Agenda Item 10

LONDON BOROUGH OF ENFIELD PENSION FUND – ADMINISTRATION - RISK REGISTER – Sept 2022

Area	Risk Register	Likelihood	X	Level of Risk	Project work	Cause of Risk	Risk Owner	Impact	Controls in place	Further action required	Review date
Benefits	Processing of Benefits	2	4	Low	No	Pension benefits not paid out accurately or at the right time	Pensions Administration Team	member not paid causing financial hardship. Plus financial and reputational damage to pension fund	Members identifed with reporting controls in place and contacted in time. Benefits are checked by another officer and audit checks in place.	Controls and checks in place to be continued to be reviewed to ensure no errors.	01/01/2023
Benefits	Overage deferred records not paid	3	6	Medium	No	Benefits not paid out to eligible members as not claimed by member	Pensions Administration Team	member not paid causing financial hardship. Plus financial and reputational damage to pension fund	All identified have been written to but a Project plan in progress to find these members required	Project plan in progress to use external outscource to find missing members addresses. Systems Team to identify amount.	30/11/2022
Benefits	Over 75 benefits not paid - insert figures	4	4	Low	No	Benefits not paid out to eligible members	Pensions Administration Team	member not paid causing financial hardship. Plus financial and reputational damage to pension fund	Members identifed and payroll notified - involves low numbers but vigilance required when reporting	Systems team to run future reports for 2021 to identify any future members reaching 75 this year. Missing member address tender required	01/01/2023
Benefits	AVCs at leaving	3	6	Medium	No	PF not notifying member of AVCs held so they are either not claimed or forgotten by the member	Pensions Administration Team	member not paid, could cause financial hardship. Also financial and reputational damage to pension fund	Checks are completed and further discussion is due with new client managers at Prudential	Constant communication with Prudential has been required to ensure work is on track	31/03/2022
	AVCs -Prudential annual statements	1	9	Medium	No	Prudentail not notifying member of AVCs held within the agreed timelines so they are either not claimed or forgotten by the member	Pension Fund	Reputational damage and complaints direct to the Fund regarding Prudentials poor service.	Prudential have informed us that they have informed the Pension Regulator	To ask Prudential for proof to also look at other AVC providers	31/08/2022
Projects	Aggregation of benefits - pre and post April 14	3	6	Medium	Yes	Failure to offer linking of member services.	Pensions Administration Team	member not notified of benefits. Plus financial and reputational damage to pension fund	Project in place - to focus on none McCloud affected members as part of new approach. To be rolled out to team	Historical Members identifed - administration team working through both old and new cases as they appear each month	31/10/2022
	McCloud review	3	6	Medium	Yes	Government lost a test case which resulted in all public sector funds to review their data to ensure no one has lost out	Systems Team	member not paid the correct benefits. Plus financial and reputational damage to pension fund	Systems Team to focus on next stage of data interrogation of members identified plus discuss additional resources	Ensure new legistlation updates are reviewed. Systems Team to contact employers re data retention - esp hours previously held	30/09/2022
	Pensions Dashboard	3	3	Low	Yes	New national IT System to allow everyone to view all their pension benefits (including state pension) in one place	Pensions Fund	Reputation damage and fines from pension regulator if we don't supply correct data to the dashboard on a regular basis	Project plan in place but linked in with all LGPS funds as IT is developed	awaiting actual go live date - 2024 but likely to be later as McCloud completion needs to have completed	31/03/2023
	National Fraud Initiative (NFI)	3	6	Medium	Yes	New online system allows more frequent checks and updating	Julie Barker	Overpayment of pensions if not identified and stopped.	Project review taking place to see if a monthly review in under/over payments of death cases sits more efficiently in payroll	awaiting initial investigation of results supplied by NFI in order to agree a new process.	31/08/2022

