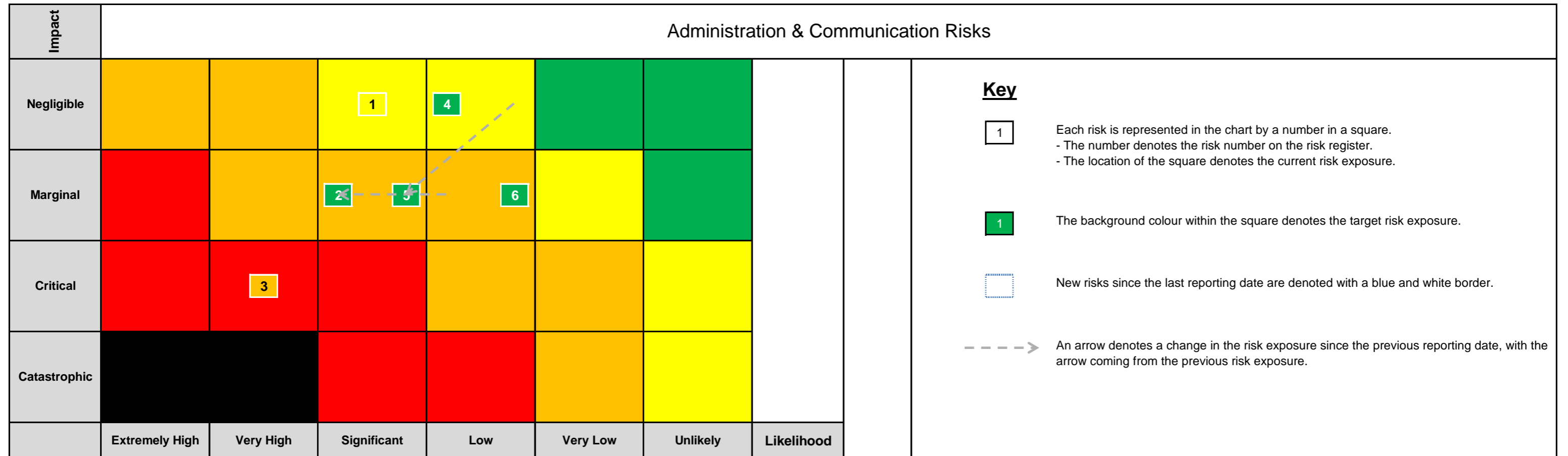


### Administration and Communication Risks Heat Map and Summary



27 January 2021

**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 employees 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 (including due to Covid-19)	All	Negligible	Significant	High	1 - Training Policy, Plan and monitoring in place 2 - Benefit consultants available to assist 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, and further resource increase/recruitment to new posts 8 - Ongoing monitoring of ELT and Ops resource/workload for backlogs 9 - Establishment of aggregation team 10 - Ongoing training within the team 11 - Impact of potential Covid absences being discussed at weekly Covid catch ups and plans in place for ensuring priority work continues unaffected/training of new Lead PO has been undertaken.	Negligible	Low	High	☹️ Current likelihood 1 too high	12/05/2020	Oct 2021	1 - Ongoing consideration of resource levels post recruitment of new posts (KW)	Pensions Administration Manager	30/04/2021	25/01/2021
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 (including due to Covid-19)	A1 / A4 / A5 / C2 / C3 / C4 / C5	Marginal	Significant	High	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) 7 - Implemented further APP data checks to identify issues 8 - Updated Admin Strategy to include a compliance declaration 9 - Increased engagement with employers as to how they are managing due to Covid, and ongoing CPF requirements, and also increased monitoring of employer data coming into CPF	Negligible	Very Low	High	☹️ Current impact 1 too high Current likelihood 2 too high	01/07/2016	Oct 2021	1 - Ongoing roll out i-connect (AH) 2 - Develop and roll out APP training - in house and employers (KM) 3 - Identify other employer data issues (incl McCloud) and engage directly with employers on these (KW/AH) 4 - Developing monthly KPI reporting for employers (KW/AH) 5 - Reviewing annual SLA communications with employers (KM/KW)	Pensions Administration Manager	30/04/2021	25/01/2021
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 and £95k cap)	A1 / A4 / A5 / C2 / C3 / C4 / C5	Critical	Very High	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 4 - McCloud planning being undertaken, including governance structure with Steering Group and PMG	Marginal	Low	High	☹️ Current impact 1 too high Current likelihood 2 too high	27/08/2018	Oct 2021	1 - Ongoing consideration of resource levels post recruitment of new posts (KW) 2 - Ongoing consideration of likely national changes and impact on resource (KW) 3 - Ongoing consideration of £95k cap on processes etc (KW/KM)	Pensions Administration Manager	30/04/2021	24/01/2021
4	Scheme members do not understand or appreciate their benefits	Communications are inaccurate, poorly drafted or insufficient (including McCloud and £95k cap)	C1/ C2 / C3	Negligible	Low	High	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	High	☹️ Current likelihood 1 too high	01/07/2016	Oct 2021	1 - Ongoing promotion of member self service (KM) 2 - Ongoing identification of data issues and data improvement plan (All) 3 - Review of and update website during 2020/21 (KM) 4 - Review of success of new website/iConnect/member self-service planned for 2021/22 (KM)	Pensions Administration Manager	30/04/2021	25/01/2021
5	High administration costs and/or errors	Systems are not kept up to date or not utilised appropriately, or other processes inefficient (including McCloud and £95k)	A2 / A4 / C4	Marginal	Significant	High	1 - Business plan has number of improvements (i-connect/MSS etc) 2 - Review of ad-hoc processes (e.g. deaths and aggregation) 3 - Participated as a founding authority on national framework for admin systems and this is now launched 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 7 - Increased engagement with Heywood about change in their business model 8 - Increased engagement with Heywood re McCloud software enhancements	Negligible	Very Low	High	☹️ Current impact 1 too high Current likelihood 2 too high	01/07/2016	Oct 2021	1 - Ongoing roll out of iConnect (AH) 2 - Ongoing identification of data issues and data improvement plan (All) 3 - Review of and update website during 2020/21 (KM) 4 - Review of success of new website/iConnect/member self-service planned for 2021/22 (KM) 5 - Carry out CPF tender for pension admin system (KW) 6 - If delays in system upgrades, look for alternative solutions to administer regulatory changes (KW)	Pensions Administration Manager	30/04/2021	25/01/2021
6	Service provision is interrupted	System failure or unavailability, including as a result of cybercrime and Covid-19	A1 / A4 / C2	Marginal	Low	High	1 - Disaster recover plan in place and regularly checked 2 - Hosting implemented 3 - Implement lump sum payments via pensioner payroll facility 4 - Regular communications with Heywood re how dealing with Covid & early communications with FCC re how to ensure payments are made as a back up	Negligible	Unlikely	High	☹️ Current impact 1 too high Current likelihood 2 too high	08/11/2019	Oct 2021	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	30/04/2021	25/01/2021