

**Annual Review of Objective Measures for Governance Related Policies and Strategies – relating to 2023/24 (or current position where possible)**

| Objective   | Monitoring arrangements   | Assessment against requirements  |
|---|---|--|
| <b>Governance Policy</b>  |   |  |
| Have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies. | The Independent Adviser undertakes an annual review of the effectiveness of the Clwyd Pension Fund's governance arrangements, the findings of which are reported to the Committee and published.                          | Compliant – included in the 2023/24 Annual Report.   |
|   | The Pension Board prepares and publishes an annual report.  | Compliant – included in the 2023/24 Annual Report.   |
|   | In line with the Regulations this document will be filed with the MHCLG (now DLUHC).  | The requirement is now to just publish the Governance Compliance Statement which we do. The Policy will be updated in November 2025 to amend this monitoring arrangement.  |
| Ensure the Pension Fund is managed and its services delivered by people who have the appropriate knowledge and expertise                        | A Knowledge and Skills Policy is in place together with monitoring and reporting of all training by Pension Committee members, Pension Board members and key officers in accordance with the Knowledge and Skills Policy. | Compliant – Latest Policy approved September 2021 (review delayed to Q4 2024/25, subject to Good Governance recommendations which are expected).<br><br>Monitoring information now included in Committee Governance update report. |
|   | The Joint Governance Committee has a Training Policy in place with monitoring arrangements in accordance with the Inter Authority Agreement.  | Compliant.   |

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| Act with integrity and be accountable to our stakeholders for our decisions, ensuring they are robust and well based | A Conflicts of Interest Policy is in place together with ongoing reporting and monitoring of the register of conflicts in accordance with the Conflicts of Interest Policy.   | Compliant – Latest Policy approved September 2024.<br><br>Declarations and monitoring carried out at each meeting. |
|  | The employers within the Fund, together with union representatives, are invited to an Annual Joint Consultative Meeting. Attendees receive presentations and have the opportunity to ask questions on the governance of the Fund. | Compliant.   |
|  | The Pension Fund Committee includes representatives from scheme members and most employers in the Fund.   | Compliant.   |
|  | The Pension Board includes representatives from scheme members and employers in the Fund.   | Compliant.   |
|  | The Pension Board prepares and publishes an annual report which may include comment on decision making.   | Compliant – included in the 2023/24 Annual Report.   |
|  | The Joint Governance Committee prepares an annual business plan which is brought to the Clwyd Pension Fund Committee for agreement in accordance with the Inter Authority Agreement   | Compliant – last agreed at March 2024 Committee.   |
| Understand and monitor risk  | A Risk Policy and register in place and monitoring and reporting of risks is carried out in accordance with the Risk Policy.  | Compliant - Latest Policy approved March 2024.   |
|  | Ongoing consideration of key risks at Pension Fund Committee and Pension Board meetings.  | Compliant – in Committee Update reports and on every Pension Board agenda.   |

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| Strive to ensure compliance with the appropriate legislation and statutory guidance and to act in the spirit of other relevant guidelines and best practice guidance | The Governance of the Fund is considered by both the External and Internal Auditors. All External and Internal Audit Reports are reported to Committee.                | Compliant.  |
|  | The Fund has an Independent Governance Adviser and their annual report includes reference to compliance with key requirements.   | Compliant – report included in the 2023/24 Annual Report. |
|  | The Fund carries out a compliance check, at least annually, against the relevant The Pension Regulator’s Code of Practice.   | Compliant – This was last done in March 2024.             |
|  | The Fund maintains a log of all breaches of the law in accordance with the Fund’s breaches procedure which is reported on and monitored as outlined in that procedure. | Compliant – in Committee Update reports.                  |
|  | The Pension Board prepares and publishes an annual report which may include comment on compliance matters.   | Compliant – included in the 2023/24 Annual Report.        |
|  | The Joint Governance Committee has a Breaches and Error Policy in place with monitoring arrangements in accordance with the Inter Authority Agreement.                 | Compliant – Latest Policy approved in July 2023.          |
| Clearly articulate our objectives and how we intend to achieve those objectives through business planning, and continually measure and monitor success               | All strategies and policies include reference to how objectives will be monitored.   | Compliant.  |
|  | Ongoing monitoring against key objectives at Pension Fund Committee meetings.  | Compliant – in Committee Update reports.                  |
|  | Ongoing monitoring of business plan targets at Pension Fund Committee meetings.  | Compliant – in Committee Update reports.                  |
|  | Quarterly and annual updates against the Joint Governance Committee's business plan and objectives   | Compliant.  |

