

Case Study

Becoming One Fund



Successful integration of the Ministry of Justice probation members into the **Greater Manchester Pension Fund**



Organisation Profiles



Greater Manchester Pension Fund

GMPF is the largest LGPS fund and the eleventh biggest defined benefit pension fund in the UK with assets exceeding £16bn, over 335,000 members and more than 350 contributing employers.



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.



Key Figures



over £16 billion

value of GMPF assets



46,000

probation members to be transferred to GMPF



335,000

members administered by GMPF before integration



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Background

The Ministry of Justice embarked on a project to transfer 46,000 probation members of the Local Government Pension Scheme (LGPS), who were spread amongst 35 LGPS funds, into one LGPS fund.

The transition was a result of a structural reform of probation - Transforming Rehabilitation - which replaced the 35 Probation Trusts in England and Wales with a National Probation Service (for serious offenders) plus 21 Community Rehabilitation Companies (CRCs) to deliver services locally.

Following a rigorous selection process, the Greater Manchester Pension Fund (GMPF) - a Heywood customer - was chosen to become the One Fund and so take responsibility for providing benefits to all existing and former public sector probation staff and the CRCs from 1 June 2014.

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As the largest LGPS fund in the country, and with a good track record over the last 25 years, we thought we had a lot to offer and so applied to become the One Fund.

Ged Dale
Assistant Executive Director
GMPF

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The Challenge

Not only was GMPF to become the One Fund on 1 June 2014, but two months earlier it had to deal with the LGPS final salary regime being replaced with benefits based on career average revalued earnings (CARE).

To facilitate the transfer they decided to migrate from AXISE™ to Heywood's, new platform - Altair™. The transfer from the old to the new pension administration system was completed in 3 months.

This ensured that GMPF benefited from the latest developments in technology and they could provide the best service to existing members, their employers and the transferring probation staff.

Of the 35 funds with probation members, the majority were already administered on Heywood platforms with some on other providers' platforms.

The membership included active, deferred members and pensioners. Close collaboration with the other funds was vital.



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The Project

The probation integration project kicked off in November 2013 so time was tight to meet the 1 June 2014 deadline.

Experienced teams were assembled and robust project plans drawn up. Risk analysis and contingency planning was put in place.

The objective of a seamless transition was paramount, so the experience of the joint Heywood and GMPF teams using the powerful tools within Altair were vital to the success of the project.

One tool - 'advanced member extract and merge' - enabled the rapid and successful transfer of both pension administration data and scheme parameters from the ceding sites to the GMPF Altair installation.

This is part of the Altair Management Toolkit (AMT) and enables the extraction of member data, including payroll data and payroll parameters, between Altair databases.

The tools were essential components of the integration project and gave GMPF confidence that all testing would be successfully replicated in live production when the final migration took place.

GMPF also took advantage of Heywood's Cloud hosting service whereby Altair is run on its IT platform rather than GMPF's. The service offers Tier 4 'state of the art' data centre facilities and core infrastructure services monitored on a 24/7 basis.

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We went live on Altair in February, career averaging arrived in April and then we became the One Fund in June!

Ged Dale

Assistant Executive Director
GMPF

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The Results

The first phase, being the transfer of active and deferred probation members, was completed by the deadline of 1 June 2014 with no major set-backs encountered.

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The second phase - transferring probation pensioner members - concluded on time in January 2015.

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Additionally, collaborating closely with the GMPF data migration team, Heywood staff were able to enhance the process for migrating the data, and this allowed Heywood to deliver the project under budget.

3

GMPF is now able to administer its original members plus the 46,000 probation staff on one modern system.

Altair's toolset helped GMPF to ensure that customer data was moved and available in line with integration project milestones. Also, as a result of the project, members will have access to self-service facilities including mobile devices.

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The new system is integral to what we do, with us using it for holding membership records and calculating and paying benefits, and also for document imaging, workflow and printing. All our large employers can also have links to it to allow them, among other things, to calculate retirement estimates.

Ged Dale
Assistant Executive Director
GMPF

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Conclusion

Heywood and the GMPF were able to work together very effectively to deliver a first class integration project using their extensive experience.

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This was an enormous and challenging project that we - and the Ministry of Justice - needed to get right first time. The transfers are the largest since local government re organisation in 1974 and without such exemplary commitment from so many we would have been dead in the water.

Ged Dale
Assistant Executive Director
GMPF

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