

## CURRENT BREACHES OF THE LAW

<b>Ref</b>	9	<b>Date first recorded</b>	19/9/2017	<b>Owner</b>	H Burnham
<b>Breach by</b>	Clwyd Pension Fund		<b>Reported to TPR</b>	No	
<b>Title of Breach</b>	Late notification of joining				
<b>Description and cause of breach</b>	<p>Requirement to send a Notification of Joining the LGPS to a scheme member within 2 months from date of joining (assuming notification received from the employer), or within 1 month of receiving jobholder information where the individual is being automatically enrolled / re-enrolled. Due to a combination of late notification from employers and untimely action by CPF the Legal requirement was not met.</p> <p>Q1 17/18 547 cases completed / 61%(338) were in breach.</p> <p>Q2 17/18 408 cases completed / 72% (292) were in breach.</p> <p>Q3 17/18 381 cases completed / 38% (375) were in breach.</p> <p>Q4 17/18 1340 cases completed / 78% (1041) were in breach.</p>				
<b>Possible effect and wider implications</b>	Late scheme information sent to member which may result in lack of understanding and/or complaint from member affecting scheme reputation.				
<b>Reaction to breach</b>	<ul style="list-style-type: none"> <li>- Roll out of iConnect where possible to scheme employers including new admitted bodies to ensure monthly notification of new joiners (ongoing).</li> <li>- Set up of Employer Liasion Team(ELT) to monitor and provide joiner details more timelessly.</li> <li>- Training of new team members to raise awareness of importance of time restraint.</li> <li>- Prioritising of task allocation. KPIs shared with team members to further raise awareness of importance of timely completion of task.</li> <li>- 6/6/18 - Updating KPI monitoring to understand employers not sending information in time.</li> </ul>				
<b>Outstanding actions</b>	Ongoing roll out of i-Connect and bedding in of new staff/ training. Carrying out backlogs of previous joiners (most of which are due to i-Connect roll out). Contacting employers which are causing delays.				

<b>Ref</b>	11	<b>Date first recorded</b>	19/9/2017	<b>Owner</b>	H Burnham
<b>Breach by</b>	Clwyd Pension Fund		<b>Reported to TPR</b>	No	
<b>Title of Breach</b>	Late transfer in estimate				

<b>Description and cause of breach</b>	<p>Requirement to obtain transfer details for transfer in, and calculate and provide quotation to member 2 months from the date of request. Breach due to late receipt of transfer information from previous scheme and late completion of calculation and notification by CPF. Only 2 members of team fully trained to carry out transfer cases due to new team structure and additional training requirements.</p> <p>Q1 17/18 Of 59 cases completed 44% (26) were in breach.</p> <p>Q2 17/18 Of 77 cases completed 29% (22) were in breach</p> <p>Q3 17/18 66 cases completed / 41% (27) were in breach</p> <p>Q4 17/18 33 cases completed / 30% (10) were in breach</p>
<b>Possible effect and wider implications</b>	Information being provided to scheme members later than hoped. Could have some financial implications. Members may contact the section to enquire as to the progress of the transfer.
<b>Reaction to breach</b>	Continued training of team members to increase knowledge and expertise to ensure that transfers are dealt with more timelessly.
<b>Outstanding actions</b>	Completion of training of team members in transfer and aggregation processes.

<b>Ref</b>	12	<b>Date first recorded</b>	19/9/2017	<b>Owner</b>	H Burnham
<b>Breach by</b>	Clwyd Pension Fund		<b>Reported to TPR</b>	No	
<b>Title of Breach</b>	Late transfer out estimate				
<b>Description and cause of breach</b>	<p>Requirement to provide details of transfer value for transfer out, on request within 3 months from date of request (CETV estimate)</p> <p>Late completion of calculation and notification by CPF. Only 2 members of team fully trained to provide transfer details due to new team structure and additional training requirements</p> <p>Q1 17/18 Of 77 cases completed 27% (21) were in breach</p> <p>Q2 17/18 Of 63 cases completed 8% (5) were in breach</p> <p>Q3 17/18 193 cases completed / 4% (7) were in breach</p> <p>Q4 17/18 49 cases completed / 0% (0) were in breach – kept open to monitor situation for next quarter.</p>				
<b>Possible effect and wider implications</b>	Information being provided to scheme members/new scheme later than hoped. Could have some financial implications. Members and providers may contact the section to enquire as to the progress of the transfer.				