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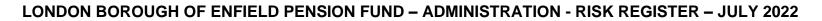| Area	Risk Register	Likelihood	X	Level of Risk	Project work	Cause of Risk	Risk Owner	Impact	Controls in place	Further action required	Review date
Projects	Annual Allowance	3	3	Low	Yes	All cases identified and notified within timelines	Andreas Andrea	Tax implications for both member and member if incorrectly notified	project team in place - actions left to complete -	Andreas to produce project plan for 2020 and involves Rebecca Moore in delivery	01/11/2022
	Lifetime Allowance [INCLUDE PROTECTIONS]	3	3	Low	Yes	All processed correctly?	Andreas Andrea	Tax implications for both member and member if incorrectly notified	All complex queries are referred to risk owner	Andreas to produce project plan for 2020 and involves Rebecca Moore in delivery	01/11/2022
	Triennial Valuation 2022	3	6	Medium	Yes	Completion of the administration side of the triennial valuation in a timely manner.	Tim O'Connor	Incorrect benefits paid out. Financial and reputational damage to fund.	Currently in progress	Risk owner to outline project timelines along with appropriate stakeholders.	31/07/2022
	GMP - HMRC	4	4	Low	Yes	All GMP related work to have been completed in line with the closedown of GMP related work at the DWP.	Tim O'Connor	Incorrect data on records leading to incorrect payment. Taking on the responsibility of cases because we have not data cleansed sufficiently.	Final Cut of data now received from HMRC - project plan in place to work through.	project plan in place	31/03/2023
	ABS	3	6	Medium	Yes	Sent out correctly and in line with prescribed timescales	Systems Team with support from Tim O'Connor	Incorrect statements can lead to members making incorrect financial decisions. Causing reputational damage to the fund.	Project plan in place and currently in progress	Review in January for letters and also include online feedback survey	31/08/2022
	Workflow aligning with SLAs and all procedures captured	4	4	Low	Yes	Workflow completion timescales are currently more generous and consequently out of sync with SLA timescales and with disclosure of Regulations timescales this means our KPIs are reporting inaccurate data	Tim O'Connor with support from Systems Team	This could incur fines from the Pensions Regulator. Also impossible to plan resources when KPIs giving a different slant on work completion/outstanding.	Project plan in place	Project to align all the workflows to SLA and Disclosure of Regs timescales, this needs to be documented in test as steps within the workflows.	31/12/2022
	Correctly uploading factor tables	1	1	Low	No	are the correct factors in place in Altair?	Andreas Andrea	Incorrect factor tables could lead to incorrect payments of benefits if anomalies are not identified by the Benefits Team	inplace and Systems team working with Heywoods on new releases and updates required	None required at present	31/03/2023
	Event reporting	3	6	Medium	No	Capturing all area's of work	Andreas Andrea	HMRC fines for both fund and member. Reputational damage to fund in the event of any fine.	Systems team supporting Pensions Finance Officer to ensure migration to online has been completed	System team to complete a written procedure for the procedure matrix	31/12/2022
	Missing Addresses	3	3	Low	No	Could lead to personal data going to a wrong address or benefits not claimed.	Tim O'Connor with support from the Systems Team	Not having the ability to contact the member to notify or pay our benefits	Project plan in place	Tender required to outscource missing members addresses to a tracing agency. Systems Team to identify amount.	31/08/2022