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|  | are provided in accordance with the Inter Authority Agreement.   |  |
| Ensure the confidentiality, integrity and accessibility of the Fund's data, systems and services is protected and preserved.   | All information security breaches relating to data being issued insecurely by the Fund are recorded and reviewed.  | Compliant  |
|  | All other incidents affecting confidentiality, integrity and accessibility of data, systems or services are recorded and reviewed.   | Compliant  |
|  | The Fund has a cyber incident response plan in place.  | Compliant  |
|  | The Fund has a business continuity plan and a testing schedule (including cyber incident testing) in place which is adhered to.  | Partially compliant – Business continuity plan and cyber testing schedule have been completed. Work to produce a business continuity testing schedule expected to be completed during 2024/25. |
|  | All Fund staff undertaken GDPR training in accordance with FCC's training programme.   | Compliant  |
| <b>Risk Management Policy</b>  |  |  |
| <p>Understand and monitor risk, aiming to:</p> <ul style="list-style-type: none"> <li>integrate risk management into the culture and day-to-day activities of the Fund</li> <li>raise awareness of the need for risk management by all those connected with the management of the Fund (including advisers, employers and other partners)</li> </ul> | The Independent Governance Adviser will provide an annual report on the governance of the Fund each year, a key part of which will focus on the delivery of the requirements of this Policy. | Compliant – included in the 2023/24 Annual Report.   |

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| <ul style="list-style-type: none"> <li>• anticipate and respond positively to change</li> <li>• minimise the probability of negative outcomes for the Fund and its stakeholders</li> <li>• establish and maintain a robust framework and procedures for identification, analysis, assessment and management of risk, and the reporting and recording of events, based on best practice</li> <li>• ensure consistent application of the risk management methodology across all Pension Fund activities, including projects and partnerships.</li> </ul> |  |   |
| <b>Conflicts of Interest Policy</b>  |  |   |
| <p>The identification and management of potential and actual conflicts of interest is integral to us achieving our governance objectives (as outlined above)</p>   | <p>All declarations should be collated and recorded on the Fund's Register of Conflicts of Interests.</p>              | <p>Compliant.</p>   |
|  | <p>The Pension Fund Committee and the Pension Board will include an item on conflicts of interest at each meeting.</p> | <p>Compliant - This is a standing item for both the Committee and the Board.</p>  |
|  | <p>The Pension Board must also include an item on conflict of interest in its Annual Report.</p>                       | <p>Non-compliant – there was no explicit mention of conflicts of interest in the 2023/24 Annual Report, despite this being a regular discussion point. The Chair of the Board will ensure this is explicit in the 2024/25 report.</p> |

