Saving time through Data Automation

Case Study

Shropshire County Pension Fund complies with regulation, saves time and costs through **Aquila Heywood's Employer services solution: i-Connect**

Saving Time
Key Figures

16,300
active members across
129 employers

1.3m
pieces of data uploaded

230
weeks of effort saved

100%
of Annual Benefit Statements (ABSs)
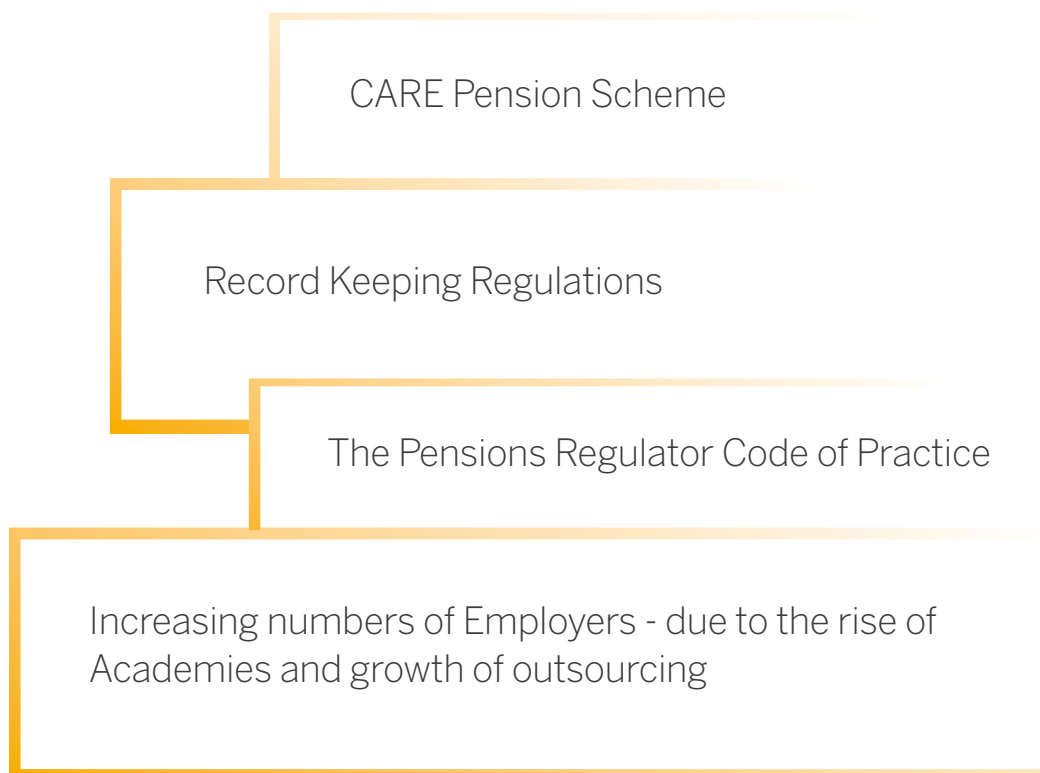issued before 31 August each year

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Introduction

Shropshire Council administers the Shropshire County Pension Fund for eligible employees of all Local Authorities within the County boundary and also the employees of certain other scheduled and admitted bodies. This currently amounts to 16,300 active members across 129 employers.

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The Challenge

Back in 2014, Shropshire County Pension Fund faced a number of upcoming pensions legislation requirements:

CARE Pension Scheme

Record Keeping Regulations

The Pensions Regulator Code of Practice

Increasing numbers of Employers - due to the rise of Academies and growth of outsourcing

To ensure the Pension Fund could meet the challenge of these requirements, a strategic review of the data submission process was undertaken.

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The Challenge

The conclusions of that review were:

- Pension contribution data recorded did not always balance with employer payments received.

- A regular reconciliation (that is, monthly) of pension contributions recorded on the members record against the contributions paid by the employer should take place.

- The data provided by the employers often needed to returned to the employers for reworking before it could be uploaded to the Altair™ pension administration system.

- Year-end work had a significant impact on office KPIs/customer satisfaction during this time, in particular, the administration lag, where data held on a member's record could be up to 15 months out of date.

- An increased risk in the fund not being compliant with TPR's required standards was identified, increasing the risk of fines being imposed.

- The statutory deadline for producing annual benefit statements of 31 August each year, and the 'Annual Allowance' statement by 6 October each year would become harder to meet.

This all led to the conclusion that, to capture the majority of data on monthly basis and to comply with the introduction of the CARE Pension Scheme (which meant pay as well as contributions had to be recorded against each member's record), there would need to be an increase in resource or in technology.

Shropshire County Pension Fund decided to implement the conclusions of the review by capturing all the data required more frequently. They spoke to i-Connect in the Autumn of 2014.

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The Solution: i-Connect™

i-Connect is an automated data exchange portal that provides benefits to both pension funds and their employers:

Reduces effort in supporting the Pension Fund's administration by spreading work over the year	✓
Helps address Pension Reform obligations	✓
Removes the annual end-of-year return	✓
Provides a simple, secure and efficient process for transferring and submitting data to a pension administration system	✓
Allows for future scheme changes	✓
Meets TPR's Code of Practice on record-keeping	✓
Identifies changes to the workforce automatically	✓
Automates the creation of some tasks and pension records	✓

It reduces the cost and risk associated with processing pension data by automating the submission of data to pension schemes. i-Connect improves the flow of data from payroll to pensions, minimising the need for manual intervention.

"By using i-Connect we have saved time, increased operational efficiency and team effectiveness.

Debbie Sharp,
Pensions Manager

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The Project

i-Connect™ went live in autumn 2016, for the fund's largest two payroll Bureaux covering 11,000 employees, the unitary authorities. By the spring of 2017, i-Connect was being used by all participating employers within the Pension Fund.

A lot of employers (60+ micro-/smaller employers with 509 employees) use the Online Return facility to load data manually each and every month, but the majority of data is being uploaded via an extract from payroll for the larger employers.

In nearly two years, i-Connect has identified and uploaded to Altair over 1.3m pieces of data, with an error rate of just 0.3%, covering:

- New starters
- Leavers
- Scheme contributions
- Additional contributions
- Salary
- CARE pay
- Opt-outs
- Opt-ins
- Member addresses
- Change of member details
- Changes in part-time hours

i-Connect has enabled the Shropshire employers to exchange key data every month with the pension fund, enabling accurate record-keeping and much more effective administration of CARE scheme benefits.

The regular monthly flow of member and contribution data from employers to the pension fund has ensured that contributions are timely and accurate, and member data is fully compliant with TPR's record-keeping requirements.

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The Benefits

Shropshire County Pension Fund received a number of benefits, including:

1

Significant reduction in backlogs

i-Connect has automated the creation and notification of starters and leavers, together with all the other data that is required to be recorded. Spikes in workloads still crop up with the occasional surge in the number of leavers that need a deferred pension calculation and new starters, but the numbers are more manageable, often the work can be cleared before next month's data upload or shortly afterwards.

2

Improved team workflow

The automation of the data exchange process between payroll and pensions has improved the flow of data from the employer to the Pension Fund. Data flows from the employer for the right member to the right record enabling Pension Officers to pick up work cases more quickly and start working on them immediately.

3

Significant cost savings

i-Connect has saved the employers and the Pension Fund over 230 weeks of effort. The Pension Fund has used these savings to meet the deadlines for ABSs. This has led to Shropshire issuing 100% of ABSs before the 31 August cut-off date for two years in a row.

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