

Administered by



Clwyd Pension Fund McCloud Programme Update

Prepared for: Pension Fund Committee (PFC)


Prepared by: Aon

January 2021

High level Programme Plan

Key	Description
■	Completed
■	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
Consultation response																			
i. Submit Fund response (milestone 1)	■																		
ii. Consultation response from MHCLG (milestone 2) / ministerial statement – estimated				■															
iii. Regulations made (milestone 3) – estimated							■												
iv. Regulations come into effect (milestone 4)																			■
Communications																			
i. Pensions Saving Statements issued	■																		
ii. Pensions Extra issued	■																		
iii. Other McCloud communications (TBC)						■	■	■	■	■	■	■	■	■	■	■	■	■	■
Data collection																			
i. Data collection template - draft, finalise	■	■	■																
ii. Employer questionnaire - draft, finalise	■	■	■																
iii. Meetings with pilot employers		■	■	■															
iv. Data decision protocol - draft, finalise		■	■	■	■														
v. 1to1 meetings with employers, agree timetables, monitor and manage			■	■	■														
vi. Agree timetables with individual employers, monitor and manage			■	■	■	■													
vii. Data collection from employers		■	■	■	■	■													
viii. Review data from employers			■	■	■	■	■	■											
Heywood toolkit																			
i. Heywood provide confirmation of toolkit services and timescales		■	■	■															
ii. Receive draft toolkit, carry out testing				■	■														
iii. Use toolkit to upload employer data					■	■	■	■											
iv. Further data cleansing / manual input								■	■	■									
Programme meetings																			
i. Workstream meetings	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
ii. PMG meetings		■		■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
iii. SG meetings			■			■			■			■			■			■	

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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 December 2020 to 31 March 2021

Programme workstream deliverables / Description	Responsibility	Sign off	Deadline	Notes	Status
1. Data collection – templates and piloting i. Data decision process and collection protocol ii. Continue data collection with pilot employers	Data & communications workstreams	PMG	31 January 2021	Data collection documents approved in draft. Meetings with pilot employers in progress - final sign off of documents following pilot meetings.	In progress
2. Data collection – attend employer 1 to 1 sessions	Data workstream	n/a	26 February 2021	Meetings currently being arranged (mostly taking place in January / February 2021)	In progress
3. Data collection - checking and validations	Data workstream	n/a	Ongoing	Data team to agree process around data validations	In progress
3. Heywood toolkit i. Further clarification of capability and timescales ii. Draft version of toolkit	Data workstream	PMG	TBC	Working with Heywood to seek clarification of toolkit capability and timescales	At risk
4. Consultation outcome announcement / ministerial statement	n/a	n/a	Expect by 28 February 2021	Delay in consultation outcome. As interim step, ministerial statement expected in February. Following this, changes may be required to programme scope.	Overdue
5. Programme meetings i. PMG meetings (monthly to 6 weeks) ii. Steering Group meetings (quarterly) iii. Workstream meetings (frequency varies)	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 (1 of 2)

There are a number of 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 the following two slides.

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
1	Unable to identify members in scope	In-scope members cannot be identified with 100% accuracy, leading to some members being excluded from scope, and others included who shouldn't be.	Data Workstream	SC1	Marginal	Significant (50%)		<ol style="list-style-type: none"> 1. Review member selection criteria and methodology. 2. Sample check members in scope and out of scope. 3. Engage with Heywood to check plans for identifying members 	Negligible	Unlikely (5%)	
2	Poor engagement from Employers / lack of understanding	Employers do not engage in a timely manner leading to data issues and delays	Data Workstream	SC1, SC2, SC8	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. Consider seeking verification of understanding through a signed compliance statement. 5. Training through employer webinars. 	Negligible	Unlikely (5%)	
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.	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-ones with employers to highlight strict data requirements/formats. 3. Consider seeking verification of understanding through a signed compliance statement. 	Negligible	Unlikely (5%)	
4	Detrimental impact on BAU	Due to delivery of the programme, there is a resulting detrimental impact on BAU resource	Programme Management Group	SC7	Critical	Significant (50%)		<ol style="list-style-type: none"> 1. Thorough programme planning, scoping of work and recruitment programme at programme kick off. 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. Reference of all stakeholders to roles and responsibilities document. 6. Strong engagement with software supplier looking for alternative efficiencies. 	Negligible	Very Low (15%)	

Programme Risks (2 of 2)

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
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 at programme kick-off. 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. Reference of all stakeholders to roles & responsibilities document. 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 AH's 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. Consider seeking 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 this risk has been added since the previous update*

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