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Area	Risk Register	Likelihood	X	Level of Risk	Project work	Cause of Risk	Risk Owner	Impact	Controls in place	Further action required	Review date
	End of year updating (LGPS 2022 scheme and employer data issues)	3	9	Medium	Yes	Year updating of Altair IT System. Pensions Increase programme. Plus EOY factor tables. Employee data for salaries and contributions - if incorrect. Member could be wrongly paid.	Andrea Andrea	Impact on both members payments and incorrect ABS	Project plan in place - work is double checked by system team - currently in good progress as more employers have been onboarded to Iconnect	None required at present - a written process to be produced for new systems team members to follow	31/03/2023
	Data cleansing meeting TRP record-keeping	3	3	Low	No	Establish a clear and consistent data cleansing programme. Expansion of pensions dashboard.	Tim O'Connor with support from both administration and Systems teams	Without a clear, consistent and routine data cleansing programme, the fund cannot be confident that errors will not occur, Pension Regulator targets will not be met causing reputational damage	project plan in place	Establishment of a comprehensive suite of routine data cleansing processes as part of a full programme. Procedure to capture this area of work.	01/01/2023
	Procedure matrix	3	9	Medium	Yes	procedures all captured and up to date?	Tim O'Connor with support from both administration and Systems teams	Without an up to date procedure matrix it will be impossible to know who is following the correct procedure. This could lead to cases been incorrect benefits been paid, also risk of reputational damage	Procedure project in progress	Team Leaders to routinely capture any missing processes and monthly reviews on updates	31/03/2023
	Training matrix	3	9	Medium	No	Up to date with all training work - 2 new members in systems currently learning. 2 experienced admin members going on maternity leave in autumn, new cover required	Tim O'Connor	Without an up to date training matrix it will be impossible to know who is skilled in what area, what training is required and this could lead to incorrect calculations due to a lack of knowledge	Both internal and external training is being conducted - including 3 pension officers attending a 4 day residential course in Sept 22.	to complete upto date training matrix	31/03/2023
gement	KPI - statistic's	4	4	Low	No	Accurate and up to date?	Tim O'Connor	Without accurate and clear data it is impossible to plan the resources of the team. This has several risks	Yes	Review and annual update - new tasks to add	31/03/2023

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Area	Risk Register	Likelihood	X	Level of Risk	Project work	Cause of Risk	Risk Owner	Impact	Controls in place	Further action required	Review date
Management	KPI - statistic's	4	4	Low	No	Accurate and up to date?	Tim O'Connor	Without accurate and clear data it is impossible to plan the resources of the team. This has several risks	Yes	Review and annual update - new tasks to add	31/03/2023
Management	Discretions Employers	2	2	Low	No	All admin auth discretions made?	Tim O'Connor and Andreas Andrea	Members may suffer if Employers have not been a clear discretions policy as required.	Project plan in place as part of employer specific work	To chase remaining Employers to obtain a written discretions policy - arrange and visit remaining employers, i.e. attendance at town council meetings. Briefing paper to outline this area.	31/12/2022
Management	Staffing levels	3	6	Medium	No	Capacity issues: 2 Senior members of staff going on maternity leave	Tim O'Connor & Julie Barker	Resourcing work and all other projects could be hindered or slowed down by lack of team members.	Yes resourcing meeting taking place in July with Head of Service	more planning in next stage development required - McCloud impact	31/07/2022
Management	LGA Bulletins – bullet points being actioned	4	4	Low	No	all action points addressed by Managers?	Tim O'Connor, Andreas Andrea, Tracey Rogers	Action from Bulletin not completed could have financial implications for members. Risk of reputational damage	Bulletins are reviewed monthly, actions required	To review at Monthly team meeting meeting	30/12/2022
Management	Data Protection / Cyber training	3	6	Medium	No	Everyone adhering to the new data protection rules?	All	Member or other body wrongly notified of personal data. Heavy Fine from ICO plus reputational damage to pension fund.	Training, procedures. Routine reminders.	Annual refresher training before end of 31/05/2021 required. Auditing of cases on a routine basis.	31/03/2023
Governance	Local Pension Board - administration papers	3	3	Low	Yes	Providing administration data to the LPB	Tim O'Connor	Board members not being able to access information at the right time.	Yes. Dates of meetings and also dates of issue of papers to Committee members now confirmed for 22/23	To ensure all administration reports are sent by the deadline given - dates of issue to the Committee to be confirmed from Bola Tobun.	31/03/2023