<b>Reaction to breach</b>	Continued training of team members to increase knowledge and expertise to ensure that transfers are dealt with more timely.
<b>Outstanding actions</b>	Completion of training of team members in transfer and aggregation processes

<b>Ref</b>	13	<b>Date first recorded</b>	19/9/2017	<b>Owner</b>	H Burnham
<b>Breach by</b>	Clwyd Pension Fund		<b>Reported to TPR</b>	No	
<b>Title of Breach</b>	Late notification of retirement benefits				
<b>Description and cause of breach</b>	<p>Requirement to provide notification of amount of retirement benefits 1 month from date of retirement if on or after Normal Pension Age or 2 months from date of retirement if before Normal Pension Age. Due to a combination of late notification by employer and late completion of calculation by CPF. Also, delay in receipt of AVC fund values from AVC provider.</p> <p>Q1 17/18 284 cases completed / 31% (87) were in breach  Q2 17/18 196 cases completed / 31% (61) were in breach  Q3 17/18 237 cases completed / 43% (103) were in breach  Q4 17/18 243 cases completed / 51% (124) were in breach</p>				
<b>Possible effect and wider implications</b>	Late payment of benefits which may miss payroll deadlines and result in accrual of interest on lump sums/pensions. Members upset about delays.				
<b>Reaction to breach</b>	Roll out of iConnect where possible to scheme employers including new admitted bodies to ensure monthly notification of retirees (ongoing). Set up of ELT to monitor and provide leaver details more timely. Prioritising of task allocation. Set up of new process with one AVC provider to access AVC fund information.				
<b>Outstanding actions</b>	Further training of newly promoted team member to deal with volume of work. Identifying which employers are causing delays.				

<b>Ref</b>	14	<b>Date first recorded</b>	19/9/2017	<b>Owner</b>	H Burnham
<b>Breach by</b>	Clwyd Pension Fund		<b>Reported to TPR</b>	No	
<b>Title of Breach</b>	Late estimate of benefits				
<b>Description and cause of breach</b>	Requirement to provide quotations on request for potential retirements as soon as is practicable, but no more than 2 months from date of request unless				

	<p>there is a previous request in the last year. Delays are late completion of calculation by CPF. Increasing estimate requests being made by members is causing problems.</p> <p>Q1 17/18 140 cases completed 34% (47) in breach  Q2 17/18 155 cases completed 41% (65) in breach  Q3 17/18 136 cases completed / 36% (49) were in breach  Q4 17/18 56 cases completed / 38% (21) were in breach</p>
<b>Possible effect and wider implications</b>	Late notification of benefits/costs to member/employer resulting in complaints and poor understanding/ missed opportunities. Section contacted to check on progress of estimate.
<b>Reaction to breach</b>	Introduction of MSS should alleviate the volume of requests received as member will be able to calculate own estimate through database. Further training of team members also required. Task allocation reviewed by team leaders. Estimates have been prioritised.
<b>Outstanding actions</b>	Additional staff training

<b>Ref</b>	15	<b>Date first recorded</b>	19/9/2017	<b>Owner</b>	H Burnham
<b>Breach by</b>	Clwyd Pension Fund		<b>Reported to TPR</b>	No	
<b>Title of Breach</b>	Late notification of death benefits				
<b>Description and cause of breach</b>	<p>Requirement to calculate and notify dependant(s) of amount of death benefits as soon as possible but in any event no more than 2 months from date of becoming aware of death, or from date of request by a third party (e.g. personal representative). Due to late completion by CPF the legal requirements are not being met. Due to complexity of calculations, only 2 members of team are fully trained and experienced to complete the task.</p> <p>Q1 17-18 41 cases 58% (24) in breach  Q2 17/18 47 cases 66% (31) in breach  Q3 17/18 27 cases completed / 67% (18) were in breach  Q4 17/18 38 cases completed / 39% (15) were in breach</p>				
<b>Possible effect and wider implications</b>	Late payment of benefits which may miss payroll deadlines and result in accrual of interest on lump sums/pensions. Beneficiaries upset about delays.				
<b>Reaction to breach</b>	Further training of team and review of process to improve outcome (review now complete).				
<b>Outstanding actions</b>	Further staff training required.				

