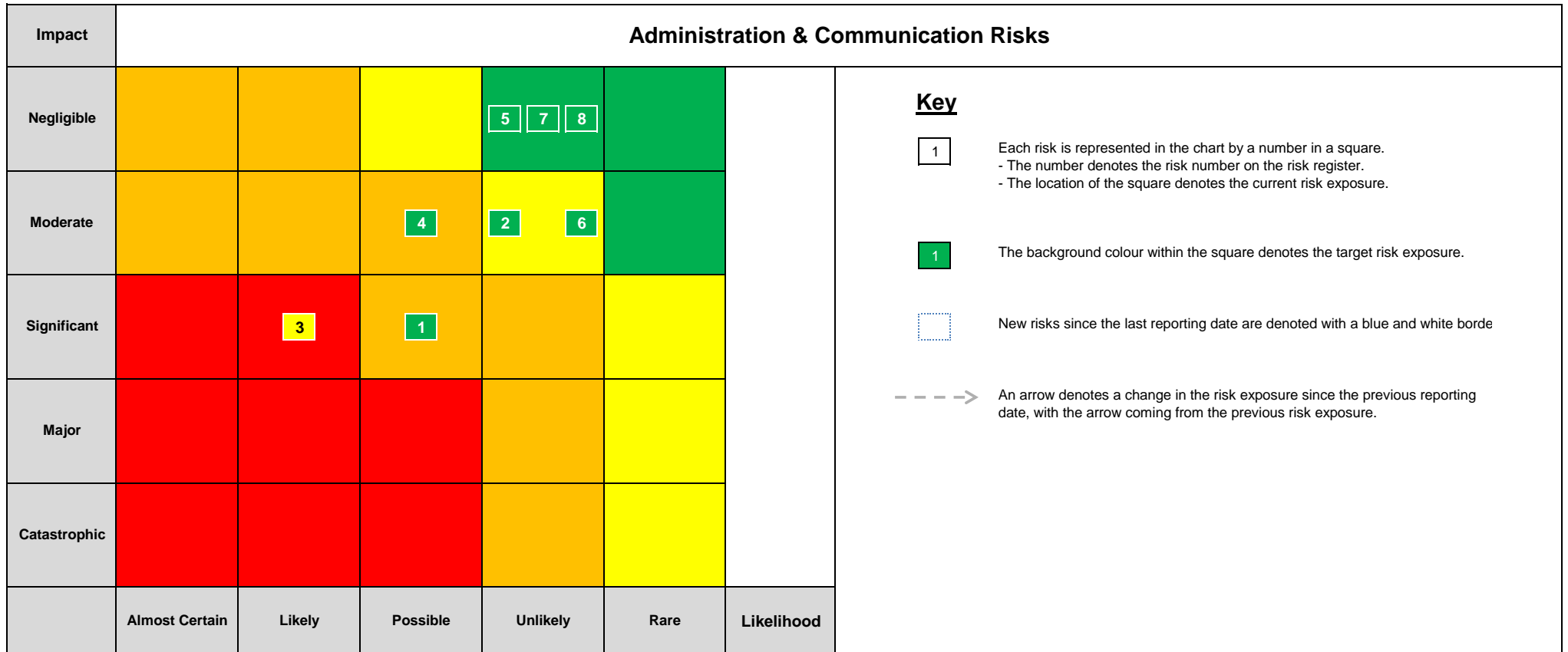


Administration and Communication Risks Heat Map and Summary



Clwyd Pension Fund - Control Risk Register

Administration & Communication Risks

Objectives can be found within a separate summary

Risk no:	Risk Event (this [event] could happen)	Risk cause (...due to [cause]...)	Risk Impact (...which may result in the following [impact] to our objectives)	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	Insufficient suitably trained administration and communications staff	<ul style="list-style-type: none"> - Difficulty in retaining staff (potentially due to low pay grades) - Difficulty in recruiting (potentially due to low pay grades) - Poor training programmes - Lack of time to invest in training including system understanding 	<ul style="list-style-type: none"> - Delays in provision of information to members/calculations of benefits/other processes - Errors in information / calculations / processes - Increased pressure /expectations on trained staff - Additional unbudgeted costs (overtime / external support) - Complaints / IDRPCs, rectification costs & reputational damage 	All	Significant	Possible	High	<ol style="list-style-type: none"> 1 – Annual appraisal process with a mid-year review. Informal development discussions as required. Personal development plan for each staff member including objective setting and specific training preferences. 2 - K&S Policy, plan and ongoing monitoring in place for senior management team 3 – Existing providers and/or National Framework can be utilised if required for undertaking work or supporting with training /expertise 4 - Admin management team meetings [weekly] to monitor work volumes and trends 5 - Ongoing KPI/SLA reporting to management team/AP/PFC/LPB 6 - Staff recruitment/retention and organisational issues regularly considered at AP, PB and PFC 7 -Staffing budget reconsidered annually as part of Business Planning 8 - System /functionality controls and internal checking requirements in place 9 - Periodic external quality reviews of processes / procedures undertaken 10 - Project Team in place to focus on implementing changes and protect any impact on BAU 11 - Impact of potential or actual vacancies and/or other absences discussed regularly within management team ensuring priority work continues unaffected 12 - Issues with recruitment quickly identified, reviewed and discussed with FCC to increase success of appointments 13 - Fundamental review of Administration Team structure in summer 2023, having regard to trends in workflow and forecasting to the future. 	Negligible	Unlikely	Green	<ul style="list-style-type: none"> Current impact 2 too high Current likelihood 1 too high 	10/06/2024	Mar 2025	<ol style="list-style-type: none"> 1 - Work ongoing relating to recruitment, retention, succession planning including pay grade benchmarking. (KW/SB/AR) 2 - Ongoing training of recent recruits (SB/AR) 3 – Carry out staff satisfaction survey (KW) 4 – List of all administration processes (including checking) to be developed (KW) 	Karen Williams	11/12/2024	11/11/2024
2	Employers don't provide timely and accurate information	<ul style="list-style-type: none"> - Employers lack of understanding (including Poor comms and pace of change) - Employers lack of resource - Employers payroll systems have restrictions or are not fit for purpose - Employers have insufficient resources allocated to pensions matters - No or limited access to efficient data transmission 	<ul style="list-style-type: none"> - Delays in provision of information to members/calculating benefits - Errors in calculations / information provided to members - Complaints / IDRPCs, rectification costs & reputational damage - Inefficiencies due to querying/chasing data 	A1, A2, A3, A4, A5, C1, C2, C8, C9, C10, C11, C12, C13	Moderate	Unlikely	High	<ol style="list-style-type: none"> 1 - Administration strategy in place (including employer expectations & escalation) and regularly reviewed 2 - Employer engagement through Pension Board 3 - Employer steering group established (Councils' senior officers) 4 - Employer group engagement meetings established (all employers). 