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Area	Risk Register	Likelihood	X	Level of Risk	Project work	Cause of Risk	Risk Owner	Impact	Controls in place	Further action required	Review date
Mana	Discretions Employers	2	2	Low	No	All admin auth discretions made?	Tim O'Connor and Andreas Andrea	Members may suffer if Employers have not been a clear discretions policy as required.	Project plan in place as part of employer specific work	To chase remaining Employers to obtain a written discretions policy - arrange and visit remaining employers, i.e. attendance at town council meetings. Briefing paper to outline this area.	31/12/2022
	Staffing levels	3	6	Medium	No	Capacity issues: 2 Senior members of staff going on maternity leave	Tim O'Connor & Julie Barker	Resourcing work and all other projects could be hindered or slowed down by lack of team members.	Yes resourcing meeting taking place in July with Head of Service	more planning in next stage development required - McCloud impact	31/07/2022
	LGA Bulletins – bullet points being actioned	4	4	Low	No	all action points addressed by Managers?	Tim O'Connor, Andreas Andrea, Tracey Rogers	Action from Bulletin not completed could have financial implications for members. Risk of reputational damage	Bulletins are reviewed monthly, actions required	To review at Monthly team meeting meeting	30/12/2022
	Data Protection / Cyber training	3	6	Medium	No	Everyone adhering to the new data protection rules?	All	member or other body wrongly notified of personal data. Heavy Fine from ICO plus reputational damage to pension fund	Training, procedures. Routine reminders.	Annual refresher training before end of 31/05/2021 required. Auditing of cases on a routine basis.	31/03/2023
Governance	Local Pension Board - administration papers	3	3	Low	Yes	Providing administration data to the LPB	Tim O'Connor	Board members not being able to access information at the right time.	Yes. Dates of meetings and also dates of issue of papers to Committee members now confirmed for 22/23	To ensure all administration reports are sent by the deadline given - dates of issue to the Committee to be confirmed from Bola Tobun.	31/03/2023
Employer	Employer data provided on time	2	2	Low	No	Work received from all employers in a timely manner on a monthly basis which contains minimal errors	Karen Bennett	member could be paid incorrectly. Plus financial and reputational damage to pension fund	unknown - risk owner to confirm	establishment of procedure and routine monitoring of performance against targets	31/07/2022
	Legal turnaround times for Admission Agreements	3	6	Medium	No	Internal legal not responding to request or moving work in a timely manner.	Julie Barker with support from Tim O'Connor	Reputational risk with employers and lead to commercial issues occurring.	Project plan in place as part of employer specific work and currently working on	SLA with HOP to discuss with legal to establish agreed turnaround times.	31/12/2022

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Area	Risk Register	Likelihood	X	Level of Risk	Project work	Cause of Risk	Risk Owner	Impact	Controls in place	Further action required	Review date
Communications	Communications Quality Assurance	4	4	Low	No	letters, newsletters, website, emails, telephone calls clinics.	Tim O'Connor with support from all Pensions Team	Members not been updated at the right time.	Yes	Employer newsletter being worked on. Active & Pensioner newsletters sent for 2022.	31/12/2022
	Website	4	4	Low	No	not up to date and new branding to add to the site	Tim O'Connor with support from Systems Team	Members reading incorrect information could lead to incorrect decisions been made.	Yes - project plan and review started and reshaping of website planned	some additions ready to now add - re governance page and AVCwise information and year end information	31/10/2022
	Presentations/online	4	4	Low	No	Various Managers trying to cover both this role and their own. Developing new online webinars for scheme members	Tim O'Connor with support from the Pensions Team	Not having the resources to cover adequately. Information not getting to the right people at the right time.	Yes, one conducted in April, some new requests in and looking at Sept onwards	look at recording online presentations to be held on the website and sent as a link to members.	31/12/2022
	Pension Webinars	4	4	Low	Yes	EPF indicated Fund would hold these in 2020 but the pandemic meant cancelling. These could be introduced in an online facility	Tim O'Connor with support from the Pensions Team and with HR for online Pre-retirement courses	Members don't receive the service and are not as well informed as they should be.	Yes	1:1 online pension meetings - post issue of ABS to be set up with booking system being looked at	31/03/2022
	Member Self Service	3	3	Low	Yes	Members having issues accessing MSS and not seeing the correct screens - has been resolved but continue to watch	Systems Team	Members don't receive the service and are not as well informed as they should be.	Yes - a Systems team project plan is also in place - to look at when pensioners invited to see if any similar issue	Deferred members invited to join. Further work on online form completion being looked at.	31/12/2022
Security	Cyber security	3	6	Medium	Yes	Increased risk of online attack due to pandemic	Julie Barker with support from Tim O'Connor and IT	Fraud, reputational damage	Yes	ensure staff have completed training and remain vigilant	31/03/2023