

Case Study

On Time, On Budget



How a collaborative partnership between **BSO** and **Heywood Pension Technologies** implemented Pension Reforms, on time and on budget.



On Time, On Budget

Organisation Profiles



HSC Pension Service

The Business Services Organisation (BSO) provides a broad range of regional business support functions and specialist professional services to the health and social care sector in Northern Ireland.

HSC Pension Service (HSCPS), a division of BSO, is responsible for the administration of the HSC pension schemes. These schemes service those who work or have worked for the NHS in Northern Ireland.

The schemes have over 110,000 members in total and pays over 28,000 pensioners each month. It services around 330 employers ranging in size from the large regional trusts to small GP Practices.



Heywood Pension Technologies

Heywood Pension Technologies builds modern software solutions for pension schemes, pension administrators and employers to help transform how their members manage their lifelong financial journeys.



On Time, On Budget

Key Figures



300
employers



110,000
members



28,000
pensioners paid each month



£2,000,000
budget



On Time, On Budget

The Challenge

Following Lord Hutton's final report on public sector pensions, published on 10 March 2011, legislative changes affecting the Northern Ireland NHS Schemes were required to be effective from 1 April 2015.

A new career average (CARE) HSC pension scheme was introduced for new members and members of the 1995 Section and 2008 Section who were more than 13 years and five months from their normal retirement age on 1 April 2012.

The size of the change was significant. All benefit calculations and processes had to be updated to reflect the new scheme and the changes had to be communicated to members and employers.

HSCPS started its planning process in August 2014. There were four priorities for the project:

Delivery on time

Implement the changes necessary to support the new CARE scheme by April 2015.

1

Certainty of cost

Accurately estimate the effort involved ahead of project commencement and deliver to this budget.

2

Minimal impact to Business as Usual

Ensure HSC continued to meet its market-leading Key Performance Indicators (KPIs) with the same cost base.

3

No detriment to customer satisfaction

Ensure member satisfaction was not impacted during or after the project.

4



On Time, On Budget

The Approach

Analysis

HSCPS undertook a significant analysis phase to scope the project and determine an implementation approach that both was cost-effective and minimised risks. Heywood supported this activity and aided HSCPS in prioritising the work into easy-to-manage batches and estimating the effort and time involved to develop the new benefit rules and calculations with the administration platform, Altair.

The outcomes from the analysis phase were:

- An accurate estimate of the total cost required to implement the new changes
- An implementation approach designed to minimise effect on Business as Usual (BAU) activities
- A delivery plan with clear milestones linked to the business priorities

Decisions

The key decisions taken were:

- Establish a dedicated project team of experienced resources from both HSCPS and Heywood, focused on implementing the new scheme
- Backfill the experienced resource to minimise any impact on existing services
- Deploy a single project-reporting framework that enabled everyone on the project to track and report on progress easily and in a unified fashion
- Create a strong Governance model with representatives from HSCPS and Heywood whose focus was to support the delivery team in meeting its objectives

“

The project goals were simple, on time, on budget and with no detriment to customer service levels during or after the project.

Simple but challenging.

Martin Bradley
Head of HSC Pension Service

”



On Time, On Budget Delivery

The main project commenced in November 2014. The project's initial delivery was to support the introduction of the new scheme in April 2015. The project team was responsible for:



On Time, On Budget

Making It Work

The total budget at outset was in excess of £2 million.

Despite a complex scope and a large number of stakeholders to satisfy, the project team delivered on time and to budget.

The critical success factors that enabled the successful delivery of the project were:



A dedicated project team empowered to make decisions



A steering committee focused on enabling the project team



Separation of project and BAU activities and issues



Good communications within the project team and with the BAU operation and stakeholders



Clear view of progress and potential issues from a single reporting structure

“

Key to the success of the project was the separation of project activity from business as usual. This ensured we were focused on delivering the project.

”

“

The project team's progress reporting was based on the implementation plan. This enabled us to clearly see which activities were impacted by any issues and enabled us to focus on those of highest priority.

Kevin Murphy
Head of Awards

”



On Time, On Budget

The Benefits

As well as achieving its primary goals of implementing on time and to budget, the project has delivered a number of additional benefits to HCSPS.

They include:



Complete review and update of all processes, realising operational efficiencies



Delivery of a comprehensive communication strategy, outlining the impact of the reforms on employers and members



Improved engagement through the delivery of an employer roadshow and updated communications material for employers and members



Enhanced levels of member and employer self-sufficiency by increasing access to and use of web-based interactive technology

Recent Customer Feedback:

“

Thanks for going that extra mile, or twenty!

”

“

Sorted out a big problem with a staff member retiring; their help was brilliant!

”



On Time, On Budget

The Conclusion

Delivery of a significant change programme involving numerous internal and external parties is always a massive challenge. HCSPS managed to achieve this both on time and to budget. But what impact did this have on their administration costs and customer satisfaction levels?

- Well, HCSPS administration costs have remained constant throughout the project. In an industry survey HCSPS were found to be the second most cost-effective pension administration, compared with 46 other UK providers, while still delivering on all service level agreement (SLA) and KPI targets.
- HCSPS uses regular surveys of its membership to ensure it is meeting their needs. Recent results indicate its members are still experiencing the same high-quality level of service, with 90% of respondents being either satisfied or very satisfied.
- What is clear is that, in a very challenging economic environment, HCSPS continues to deliver value to the employers and members it services.

“

Working together, HSCPS and Heywood successfully implemented the Pension Reforms on time and to budget.

This is a perfect example of how public/private partnerships can deliver.

Sam Waide

BSO Health and Social Care
Executive Director
of Operations

”

