

# Cronfa Bensiynau Clwyd Clwyd Pension Fund

Administered by



# Clwyd Pension Fund

McCloud Programme Update

Prepared for: Pension Fund Committee

Prepared by: Aon

Date: 10 November 2021



Key	Description
	Complete
	On track
	Overdue
	At risk
	Not started

**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 June 2021 – 31 December 2021*

Programme workstream deliverables / Description	Responsibility	Sign-off	Deadline	Notes	Status
<b>1. Data collection – attend employer 1 to 1 sessions (all in scope employers)</b>	Data workstream	n/a	June 2021	Meetings complete for all employers.	<b>Complete</b>
<b>2. Data collection - checking and validations</b> i. Data collection ii. Data checking and quality analysis (data validation procedure)	Data workstream	PMG	Ongoing	Data collected for 32 mostly smaller employers (includes Careers Wales and part data for Wrexham County Council). Data team to form a proposal around data validation process for PMG approval.	<b>In progress</b>
<b>3. Heywood data solutions</b> i. Data collection solution	Data workstream	PMG	September 2021?	Heywood data collection roll-out is complete.	<b>Complete</b>
ii. Heywood plans for benefits rectification and ongoing administration	Data workstream	PMG	December 2021	Ongoing discussions with Heywood around solutions and timescales.	<b>In progress</b>
<b>4. McCloud communications</b> i. PENPAL newsletter / ABS guidance notes ii. Deferred diaries DBS guidance notes	Communications workstream	PMG / SG	Aug / Sep 2021	Following ministerial statement, wording to be included in member communications.	<b>Complete</b>
<b>5. Consultation outcome announcement / ministerial statement</b>	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.	<b>Overdue</b>
<b>6. Programme meetings</b> 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 – ongoing administration commenced in September 2021 and benefits rectification workstream expected to commence shortly.	<b>In progress</b>

## 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	Automation minimizes the impact on resources and SLAs/KPIs during implementation, rectification and ongoing administration
SC7	The programme is completed without unplanned disruption to business as usual and other Clwyd Pension Fund projects
SC8	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.
SC9	The additional costs falling to employers transpire to have been reasonably estimated at the 2019 actuarial valuation

## Programme Risks (1 of 2) – current risks furthest from target

There are several risks that the programme's success criteria will not be achieved – these have been identified by CPF's programme management, 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. Some of the risks have been rated upward since the previous PFC meeting, based on the current position of the programme (see slide 6).

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"> <li>1. Early engagement with Heywood on a one to one basis.</li> <li>2. Initial virtual meeting and ongoing one-to one meetings with employers to highlight strict data requirements/formats.</li> <li>3. Full instructions, including checklist provided to all employers at initial engagement stage.</li> <li>4. Ongoing discussions around resourcing including upskilling and flexibility of employees.</li> </ol>	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"> <li>1. Pressure on Heywood client manager to come up with a feasible solution</li> <li>2. Stop deleting status 8s</li> <li>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)</li> <li>4. Work out overlapping cases.</li> </ol>	Negligible	Unlikely (5%)	

*Note some of the proposed controls have been expanded / updated since the previous update provided to the Clwyd Pension Fund Pension Board*

## Programme Risks (2 of 2) – red risks downgraded since previous PFC meeting

The risks shown in the table have been rated up since the previous PFC meeting and are now furthest from target based on the current position of the programme.

Risk no	Risk overview (this will happen)	Risk description (if this happens)	Programme Group	Owner	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
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	Karen Williams	SC8	Critical	Low (30%)		<ol style="list-style-type: none"> <li>1. Thorough programme planning, scoping of work &amp; recruitment programme (recruitment is currently underway at June 2020, and further recruitment from March 2021).</li> <li>2. Forward planning and ongoing monitoring of resource requirements.</li> <li>3. Concern raised and action taken as matter of urgency.</li> <li>4. Flexibility to utilise resource (including training or physical resource) from consultants if required.</li> <li>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.</li> <li>6. Strong engagement with software supplier looking for alternative efficiencies.</li> <li>7. Build resourcing plan (discussed &amp; agreed with ERs) &amp; understanding staff skill</li> <li>8. Monitoring resource of Alicia Howells' team once more info on toolkit provided / Consider interface process being carried out in McCloud team (after training).</li> <li>9. Consideration of external resource.</li> </ol>	Negligible	Very Low (15%)	

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