5 -Meetings with employers to discuss any ongoing data issues and provide training where required in line with the employer escalation procedure. 6 – LGA employer training guides issued 7 - I-connect in place for all Fund employers 8 - Regular data checks / reconciliations including additional checks as part of the year end processes (the newest additional check is Assumed Pensionable Pay data) 9 - Employer Liaison Team services available 10 - Independent data checks/analysis by actuary and monitoring against TPR data scores 11 - Monthly employer performance monitoring / communications 	Negligible	Unlikely	Green	<ul style="list-style-type: none"> Current impact 1 too high 	10/06/2024	Dec 2024	<ol style="list-style-type: none"> 1 – Implement employer escalation procedure (which covers joiners, leavers and retirements) (KW/AH/KW/i) 2 – Develop and implement Data Quality Policy (KW) 3 – List of all administration processes (including checking) to be developed (KW) 	Karen Williams	11/12/2024	11/11/2024
3	Significant changes required to existing administration and communications processes and procedures	<ul style="list-style-type: none"> External factors (Current examples: McCloud, Pensions dashboards, backdated pay awards, Employer membership changes) 	<ul style="list-style-type: none"> - Processing delays due to increases in work and/or resource needing to be re-allocated - Errors in calculations of benefits/communications due to lack of understanding of changes by employers and/or CPF administration team - Processing delays due to delays in system enhancements - Complaints / IDRPCs, rectification costs & reputational damage 	A1, A2, A3, A4, A5, C1, C2, C6, C7, C8, C9	Significant	Likely	Critical	<ol style="list-style-type: none"> 1 – Weekly admin management team meetings to monitor workloads and trends 2 - Ongoing KPI/SLA reporting to management team/AP/PFC/LPB 3 – Existing providers and/or National Framework can be utilised if required (e.g. implementing changes / training) 4 – Project Team in place to focus on implementing changes and protect any impact on BAU 5 - Technical / Comms Team in place to focus on interpreting regulations / updating communications 6 - Large projects have formal programme/project management e.g. McCloud Programme in place, including governance structure with Steering Group, PMG and regular workstream meetings and Pension dashboards programme established. 7 - Participation in wider groups to ensure Administration Team have a good understanding of changes e.g. POGs and the Pension Administration Manager sits on PLSA working group for Pensions Dashboards 8 – Doing Altair “testing site” role for the integration of the Administration system and Pensions Dashboard 9 - Annual business planning considers expected changes including budget and resourcing needs 10 – Various means of engaging with employers to proactively identify potential changes / issues 	Moderate	Unlikely	Yellow	<ul style="list-style-type: none"> Current impact 1 too high Current likelihood 2 too high 	10/06/2024	Mar 2025	<ol style="list-style-type: none"> 1 – Fully test and implement all software releases for McCloud fixes to enable completion of McCloud data validation/upload and benefit rectification (AH/JT) 2 – Project team to be fully implemented and take on all major admin projects (KW/KW) 	Karen Williams	11/12/2024	11/11/2024
4	Communications to scheme members are misunderstood, not inclusive, or are not received / not read	<ul style="list-style-type: none"> - Lack of skilled staff with communications skills / EDI awareness (including plain language) - Best practice not being followed - High cost of communication restricting ways of communicating - Members not i-connect registered / confirmed as paper preference (black hole) - Members not reading MSS alerts/post (e.g. low priority) - Issues with MSS log ins (including forgotten passwords) - Members not updating email and/or postal address 	<ul style="list-style-type: none"> - Members make poor decisions or fail to