<b>Ref</b>	16	<b>Date</b>	30/10/201	<b>Owner</b>	H Burnham
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<b>Breach by</b>	Clwyd Pension Fund		<b>Reported to TPR</b>	No	
<b>Title of Breach</b>	No or late annual benefit statement issued - 2017				
<b>Description and cause of breach</b>	Requirement to issue annual benefit statements by 31st August each year. For 2017, all benefit statements were sent out to members on time apart from those members within the following employers: a) Connahs Quay High School – 68 members due to non-receipt of year end return b) Cefn Mawr Community Council – 2 members due to non-receipt of year end return c) Coedpoeth Community Council – 6 members due to non-receipt of 15/16 year end return (we have received return for 16/17 but require 15/16 to produce statements)				
<b>Possible effect and wider implications</b>	Member less aware of pension provision. Member upset at not receiving statement on time.				
<b>Reaction to breach</b>	a) Payroll provided by a payroll bureau. This has been chased up to no avail. FCC HR(Schools) are aware of the issue. b) Has been followed up but training required. c) have sent the data but it has not been received. It is being pursued. Update 30-11-17 - a) received c) received b) further reminder to be sent. Update 6/6/18 - despite ongoing chasing, information for 2017 has not been received albeit 2018 information has now been received.				
<b>Outstanding actions</b>	Continue to chase for missing information from Cefn Mawr Community Council				

<b>Ref</b>	17	<b>Date first recorded</b>	5/6/2018	<b>Owner</b>	D Fielder
<b>Breach by</b>	Employers		<b>Reported to TPR</b>	No	
<b>Title of Breach</b>	Late payment of contributions				
<b>Description and cause of breach</b>	Three employers have been late in paying contributions. These are shown below along with number of late payments for April 18: Argoed - 1 CoedPoeth -1 Marchwiell- 1				
<b>Possible effect and wider implications</b>	Could expose employers to late payment interest charge. Assumptions regarding funding assume regular monthly payment, not adhering to this regulatory requirement could result in changed actuarial assumptions for the employer.				

<b>Reaction to breach</b>	All contacted to chase outstanding payments. Argoed no details Coed Poeth. on going issues. Marchweil ongoing.
<b>Outstanding actions</b>	Ongoing and regular chasing

<b>Ref</b>	18	<b>Date first recorded</b>	5/6/2018	<b>Owner</b>	D Fielder
<b>Breach by</b>	Employers		<b>Reported to TPR</b>	No	
<b>Title of Breach</b>	Late remittance advice				
<b>Description and cause of breach</b>	The following employers have not yet sent the remittance advice for April 2018: a) Aura, Newydd, FCC b) Acton c) Argoed d) Civica e) Coedpoeth f) Coleg Cambria g) Denbigh Youth h) Marchweil				
<b>Possible effect and wider implications</b>	Unable to verify information being paid or reconcile with member year end information.				
<b>Reaction to breach</b>	Contacted employers to chase. Now received remittance advices for Aura, Newydd and FCC but still chasing the others outstanding.				
<b>Outstanding actions</b>	Ongoing and regular chasing				

<b>Ref</b>	19	<b>Date first recorded</b>	5/6/2018	<b>Owner</b>	H Burnham
<b>Breach by</b>	One employer (confidential)		<b>Reported to TPR</b>	No	
<b>Title of Breach</b>	Incorrect APP notified				
<b>Description and cause of breach</b>	Provision of Assumed Pensionable Pay ( usually pay to be used when normal pay is reduced due to sickness or maternity) extracted and provided to CPF Administration team is incorrectly calculated resulting in incorrect CARE pension for the years where it is incorrect.				
<b>Possible effect and wider implications</b>	CARE pension will be under or over stated and for those who have retired, CARE pension will be under or overpaid. Might also impact the amount of employer contributions that should have been paid.				
<b>Reaction to breach</b>	Working group set up to: - Identify cases that have been impacted and advise Administration Section. - Work with payroll provider to ensure root problem is resolved.				
<b>Outstanding actions</b>	- Resolve root problem - Work with CPF to agree approach for resolving				

	affected cases
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<b>Ref</b>	20	<b>Date first recorded</b>	5/6/2018	<b>Owner</b>	H Burnham
<b>Breach by</b>	Clwyd Pension Fund		<b>Reported to TPR</b>	No	
<b>Title of Breach</b>	Incorrect CARE pension calculated and/or paid				
<b>Description and cause of breach</b>	Due to incorrect Assumed Pensionable Pay information from an employer (see breach 19), the CARE pensions for the affected scheme members are incorrect.				
<b>Possible effect and wider implications</b>	CARE pension will be under or over stated and for those who have retired, CARE pension will be under or overpaid. Might also impact the amount of employer contributions that should have been paid.				
<b>Reaction to breach</b>	Working group set up to - Identify cases that have been impacted and consider options for correcting. - Work with employer to ensure root problem is resolved.				
<b>Outstanding actions</b>	- Identify and analyse case to understand full impact - Develop plan of action and work with employer for approach for resolving affected cases - Work with employer to ensure root problem is resolved				