

UPM brings efficiency and cost benefits to East Riding Pension Fund

The Fund is delighted with Civica's integrated pensions administration solution, UPM

With a membership of more than 103,000, the East Riding Pension Fund looks after **four unitary authorities and 250 other local employers.**

Like all public bodies today, the Fund needs to do more with less. So when the contract with their existing pensions software provider expired four years ago, the Fund went out to tender to see what else was available in the marketplace. They wanted a solution offering greater flexibility and auditability, reduced administration costs and the ability to bring payroll in-house.

The Fund wanted more control, flexibility and transparency

Paul Hawksworth, the Fund's Principal Pensions Officer, needed a new system that would meet four main criteria:

- Auditability was a key requirement. The existing system was too open – any staff member could make changes. As Paul says: "You couldn't tell who had made changes so it was difficult to achieve the required level of auditability."
- The Fund wanted more flexibility to allow them to configure complex workflows supporting the administration of the Local Government Pension Scheme. This was not possible with the existing product.
- Another major goal was to bring the pensioner payroll in-house. Passing information back and forth between the fund and the payroll provider introduced human error when inputting pensioner data and there were frequent discrepancies between the separate systems.
- Finally, the Fund wanted an online solution for both employers and members which would help to reduce the large volumes of paper documents received from the significant number of employers they serve. Paul says: "We were dealing with a vast amount of post. Someone had to open it, date stamp, scan and index documents to individual accounts. Just dealing with the post was a full-time job."

UPM has **transformed working practices** across the board

After a tender process in 2012, the Fund chose Civica's Universal Pensions Management (UPM) solution, a fully-integrated product for pensions administration, incorporating Electronic Document Management and workflow. Paul appreciated UPM's flexibility immediately: "System configurability has been a huge bonus, allowing us to build and maintain process maps to our specification, without the need to involve Civica."

As well as utilising UPM's core functionality, the Fund brought payroll in-house, going live with the integrated Pensioner Payroll module in early 2014. This eliminated historic problems (particularly data discrepancies) caused by splitting the fund administration and payroll functions. Paul says: "It went very smoothly and that was huge for us – you can't not pay the pensioners. Discrepancies are way down as there's no need for a human operator to transfer the data." There has also been a cost benefit: "The cost of running the payroll in house was 1/5th of the cost of using the previous payroll provider"

The next target was to tackle the tidal wave of paper submitted by employers to the Fund. UPM's Employer Web module, offering fully integrated online forms, is being piloted with one of the Fund's larger employers before being rolled-out to all employers.



Reduction of paper documents

"We very quickly realised what a powerful tool UPM was and we wouldn't want to go back to the old system."

Paul Hawksworth
The Fund's Principal Pensions Officer



Flexibility, control and cost benefits from an integrated solution

- ▶ Improved flexibility and customisation
- ▶ Greater control over payroll, reduction in errors and cost-saving from bringing the process in-house
- ▶ Higher levels of auditability and transparency
- ▶ Improved data quality and devolved responsibility for data accuracy
- ▶ Reduced paper-flow improves efficiency
- ▶ Cost reduction and reduced need for staff to carry out routine tasks
- ▶ Knowledgeable support from Civica staff with deep local government experience

Paul says that having employers submit forms electronically has produced increased operational efficiencies straight away. "This is where we see the greatest savings coming as it will free-up staff who won't be dealing with paperwork. Data quality should also improve and the burden on the Fund will decrease, as employers will only be able to make submissions online if the web form is complete."

UPM has also answered the Fund's need for greater transparency, thanks to its automatically-maintained audit trails. Paul comments that "one feature we particularly like is that everything is audited. If something is changed, you can see exactly what it was, who did it and when. Users can be denied access to areas where they should not be making changes and this is a source of comfort."

Overall, the UPM implementation was smooth. There were some initial challenges for pension section staff who had used the previous system for years, but Paul says that "while it took time, it wasn't long before staff saw the benefits. They got to grips with it quickly and I don't think anybody would want to go back to the old system." It helped that "we had great support from Civica, from the process leading up to go-live and beyond. They held our hands throughout, which was a huge benefit."

Online member access is the next step

Paul believes that implementing online access through the Member Web module will also save money and resources as members will be able to change details online and obtain quotations. There is also the potential to reduce the number of annual benefit statements that are sent out. With 60,000 currently going in the mail every August, encouraging members to view their statements online instead will bring significant savings.



"We have a good relationship with Civica and they have been very, very supportive. It's been a very positive experience working with them. They have a real knowledge of our business – its one thing to know about pensions, but local government schemes are particularly complicated, so specialist knowledge is key. We've had visits from other funds looking to move to Civica and we've told them that we wouldn't go back to our old system."

Paul Hawksworth
The Fund's Principal
Pensions Officer