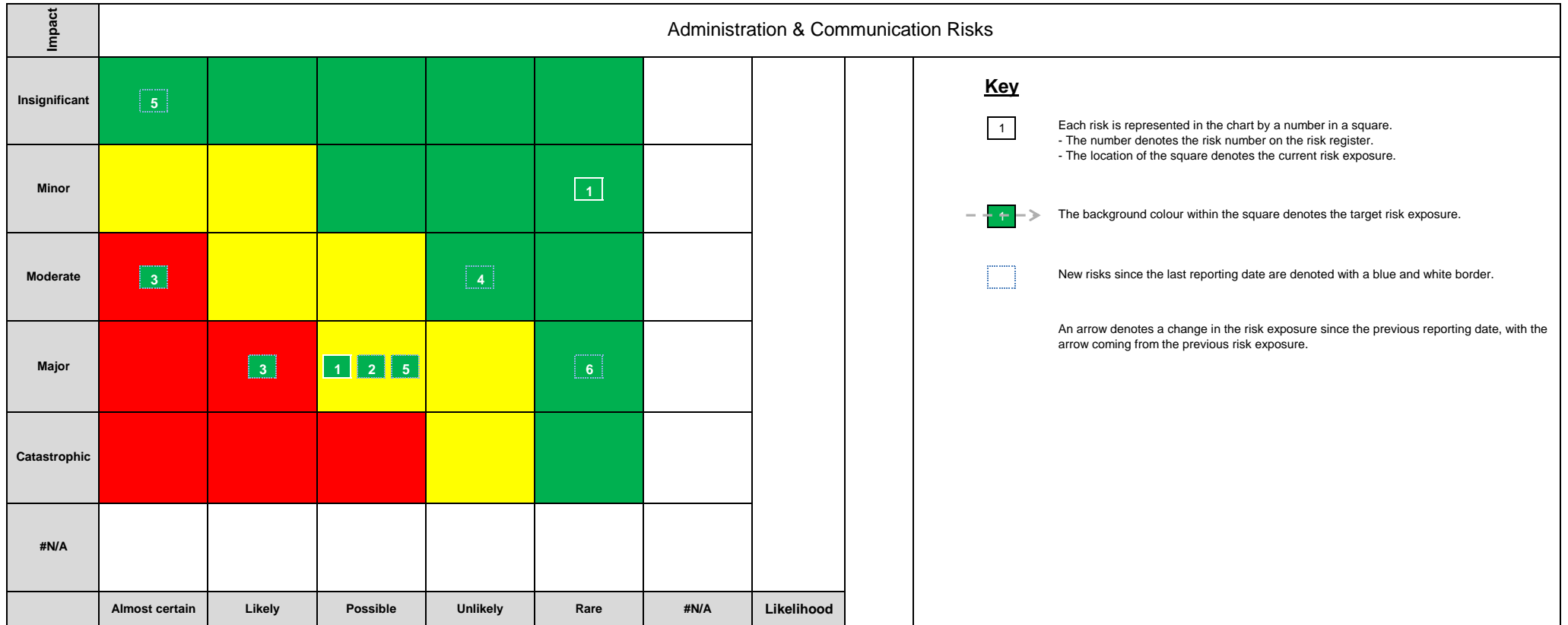


Administration and Communication Risks Heat Map and Summary



Tower Hamlets Pension Fund - Control Risk Register

Administration & Communication Risks

Objectives extracted from Administration and Communications Strategy:

