



Cronfa Bensiynau
CLWYD
Pension Fund

Clwyd Pension Fund

McCloud Programme Update

Prepared for: Clwyd Pension Fund Pension Fund Committee

Prepared by: Aon



Date: 6 June 2023

High level Programme Plan

Key	Description
Complete	Complete
On track	On track
Overdue	Overdue
At risk	At risk
Not started	Not started

Workstream /key deliverables	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Regulations														
i. Submit Fund response (milestone 1)	X													
ii. Consultation response & draft regulations from DLUHC (milestone 2)										X	X			
iii. Ministerial statement			X											
iv. Regulations made (milestone 3) – estimated												X		
v. Regulations come into force (milestone 4)*													X	
Communications workstream														
i. Pensions Saving Statements issued	X													
ii. Pensions Extra issued	X													
iii. Other McCloud communications			X	X	X	X	X	X	X	X	X	X	X	X
Data workstream including Heywood McCloud data solutions														
i. Data collection template, decision process and collection protocol & employer questionnaire	X	X	X											
ii. Employer engagement – pilots, 1to1s, monitor/manage timetables		X	X	X										
iii. Data collection from employers, review & validate data		X	X	X	X	X	X	X	X	X	X			
iv. Data validations protocol, draft, approval						X	X	X	X	X	X			
v. Heywoods’ tools - New Insights report, Interface & McCloud data views								X	X	X	X			
vi. Upload data to Altair, testing, final										X	X			
vii. Further data cleansing / manual input										X	X			
Funding, accounting and cashflows workstream														
i. Agree plan with actuary on funding implications, conts etc										X	X			
ii. Delivery - TBC										X	X	X	X	X
Ongoing administration														
i. Scoping workstream								X			X			
ii. Delivery								X	X	X	X	X	X	X
Benefits rectification														
i. Scoping workstream								X	X	X	X			
ii. Receive further details and patch releases of initial Heywood functionality, testing					X	X	X	X	X	X	X			
iii. Delivery (other)								X	X	X	X	X	X	X
Programme meetings														
i. Workstream meetings including governance	X	X	X	X	X	X	X	X	X	X	X	X	X	X
ii. PMG / SG meetings		X	X	X	X	X	X	X	X	X	X	X	X	X

*Latest update suggests that regulations could come into effect as late as October 2023 (previously April 2023)

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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 September 2022 – 30 June 2023

Programme workstream deliverables / Description	Responsibility	Sign-off	Deadline	Notes	Status
<p>1. Data collection – checking, validations & uploading</p> <ul style="list-style-type: none"> i. Data collection ii. Data checking and quality analysis (data validation procedure) iii. Data uploading to Altair 	Data workstream	PMG	March 2024	<p>McCloud team to formed a proposal around data validation process – PMG approval provided in October 2022.</p> <p>Data collection expected to be complete by end September 2023 for all of the in scope membership. Following this, data validation process will commence in September 2023 and loaded to Altair and fully validated by end March 2024, however these targets are currently under review.</p> <p>PMG sign off required before upload commences</p>	In progress
<p>2. Heywoods’ tools</p> <ul style="list-style-type: none"> i. New Insights report (uploads check), Interface & McCloud data views 	Data workstream	PMG	July 2023	Discussions with Heywoods taking place around the new Insights report, Interface and McCloud data views. CPF have confirmed their requirements around the Insights report.	In progress
<p>3. McCloud communications</p> <ul style="list-style-type: none"> i. Combined DBS / newsletter - McCloud wording ii. ABS / newsletter – McCloud wording 	Comms workstream	PMG / SG	June 2023 August 2023	Various communications including wording in respect of McCloud.	In progress
<p>4. Consultation outcome announcement / ministerial statement / regulations</p>	n/a	n/a	Autumn 2022 to Autumn 2023	<p>Consultation announcement from DLUHC which was expected in 2022, now expected Spring 2023. It is expected to provide clarity in a number of areas and will be followed by a consultation on a further set of draft regulations and other areas for consideration.</p> <p>The LGPS regulations will be made later in 2023 and come into force on 1 October 2023 (noting previously this was “on” 1 April 2023). Guidance is also expected from SAB/DLUHC.</p>	In progress
<p>5. Programme meetings</p> <ul style="list-style-type: none"> i. Data workstream (every 3 weeks) ii. Communications workstream (2 per quarter) iii. Ongoing administration workstream (frequency to be agreed) iv. PMG (2 per quarter) v. SG (bi-annually) 	Programme Manager	n/a	Ongoing	Ongoing administration workstream meetings commenced late 2022, with regular meetings to be scheduled over 2023 once regulations are available. Benefits rectification workstream expected to commence in Q3 / Q4 2023 Update reports provided to SG where full meetings are not deemed required.	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	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 – 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.

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
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	Jayne Taylor	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%)	
13	Final regulations	Regulations are delayed, do not meet objectives or are subject to further challenge, leading to programme delays (including delay in toolkit production) and impact on budgets	Programme Management Group	Karen Williams	SC7, SC8	Critical	Extremely High (80%)		<ol style="list-style-type: none"> 1. Thorough project planning. 2. Attendance of VB & KM on working groups allowing stakeholders to keep abreast of developments. 3. Ongoing engagement with Heywood, volunteered as testing site. 4. Manual uploads with some of the smaller employers. 	Critical	Very Low (15%)	

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