



Business. Empowered.

19<sup>th</sup> October 2011

# Pensions administration “One Year On”

Confidential

---

**xfinity paymaster**   
PART OF THE EQUINITI GROUP

# Agenda

- Governance
- Culture
- XP Business Model/ Compendia
- Risk Management
- Training
- Resourcing
- Performance Reporting
- Project Change Control

# Governance

- Trustee Meetings
- Pensions Service Review Board
  
- Trustee Project Argo Steering Group
- Transition Working Party
  
- Group Pensions

# Communication with

- CPCC
- JPCC

# Balanced Scorecard Methodology

## Balanced Scorecard / August 2011

Overall Status	<b>G</b>
<p><b>Performance:</b> A good month with the successful implementation of Pulse and forward scanning in Farnborough and the introduction of new SLA reporting wef 1<sup>st</sup> August. All contractual measures met. WIP has increased significantly as a result of the implementation of Pulse (to be discussed in PSRB). Overall outlook for September is good.</p>	
<ul style="list-style-type: none"> <li><b>BAESPS</b> Good overall performance. Team have undergone a restructure following the commencement of Toni Hall's maternity leave. Excellent feedback continues from business on overall performance. Outlook is good with no major issues expected in September.</li> </ul>	<b>G</b>
<ul style="list-style-type: none"> <li><b>Exec</b> A good month with no SLA failures. Outlook is also good with no major issues expected. PG to submit report to BJK on Exec team long term strategy. Workshop held with Group Pensions to discuss expected challenges. Although all SLAs have been met in August – performance rated at Amber due to ongoing focus on team effectiveness.</li> </ul>	<b>A</b>
<ul style="list-style-type: none"> <li><b>P2000</b> A good month with no SLA failures. Outlook excellent with no issues expected in September.</li> </ul>	<b>G</b>
<ul style="list-style-type: none"> <li><b>ROPS</b> A good month with no SLA failures. Outlook excellent with no issues expected in September.</li> </ul>	<b>G</b>
<p><b>Operations: Good progress on Operational changes and implementation of Pulse and forward scanning. No major issues identified.</b></p> <ul style="list-style-type: none"> <li>Pulse and forward scanning now live in Farnborough. Team fully operational. Major success with no significant impact.</li> <li>Step Audit Action s completed on target to date, significant work undertaken by XP to comply with action due 31/8/11.</li> <li>Resource across all Operational teams continues to be monitored closely while support is given to the Transition Project (6 FTE). Particular attention continues on Exec and Projects teams while Project team resource is being utilised on Def Ben Stats.</li> <li>Contact Centre performance continues to meet targets (see stats). PG liaising with Lynn Knibbs in XP/Crawley to ensure this continues.</li> <li>Further downward trend on complaints/potential complaints received in August (13)</li> <li>New (interim) PSRB reporting mechanism submitted.</li> </ul>	<b>G</b>
<p><b>Outlook: Good on all schemes. Resource from Projects team temporarily seconded to Transition Project.</b></p> <ul style="list-style-type: none"> <li>DR test completed on 14/8. Findings to be submitted to Group Pensions.</li> <li>CPCC took place in Crawley – overview and tour of operation carried out by PG and PM.</li> <li>New Redundancy programme underway. Peak volumes expected in Nov/Dec.</li> </ul>	<b>G</b>
<p><b>Projects: All Projects tracking to plan.</b></p> <ul style="list-style-type: none"> <li>Deferred Ben Stats all on target for submission.</li> <li>All Approach Docs up to date.</li> <li>Handover of team to Sarah Williams now complete</li> <li>Resource continues to be utilised on Argo Transition.</li> </ul>	<b>G</b>
<p><b>Compliance / Risk / Governance: All tracking to plan with no issues identified</b></p> <ul style="list-style-type: none"> <li>XP's Internal Audit completed and has been reported within XP.</li> <li>Fraud Risk Framework and new reporting mechanism live wef October.</li> <li>Preparation for AAF 01/06 audit being undertaken.</li> <li>ISO9001 gap analysis undertaken. Full audit in December.</li> </ul>	<b>G</b>
<p><b>Business Development : PM has engaged with sales teams in terms of future opportunities at Farnborough and Fulwood</b></p> <ul style="list-style-type: none"> <li>XP Sales Team has been kept informed of the delay in the Transition timetable</li> </ul>	<b>G</b>
<p><b>Staff Training and Development : Good progress</b></p> <ul style="list-style-type: none"> <li>Full training plan finalised and will be used in PDRs</li> <li>Competency Framework in full operation in Farnborough. Currently being embedded in Fulwood.</li> <li>PG to ensure XP training courses is being encouraged. Slight downturn in take up since Jan/Feb with BAU issues having some impact on attendees. PDRs have addressed. Lisa Brooker dealing.</li> </ul>	<b>G</b>