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 in benefit calculations) leading to potential member complaints and poor data security	Staff are poorly trained and/or we can't recruit/retain sufficient quality of staff, and/or appropriate succession planning is not in place		Major	Possible	Yellow	<ul style="list-style-type: none"> 1 - Training Policy, Plan and monitoring in place 2 - External consultants available to assist if required 3 - Data protection training, policies and processes in place 4 - Business plan includes workforce matters 5 - Review of administration team structure 6 - Quarterly update reports consider resourcing matters 7 - Staff reviews implemented and most vacant positions now recruited to 8 - Ongoing training within the team 	Minor	Unlikely	Green	☺ Current impact 2 too high	25/02/2020	Jun 2020	<ul style="list-style-type: none"> 1 - Recruit to any vacant roles (MA) 2 - Ongoing consideration of succession planning (MA) 3 - Continue training of new and newly promoted staff (MA) 4. Complete team restructuring (MA) 	Pension and Investments Manager	30/06/2020	25/02/2020
2	Unable to meet legal and performance expectations (including inaccuracies and delays and potential legal breaches) due to lack of or poor quality data from employers	Employers: -don't understand or meet their responsibilities -don't allocate sufficient resources to pension matters - don't engage with the Administering Authority		Major	Possible	Yellow	<ul style="list-style-type: none"> 1 - Administration strategy updated and consulted upon 2 - Communications Strategy (to be reviewed) sets out how Fund will engage with all Stakeholders 3 - Ensure information communicated to Employers is clear, concise and relevant 4 - Where available use standard templates/information from the LGPS employers association 5 - Provide training to employers that is specific to their roles and responsibilities in the LGPS 6 - Employer access to the i-Connect portal (roll-out in progress), and forms available on website 7 - Employers can access specialist support from Fund Officers 	Minor	Unlikely	Green	☺ Current impact 2 too high	25/02/2020	Jun 2020	<ul style="list-style-type: none"> 1 - Ongoing roll out of i-connect (MA) 2 - Revise / update Admin / Comms Strategies (MA) 3 - Identify other employer data issues and engage with employers on these (MA) 	Pension and Investments Manager	30/06/2020	25/02/2020
3	Unable to meet legal and performance expectations due to external factors	Big changes in employer or scheme member numbers or unexpected work increases (e.g. regulation changes such as increase in transfers out due to new pension freedoms)		Major	Likely	Red	<ul style="list-style-type: none"> 1 - Ongoing reporting to management/PC/PB to quickly identify issues (For example on transfers - Monitor numbers and values of transfers out being processed and report regularly) 2 - External consultants available to assist if required 3 - Recruitment to new posts 	Minor	Unlikely	Green	☺ Current impact 2 too high	25/02/2020	Mar 2021	<ul style="list-style-type: none"> 1 - Ongoing consideration of resource levels post recruitment of new posts (MA) 2 - Ongoing consideration of likely national changes and impact on resource (MA) 	Pension and Investments Manager	30/06/2020	25/02/2020
4	Scheme members do not understand or appreciate their benefits and cannot make informed decisions	Communications are inaccurate, poorly drafted, overly complicated, irrelevant, too technical or insufficient in some other manner		Moderate	Unlikely	Green	<ul style="list-style-type: none"> 1 - Communications Strategy (to be reviewed) 2 - Members provided with explanatory notes and guidance and given access to further pension support 3 - Website provides information on the Scheme and on Members' benefits 4 - Member self service to be launched in 2020 	Insignificant	Unlikely	Green	☺ Current impact 2 too high	25/02/2020	Jun 2020	<ul style="list-style-type: none"> 1 - Implementation of member self service (MA) 2 - Ensure all communication and literature is up to date / relevant (MA) 3 - Revise / update Admin / Comms Strategies (MA) 4 - Consider annual communications survey (MA) 	Pension and Investments Manager	30/06/2020	25/02/2020
5	High administration costs and/or errors (including rectification costs and IDR costs or fraud) and reputational damage if Ombudsman rules against the Fund	Systems are not kept up to date or not utilised appropriately, or complaints are not dealt with appropriately or other processes inefficient		Major	Possible	Yellow	<ul style="list-style-type: none"> 1- Business plan has number of forthcoming improvements (i-connect/MSS etc) 2 - Use of Altair which is a nationally recognised software with plentiful guidance / support 3 - Ongoing training on how to use systems within the Administration team 4- Fund has (PC approved) Internal Dispute Resolution Policy (IDRP) 5 - Robust checks / adherence with best practice including undertaking regular reconciliation of payments 	Minor	Unlikely	Green	☺ Current impact 2 too high	25/02/2020	Jun 2020	<ul style="list-style-type: none"> 1 - Ongoing roll out of iConnect and MSS (MA) 2 - Assessment of Team skills / capabilities once restructure is complete (MA) 	Pension and Investments Manager	30/06/2020	25/02/2020
6	Service provision is interrupted or incorrect benefits paid and/or records are lost, including data breaches	System failure or unavailability, including as a result of cybercrime or fraud / misappropriation by officers		Major	Rare	Green	<ul style="list-style-type: none"> 1 - Disaster recovery plan in place and allows the pension administration system to be run from an alternative site 2 - Altair administration system is subject to daily software backups and off-site duplication of records 3 - Pensioner payroll system is subject to daily software backups and off-site duplication of records 4 - Robust checks / adherence with best practice including undertaking regular reconciliation of payments 5 - Internal Audit plan includes dedicated hours for review of internal controls in relation to the management and accounting of the Pension Fund. The plan is designed on a risk basis, so that areas of high risk will be subject to more frequent internal audits 6 - Recommendations from internal audits of processes and controls are implemented in a timely manner 	Moderate	Rare	Green	☺ Current impact 1 too high	25/02/2020	Jun 2020	<ul style="list-style-type: none"> 1 - Ongoing checks relating to suitability of disaster recovery plan (MA) 2 - Review of cybercrime risk controls (MA) 	Pension and Investments Manager	30/06/2020	25/02/2020