

**Cronfa Bensiynau Clwyd
Clwyd Pension Fund**

Administered by



Clwyd Pension Fund McCloud Programme Update

Prepared for: Pension Fund Committee

Prepared by: Aon

Date: 9 June 2021

High level Programme Plan

Key	Description
 	Complete
 	On track
 	Overdue
 	At risk
 	Not started

Workstream /key deliverables	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22 to Mar-23	Apr-23
Consultation response																					
i. Submit Fund response (milestone 1)	x																				
ii. Consultation response from MHCLG (milestone 2) - estimated													x								
iii. Ministerial statement								x													
iv. Regulations made (milestone 3) – estimated																				x	x
v. Regulations come into effect (milestone 4)																					x
Communications																					
i. Pensions Saving Statements issued	x																				
ii. Pensions Extra issued	x																				
iii. Other McCloud communications (TBC)						x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Data collection																					
i. Data collection template - draft, finalise	x	x	x	x	x																
ii. Employer questionnaire - draft, finalise	x	x	x	x	x																
iii. Meetings with pilot employers		x	x	x	x	x															
iv. Data decision process and collection protocol – draft, finalise		x	x	x	x	x	x	x													
v. 1to1 meetings with employers, agree timetables, monitor and manage			x	x	x	x	x	x													
vi. Agree timetables with individual employers, monitor and manage			x	x	x	x	x	x	x	x	x	x	x								
vii. Data collection from employers			x	x	x	x	x	x	x	x	x	x	x								
viii. Data decision protocol – flowchart / roadmap – draft, finalise							x	x	x												
viii. Review data from employers, data validation			x	x	x	x	x	x	x	x	x	x	x	x							
Heywood data solutions																					
i. Heywood provide confirmation of data solutions and timescales – TBC		x	x	x	x	x	x	x	x	x											
ii. Receive patch releases of solutions, testing										x	x	x	x	x	x	x	x	x	x	x	x
iii. Upload employer data, testing, final										x	x	x	x	x	x	x	x	x	x	x	x
iv. Further data cleansing / manual input											x	x	x	x	x	x	x	x	x	x	x
Programme meetings																					
i. Workstream meetings	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
ii. PMG meetings		x		x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
iii. SG meetings			x			x			x			x			x			x		x	

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Programme background: The Court of Appeal has ruled that changes to public service pension schemes, including the LGPS, for future service made in 2014 and 2015, were discriminatory against younger members. The Government eventually gave a commitment to make changes to all public service pension schemes to remove discrimination.

Programme purpose: To implement the regulations the Government will make to remedy the discrimination against younger members of the LGPS for the Clwyd Pension Fund

Key deliverables 1 March 2021 – 30 June 2021

Programme workstream deliverables / Description	Responsibility	Sign-off	Deadline	Notes	Status
1. Data collection – templates and piloting i. Complete data decision process and collection protocol ii. Data collection with pilot employers	Data & communications workstreams	PMG	March 2021	Meetings with pilot employers have been now completed.	Complete
2. Data collection – attend employer 1 to 1 sessions (all in scope employers)	Data workstream	n/a	May 2021	Meetings complete for 99.6% of employers (% of total in scope membership).	In progress
3. Data collection - checking and validations i. Data collection ii. Data checking and quality analysis (data validation procedure)	Data workstream	PMG	Ongoing	Data collected for 16 smaller employers. Data team to form a proposal around data validation process for PMG approval.	In progress
4. Heywood data solutions i. Discussions to seek clarification of capability and timescales	Data workstream	PMG	TBC	Ongoing discussions with Heywood around solutions and timescales. CPF anticipate a bespoke solution will be required. Following ministerial statement unclear timescales for Heywood patch releases and testing.	At risk
5. McCloud communications i. PENPAL newsletter / ABS guidance notes ii. Deferred diaries DBS guidance notes	Communications workstream	PMG / SG	Aug / Sep 2021	Following ministerial statement, paragraph to be included in member communications.	In progress
5. Consultation outcome announcement / ministerial statement	n/a	n/a	TBC	Ministerial statement issued in May. Consultation announcement from MHCLG expected later in the year. PMG agreed to continue with programme as planned.	Overdue
6. Programme meetings i. Data workstream (fortnightly) ii. Communications workstream (2 per quarter) iii. Other workstreams (TBC) iv. PMG (2 per quarter) v. SG (quarterly)	Programme Manager	n/a	Ongoing	Agree appropriate time to commence other workstream meetings	In progress