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|  | The Fund's Register of conflicts of interest may be viewed by any interested party at any point in time. It will be made available on request by the Head of the Clwyd Pension Fund.  | Compliant – there have been no requests for this in 2024/25. |
|  | Review the Register of conflicts of interest on an annual basis and consider whether there have been any potential or actual conflicts of interest that were not declared at the earliest opportunity.  | Compliant.   |
|  | Provide our findings to our Independent Adviser and ask them to include comment on the management of conflicts of interest in their annual report on the governance of the Fund each year.  | Compliant – included in the 2023/24 Annual Report.           |
| <b>Breaches Procedure</b>  |   |  |
| Ensure individuals responsible are able to meet their legal obligations and avoid placing any reliance on others to report.<br>The procedure will also assist in providing an early warning of possible malpractice and reduce risk. | <p>A report will be presented to the Pension Fund Committee on a quarterly basis setting out:</p> <ul style="list-style-type: none"> <li>• all breaches, including those reported to The Pensions Regulator and those not reported, with the associated dates.</li> <li>• in relation to each breach, details of what action was taken and the result of any action (where not confidential)</li> <li>• any future actions for the prevention of the breach in question being repeated</li> <li>• new breaches which have arisen since the previous meeting.</li> </ul> | Compliant – in Committee Update reports.                     |
|  | This information will also be provided upon request by any other individual or organisation (excluding sensitive/confidential cases or ongoing cases where discussion may influence the proceedings).   | Compliant – no requests received.                            |
| <b>Knowledge and Skills Policy</b>   |   |  |

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| <ul style="list-style-type: none"> <li>• Ensure that the Clwyd Pension Fund is appropriately managed and that its services are delivered by people who have the requisite knowledge and skills, and that this knowledge and expertise is maintained within the continually changing Local Government Pension Scheme and wider pensions landscape.</li> <li>• Those persons responsible for governing the Clwyd Pension Fund have sufficient knowledge and skills to be able to evaluate and challenge the advice they receive, ensure their decisions are robust and well based, and manage any potential conflicts of interest.</li> <li>• Those persons responsible for the management and governance of the Clwyd Pension Fund are expected to be committed to attending and engaging with suggested training in accordance with the Knowledge and Skills Policy.</li> </ul> | <p>Compare and report on attendance at training based on the following:</p>  | <p>Results included in the 2023/24 Annual Report.<br/>Additional reporting is provided in Committee Update reports.</p>  |
|   | <ul style="list-style-type: none"> <li>• Individual Training Needs – ensuring a training needs analysis is carried out at least once every two years* which drives the content of the Fund's training plan.<br/>*in exceptional circumstances, such as a major change to the Committee membership where induction training is being carried out, a training needs analysis may be deferred to a later date.</li> </ul> | <p>Compliant – completed in Autumn 2023.</p>   |
|   | <ul style="list-style-type: none"> <li>• Hot Topic Training – attendance by at least 75% of the required Pension Fund Committee members, Pension Board members and senior officers at planned hot topic training sessions. This target may be focussed at a particular group of Pension Fund Committee members, Pension Board members or senior officers depending on the subject matter.</li> </ul>                   | <p>Partially Compliant – for five training sessions in 2023/24, this target was met as follows:<br/>- PFC: Fully compliant<br/>- PB: Partially compliant – only one out of five sessions met target – average of 61% attendance<br/>- Senior Officers: Partially compliant – only one out of five sessions met target – average of 64%</p> |
|   | <ul style="list-style-type: none"> <li>• General Awareness – each Pension Fund Committee member, Pension Board member or senior officer attending at least one day each year of general awareness training or events.</li> </ul>   | <p>Partially Compliant – 62% of Committee and Board members achieved the requirement during 2023/24 (compared with 57% in 2022/23).</p>  |
|   | <ul style="list-style-type: none"> <li>• Induction training – ensuring areas of identified individual training are completed within six months of appointment.</li> </ul>  | <p>Partially-compliant – although the one new Pension Board member did not formally complete induction training in the time required, it was pre-</p>  |