take action due to lack of understanding /awareness - KPIs/SLAs/legal deadlines are not met due to lack of member engagement - Complaints / IDRPCs, rectification costs & reputational damage including due to accessibility /inclusion issues -Additional costs / lack of efficiencies e.g. chasing member non-responses / tracing correct contact details - Insufficient internal resource for managing member communications 	A1, A2, A4, C1, C2, C3, C4, C5, C6, C7, C8, C9	Moderate	Possible	High	<ol style="list-style-type: none"> 1 – Communications Strategy in place and regularly reviewed – a focus on digital engagement and inclusivity of communications 2 – Annual communications survey for scheme members 3 – Specialist communication officer in team 4 – Internal checking requirements in place for bulk / template communications 5 – Access to consultant's communications specialists if required to fill any gaps in Fund resource/expertise 6 – Engagement with member representatives on Pension Board and PFC 7 - Member self-service in place 8 – Plain Language review of website undertaken 9 – Website meets accessibility requirements 10 – Ongoing feedback from member focus groups 11 – Annual business planning considers development of expected communications changes including budget and resourcing needs 12 – Regular address tracing exercises undertaken 13 - Participation in wider groups e.g. POGs to share ideas and discuss effective communications 14 – Engagement with software provider regarding system developments relating to Communications, e.g. Engage (which will replace MSS) 	Negligible	Unlikely	Green	<ul style="list-style-type: none"> Current impact 1 too high Current likelihood 1 too high 	10/06/2024	Mar 2025	<ol style="list-style-type: none"> 1 – Finalise Plain Language review of all communications beyond website (KW) 2 – Implement new communications strategy (other actions) in line with business plan (KM/KW) 3 – Assess gap in skills post Comms Officer recruitment (KW/KM) 4 – Agree and implement communication actions relating to EDI policy (KM/KW) 5 – List of all administration processes (including checking) to be developed (KW) 	Karen Williams	11/12/2024	11/11/2024
5	Communications to employers are misunderstood, not inclusive, or are not received / not read	<ul style="list-style-type: none"> - Lack of skilled staff with communications skills / EDI awareness (including plain language) - Best practice not being followed High cost of communication restricting ways of communicating - Employers not confirming changes in staff / contact details - Employers not reading alerts / emails (e.g. lack of capacity/low priority) - Issues with i-connect employer portal log in (including forgotten passwords) 	<ul style="list-style-type: none"> - Employers provide inaccurate data/information or miss deadlines - Incorrect contributions paid to the Fund - Incorrect benefits or information then provided to scheme members - I Complaints from employers and /or complaints IDRPCs from members, , rectification costs & reputational damage - Additional costs / lack of efficiencies e.g. chasing non-responses / tracing correct contact details 	A1, A2, A3, A4, C1, C2, C3, C4, C5, C6, C7, C8, C9, C10, C11, C12, C13	Negligible	Unlikely	High	<ol style="list-style-type: none"> 1 – Communications Strategy in place and regularly reviewed – a focus on digital engagement and inclusivity of communications 2 - Administration strategy in place (including employer expectations & escalation) and regularly reviewed 3 - Employer engagement through Pension Board and PFC 4 - Employer steering group established (Councils' senior officers) 5 - Employer Liaison Team services available 6 - Employer group engagement meetings established (all employers) 7 - Meetings with employers to discuss any ongoing data issues and provide training where required in line with employer escalation procedure 8 – Annual communications survey for employers 9 - Internal checking requirements in place for bulk / template communications 10 - Independent data checks/analysis by actuary and monitoring against TPR