection training, policies and processes in place 5 - System security and independent review/sign off requirements 6 - ELT established 7 - Temporary staff changed to permanent where appropriate, and further resource increase/recruitment to new posts 8 - Establishment of project team 9 - Ongoing training within the team 10 - Impact of potential or actual vacancies and/or other absences being discussed regularly ensuring priority work continues unaffected 11 - Reviewed wording of job descriptions to ensure fit for purpose 12 - Fundamental review of Administration Team structure in summer 2023, having regard to trends in workflow and forecasting to the future.	Negligible	Low	High	Current impact 2 too high	31/10/2021	Jun 2024	1 - Action plan being developed for recruitment, retention, succession planning (PL) 2 - Ongoing training of recent recruits (KW)	Pensions Administration Manager	30/06/2024	09/02/2024
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	Marginal	Low	High	1 - Administration strategy updated 2 - Employer steering group established 3 - Greater engagement through Pension Board 4 - Establishment of ELT 5 - Increased data checks/analysis (actuary and TPR) 6 - Implemented further APP data checks to identify issues 7 - Increased engagement with employers as to how they are managing ongoing CPF requirements, and introduced monthly monitoring of employers 8 - Developed and issuing monthly KPI reporting for employers 9 - I-connect in place for all Fund employers 10 - Monthly meetings with Employers to discuss any ongoing data issues and provide training where required. 11 - Employer group engagement meetings established.	Negligible	Very Low	High	Current impact 1 too high Current likelihood 1 too high	01/07/2016	Jun 2024	1 - Implement new process for employers relating to service standards (KW/AH/KyleW)	Pensions Administration Manager	30/06/2024	09/02/2024
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 including McCloud, Pensions Dashboards and potential exit cap, backdated pay awards)	A1 / A4 / A5 / C2 / C3 / C4 / C5	Marginal	Low	High	1 - Ongoing task and SLA reporting to management/AP/PC/LPB to quickly identify issues 2 - National Framework can be utilised if required 3 - Recruitment to new posts 4 - McCloud Programme in place, including governance structure with Steering Group, PMG and regular working stream meetings 5 - The Pension Administration Manager sits on PLSA working group for Pensions Dashboards 6 - The Fund has volunteered to test the integration of the Administration system and Pensions Dashboard 7 - Pensions dashboard planning currently underway 8 - Fundamental review of Administration Team structure in summer 2023, having regard to trends in workflow and forecasting to the future.	Marginal	Low	High				1 - Complete and test software update which is expected to help with the processing of McCloud BAU cases (KW)	Pensions Administration Manager	30/06/2024	09/02/2024
4	Scheme members do not understand or appreciate their benefits	Communications are inaccurate, poorly drafted, insufficient or not received (including McCloud and potential exit cap)	C1/ C2 / C3	Negligible	Low	High	1 - New Communications Strategy - focussed on digital engagement - approved June 2022 2 - Annual communications survey for employees and employers 3 - Specialist communication officer in team and access to consultant's communications specialists during any gaps in this resource/expertise (Currently vacant). 4 - Member self service in place 5 - Ongoing identification of data issues and data improvement plan in place 6 - Address tracing exercise undertaken for members who have not set a communication preference 7 - A Member self service activation key has been re-issued in 2022 to all members who do not have a communication preference set and other initiatives for blackhole members.	Negligible	Very Low	High	Current likelihood 1 too high	01/07/2016	Jun 2024	1 - Implement new communications strategy in line with business plan (KM/KW) 2 - Recruit to vacant Comms Officer position and assess any gap in skills post recruitment (KW)	Pensions Administration Manager	30/06/2024	09/02/2024
5	High administration costs and/or errors	Systems are not kept up to date or not utilised appropriately, or other processes inefficient (including McCloud, Pension Dashboard and potential exit cap)	A2 / A4 / C4	Marginal	Very Low	High	1 - I-connect and MSS implemented 2 - Review of ad-hoc processes (e.g. deaths and aggregation) 3 - Review of admin system/reappointment of Heywood in 2023 (following being founding authority on national framework for admin systems). 4 - Implementation of other Altair modules including Altair Insights (relating to TPR scores) 5 - Ongoing engagement with Heywood about software enhancements including timeliness of upgrade, and a hosted fund so receive software updates early. 7 - Ongoing identification of data issues and data improvement plan in place	Negligible	Very Low	High	Current impact 1 too high	01/07/2016	Jun 2024	1 - Appoint pension dashboard ISP in line with new national dashboard timetable (KW) 2 - Develop and test all processes for national pension dashboard readiness (KW)	Pensions Administration Manager	30/06/2024	09/02/2024
6	Service provision is interrupted	System failure or unavailability, including as a result of cybercrime or resourcing constraints	A1 / A4 / C2	Marginal	Low	High	1 - Disaster recover plan in place and regularly checked 2 - Hosting implemented 3 - Implemented lump sum payments via pensioner payroll facility 4 - Regular communications carried out during pandemic with Heywood and FCC regarding areas of risk 5 - Data/asset mapping complete and cyber strategy in place 6 - Ongoing cycle of supplier cyber assessments	Marginal	Very Low	High	Current likelihood 1 too high	08/11/2019	Jun 2024	1 - Develop updated business continuity plan for CPF (KW) 2 - Implement remaining elements of cyber strategy (KW)	Pensions Administration Manager	30/06/2024	09/02/2024