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|  |   | determined that the individual has an exceptional level of relevant knowledge and the risk was therefore considered low.                        |
|  | Ask our Independent Adviser to provide an annual report on the governance of the Fund each year, a key part of which will focus on the delivery of the requirements of this Policy. | Compliant – included in the 2023/24 Annual Report.  |
| <b>Cyber Strategy</b>  |   |   |
| <ul style="list-style-type: none"> <li>• Cyber risk management and cyber governance are integrated into the overall risk management approach of the Fund to reduce any potential loss, disruption or damage to scheme members, scheme employers or the Fund’s data or assets.</li> <li>• All those involved in the management of the Fund understand cyber risks and their responsibilities in helping to manage it.</li> <li>• All data and asset flows relating to the Fund are identified and evaluated on a regular basis to identify the potential magnitude of cyber risk.</li> <li>• We maintain an incident response plan, which is regularly tested, to ensure any</li> </ul> | Cyber Strategy is reviewed on a regular basis, including:,  | Partially Compliant -   |
|  | <ul style="list-style-type: none"> <li>• regular testing of the incident response plan</li> </ul>   | Non-compliant   |
|  | <ul style="list-style-type: none"> <li>• regular review of the Data and Asset Map,</li> </ul>   | Partially Compliant - Last Reviewed in 2023   |
|  | <ul style="list-style-type: none"> <li>• and regular assessments of advisers, providers and partner organisations cyber resilience.</li> </ul>                                      | Partially Compliant – Administration Software provider reviewed in 2021, Host Authority reviewed in 2022. Expect further reviews during 2024/25 |
|  | Cyber strategy is formally reviewed and updated at least every three years or earlier if our approach to assessing and managing cyber risk merits reconsideration.                  | Compliant – Approved in March 2022, due for review in March 2025  |



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| incidents are dealt with promptly and appropriately with the necessary resources and expertise available.   |   |  |
| <b>Business Continuity Policy</b>   |   |  |
| <ul style="list-style-type: none"> <li>• Maintain and adapt recovery strategies and testing to be able to deliver business continuity solutions to agreed levels within agreed timescales as set out in the Business Continuity Plan</li> <li>• Ensure the Fund’s business continuity approach encompasses key processes and addresses any continuity issues that may arise allowing the Fund to maintain key services and minimise any negative impact</li> <li>• Ensure normal operations can be restored as efficiently and effectively as possible following an incident</li> <li>• Ensure all Pension Fund staff, the Pension Fund Committee, Pension Board, Pension Fund Advisory Panel and other relevant stakeholders (such as</li> </ul> | Regular updates on business continuity matters are considered at the Pensions Fund Committee.   | Complaint - in Committee Update reports.   |
|   | Pension Board will consider reports (as required) on the results of testing and high-level findings from exercises we undertake.  | Non-compliant – Focus on finalising Fund specific Business Continuity Plan. Testing planned for 2024/25. |
|   | Any lessons learned from any debriefing exercise following either a test or a live incident into the Business Continuity Plan   | Not applicable – No Fund specific testing or live events during 2023/24.                                 |
|   | Suitable business continuity arrangements are in place with advisers and third-party service providers and also monitor the suitability of their business continuity arrangements periodically. | Compliant – included within contract requirements for new providers during 2023/24.                      |

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| <p>advisers and suppliers) understand the Fund's business continuity management approach and their responsibilities in relation to it</p> <ul style="list-style-type: none"> <li>Integrate business continuity management into business as usual activities and the culture of the Fund and regularly review its effectiveness.</li> </ul> |   |   |
| <b>EDI Policy</b>  |   |   |
| <p>In relation to EDI, we aim to ensure that where possible, those involved in managing the Fund, including the Pension Board and Pension Fund Committee, comprise individuals with a broad range of characteristics, life experiences, expertise, and skills.</p>   | <p>Asking members and employers about their views on how we reflect EDI values when requesting feedback on the support and communications we provide</p>      | <p>Not applicable – EDI Policy just approved in February 2024. Surveys during 2023/24 will incorporate questions.</p> |
|  | <p>Including questions on EDI as part of the regular effectiveness review carried out for the Pension Board and Committee</p>                                 | <p>Compliant</p>  |
|  | <p>Including questions on personal characteristics and preferences as part of regular training needs analysis carried out for Pension Board and Committee</p> | <p>Compliant</p>  |
|  | <p>Seeking specific feedback on EDI from external observers at meetings, where appropriate, for example from the Council's Standards Committee</p>            | <p>Not applicable – EDI Policy just approved in February 2024.</p>  |