data scores 11 - Monthly employer performance monitoring with formal escalation process / increased engagement where not meeting KPIs 12 – Specialist communication officer in team 13 – Access to consultant's communications specialists if required to fill any gaps in Fund communications resource/expertise 14 – Annual business planning considers development of expected communications changes including budget and resourcing needs 15 - Participation in wider groups e.g. POGs to share ideas and discuss effective communications 	Negligible	Unlikely	Green				<ol style="list-style-type: none"> 1 – Finalise Plain Language review of all employer communications (KW) 2 – Implement new communications strategy in line with business plan (KM/KW) 3 – Assess gap in skills post Comms Officer recruitment (KW/KM) 4 – Agree and implement communication actions relating to EDI policy (KM/KW) 5 – List of all administration processes (including checking) to be developed (KW) 	Karen Williams	11/12/2024	11/11/2024

Risk no:	Risk Event (this [event] could happen)	Risk cause (...due to [cause]...)	Risk Impact (...which may result in the following [impact] to our objectives)	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
6	Communications to scheme members are inaccurate	<ul style="list-style-type: none"> - Poor data quality - systems with underlying errors or poor functionality - staff errors / poor peer review 	<ul style="list-style-type: none"> - Incorrect amounts of benefits are paid - Members rely on incorrect information to make decisions - Complaints / IDRPCs-, rectification costs & reputational damage 	A1, A2, A4, C1, C6, C7, C8, C9	Moderate	Unlikely	High	<ul style="list-style-type: none"> 1 - Administration strategy in place and regularly reviewed 2 - Internal checking requirements in place 3 - I-connect in place for all Fund employers 4 - Regular data checks / reconciliation including additional checks as part of the year end processes (the newest additional check is Assumed Pensionable Pay data) 5 - Periodic review of template communications for accuracy, including website 6 - Independent data checks/analysis by actuary and monitoring against TPR data scores- 7 - Participation in wider groups e.g. POGs to share ideas and discuss effective communications 8 - Engagement with software provider regarding system developments relating to Communications, e.g. Engage (which will replace MSS) 9 - Fundamental technical content review of website carried out during 2023/24 	Negligible	Unlikely	High	☹️ Current impact 1 too high	10/06/2024	Mar 2025	<ul style="list-style-type: none"> 1 – Finalise technical review of all member communications beyond website (KW) 2 – Develop and implement Data Quality Policy (KW) 3 – List of all administration processes (including checking) to be developed (KW) 	Karen Williams	11/12/2024	11/11/2024
7	Communications to employers are inaccurate	<ul style="list-style-type: none"> - Poor data quality - systems with underlying errors or poor functionality - staff errors / poor peer review 	<ul style="list-style-type: none"> - Employers rely on incorrect information and therefore, provide incorrect data which may result in incorrect member benefits - Complaints / IDRPCs-, rectification costs & reputational damage 	A1, A2, A3, A4, C1, C6, C9, C10, C11, C12, C13	Negligible	Unlikely	High	<ul style="list-style-type: none"> 1 - Administration strategy in place and regularly reviewed 2 - Internal checking requirements in place 3 - Employer engagement through Pension Board 4 - Employer steering group established (Councils' senior officers) 4 - Employer group engagement meetings established (all employers). 5 - Meetings with employers to discuss any ongoing issues. 6 - I-connect in place for all Fund employers 7 - Independent data checks/analysis by actuary and monitoring against TPR data scores 8 – Periodic review of template employer communications, including employer information on website, for accuracy 9 - Participation in wider groups e.g. POGs to share ideas and discuss effective communications 	Negligible	Unlikely	High	😊			<ul style="list-style-type: none"> 1 – Finalise Plain Language review of all employer communications (KW) 2 – Develop and implement Data Quality Policy (KW) 3 – List of all administration processes (including checking) to be developed (KW) 	Karen Williams	11/12/2024	11/11/2024