Programme success criteria (SC)

SC1	Identify in-scope members with 100% accuracy
SC2	Obtain and load to the administration system all data required to calculate final salary underpin, adopting agreed assumptions where data cannot be reasonably obtained
SC3	Administration processes and systems are all amended and operate in line with the regulations from the effective date
SC4	Benefit rectification is completed accurately for all affected members by the required/agreed date
SC5	Member communications are effective, evidenced by few queries and complaints
SC6	Member communications are effective, evidenced by few queries and complaints
SC7	Automation minimizes the impact on resources and SLAs/KPIs during implementation, rectification and ongoing administration
SC8	The programme is completed without unplanned disruption to business as usual and other Clwyd Pension Fund projects
SC9	The programme is completed within budget and timescale (subject to reasonable tolerances), noting that these will be agreed and reassessed from time to time throughout the programme.
SC10	The additional costs falling to employers transpire to have been reasonably estimated at the 2019 actuarial valuation

Programme Risks

There are several risks that the programme's success criteria will not be achieved – these have been identified by CPF's programme management and are captured in a formal risk log and monitored on an ongoing basis. The current risks that are red and furthest from target are shown on in the table below.

Risk no	Risk overview (this will happen)	Risk description (if this happens)	Programme Group	Success criteria at risk	Current risk impact	Current risk likelihood	Current risk status	Proposed controls in place	Target risk impact	Target risk likelihood	Target risk status
3*	Unable to load data efficiently and accurately, and in a timely manner	Data cannot be loaded onto the system in an efficient, accurate and timely manner, leading to project delays or issues with the underpin calculation. Risk covers inappropriate data format provided from employer as well as issues with uploading the data into the interface.	Data Workstream	SC1, SC2, SC8	Critical	Very High (65%)		<ol style="list-style-type: none"> 1. Early engagement with Heywood on a one to one basis. 2. Initial virtual meeting and ongoing one-to one meetings with employers to highlight strict data requirements/formats. 3. Full instructions, including checklist provided to all employers at initial engagement stage. 4. Ongoing discussions around resourcing including upskilling and flexibility of employees. 	Negligible	Unlikely (5%)	
5	Insufficient or inappropriate resources	Inability to source appropriate resources required to deliver the programme deliverables (including data uploading) in the required timescales	Programme Management Group	SC8	Catastrophic	Significant (50%)		<ol style="list-style-type: none"> 1. Thorough programme planning, scoping of work & recruitment programme (recruitment is currently underway at June 2020, and further recruitment from March 2021). 2. Forward planning and ongoing monitoring of resource requirements. 3. Concern raised and action taken as matter of urgency. 4. Flexibility to utilise resource (including training or physical resource) from consultants if required. 5. Refer all stakeholders to roles and responsibilities document to ensure resources are matched with correct roles alongside regular reminder at points throughout the programme. 6. Strong engagement with software supplier looking for alternative efficiencies. 7. Build resourcing plan (discussed & agreed with ERs) & understanding staff skill 8. Monitoring resource of Alicia Howells' team once more info on toolkit provided 9. Consideration of external resource. 	Negligible	Very Low (15%)	
7	McCloud Data collection	Unable to collect required data in full from employers in a timely manner	Programme Management Group	SC2, SC4, SC7	Critical	Significant (50%)		<ol style="list-style-type: none"> 1. Early engagement with employers to obtain buy-in. 2. Initial virtual meeting to improve engagement. 3. One to one engagement, with potential ELT engagement. 4. Seek verification of understanding through a signed compliance statement. 5. Training through employer webinars. 	Negligible	Unlikely (5%)	
30	Heywood toolkit – not fit for purpose or delay in provision or service	Inability to identify aggregation cases leading to inaccurate benefit calculations and / or delay to provision of toolkit resulting in programme delays or detrimental impact on programme resourcing	Data Workstream	SC2, SC3, SC8	Critical	Significant (50%)		<ol style="list-style-type: none"> 1. Pressure on Heywood client manager to come up with a feasible solution 2. Stop deleting status 8s 3. Try to identify cases to come up with an action plan if Heywood cannot come up with a workable solution (potentially liaise with other funds) 4. Work out overlapping cases. 	Negligible	Unlikely (5%)	

**Note some of the proposed controls have been expanded / updated since the previous update provided to PFC*

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