8	The Fund does not have appropriate pension administration/communication systems	<ul style="list-style-type: none"> - Systems not being kept up to date for national changes/best practice by suppliers - Not being kept up to date, or used effectively, by the Fund - Ineffective contract terms - Inappropriate procurement terms - Lack of appropriately trained staff - Lack of engagement from Council IT - High pace of external change - High cost of systems 	<ul style="list-style-type: none"> - Unacceptable periods of systems being unavailable - Errors (including data and calculation errors) - Services not being delivered, or Delays in delivery - Increased costs due to Inefficiencies - Complaints / IDRPCs, rectification costs & reputational damage 	A1, A2, A4, A5, C3, C4, C7, C8, C9, C11, C12, C13	Negligible	Unlikely	High	<ul style="list-style-type: none"> 1 – System provider appointed following procurement exercise using national framework (and CPF were founding authority on national framework). 2 – Ongoing annual service review of Heywood contract for main admin/communication systems 3 - I-connect and MSS implemented and regularly reviewed 4 - Regular review of effectiveness of workflow procedures to ensure are fit for purpose 5 - Implementation of other Altair modules including Altair Insights to ensure effective/efficient use of available systems 6 - Ongoing engagement with Heywood and other users (including national groups) about software enhancements including timeliness of upgrade, and a hosted fund so receive software updates early 7 – Participation at national events/engagement with wider market to understand options for enhancements / improvements in systems 8 – Testing of all upgrades carried out before going live 9 - Ongoing checking for data issues and of day-to-day processes to assist in identifying issues 	Negligible	Unlikely	High	😊			<ul style="list-style-type: none"> 1 – Appoint pension dashboard ISP in line with new national dashboard timetable (KW/KWi/AH) 2 – Develop and test all processes for national pension dashboard readiness (KW/KWi/AH) 3 – Consider future options for website hosting (KW/KM/AH) 4 – List of all administration processes (including checking) to be developed (KW) 5 - Ongoing discussions with Heywood regarding transition to engage to replace MSS. 	Karen Williams	11/12/2024	11/11/2024

Clwyd Pension Fund - Control Risk Register
 Objectives for Administration & Communication risks

Policy/Strategy	Reference	Objective
Administration Strategy	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
Communications Strategy	C1	Increase awareness and understanding of the Scheme and provide sufficient information so stakeholders can make informed decisions
	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 so
	C4	Look for efficiencies and environmentally responsible ways in delivering communications through greater use of technology and partnership working
	C5	Regularly evaluate the effectiveness of communications and shape future communications appropriately
	C6	Increase awareness and understanding of the pension scheme and how it works
	C7	Encourage members to take ownership of their pension and understand the broader benefits of the pension scheme
	C8	Maintain and build positive members experiences along every member's journey, wherever they are on their journey
	C9	Reduce the need for face-to-face meetings and phone calls
	C10	Increase awareness and understanding of the information required by the Fund from employers
	C11	Encourage employers to take ownership of the data and help their employees understand the broader benefits of the pension scheme
	C12	Maintain and build positive relationships with employers regardless of their size or expertise
	C13	Make the management of the Fund more efficient for both the Fund and employers