# Changes Made to Date

Post scanning

Period of stabilisation in respect of service improvements – for example Nature and Cause reporting

Integration with XP project team and central resources

Integration with XP BAU resources

Competency framework launched

Launch of specific service improvements (i.e. processing discretionary cases)

Training programme

Adherence to work management protocols

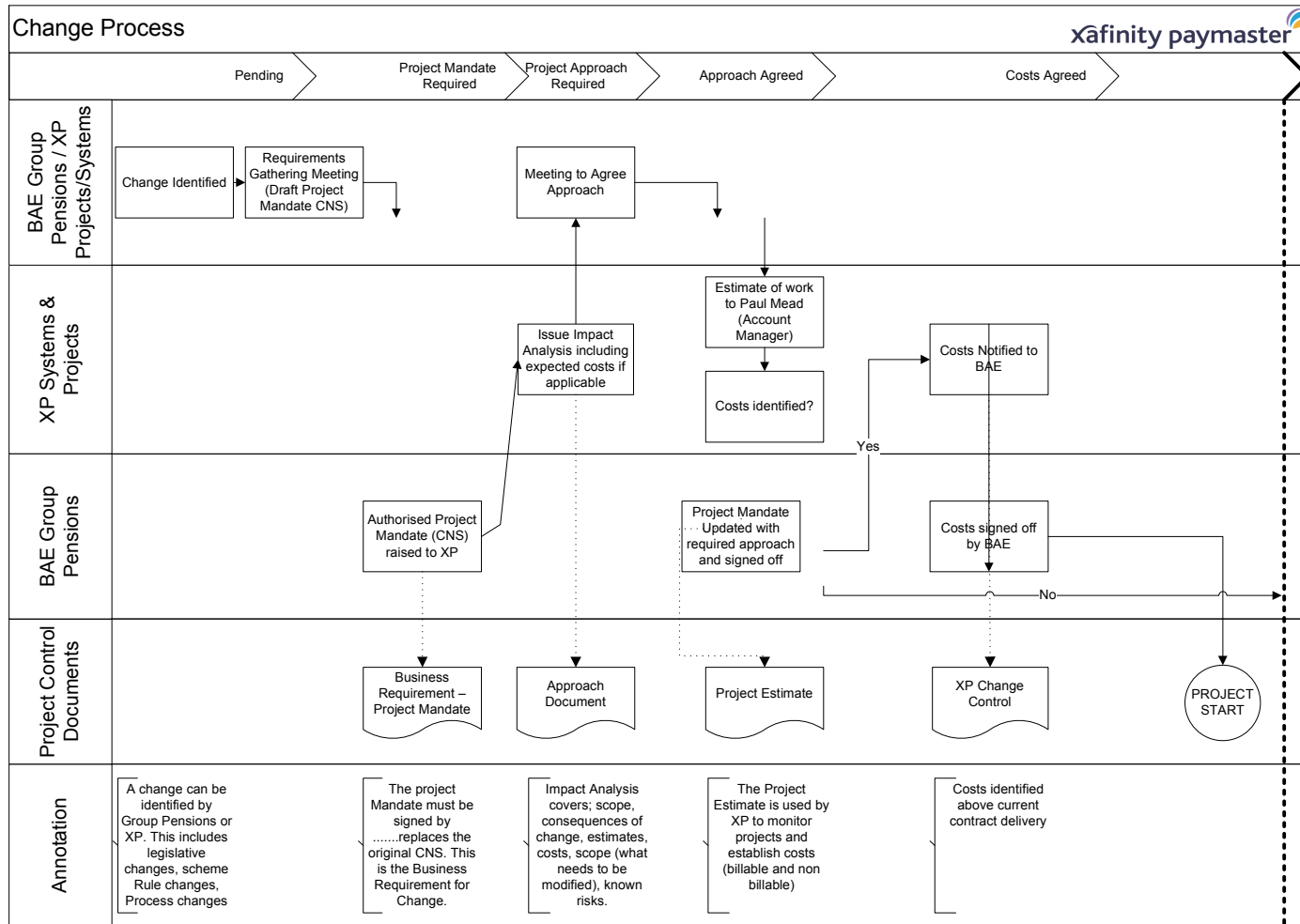
Address poor and excellent performance

Instil ownership culture amongst management team

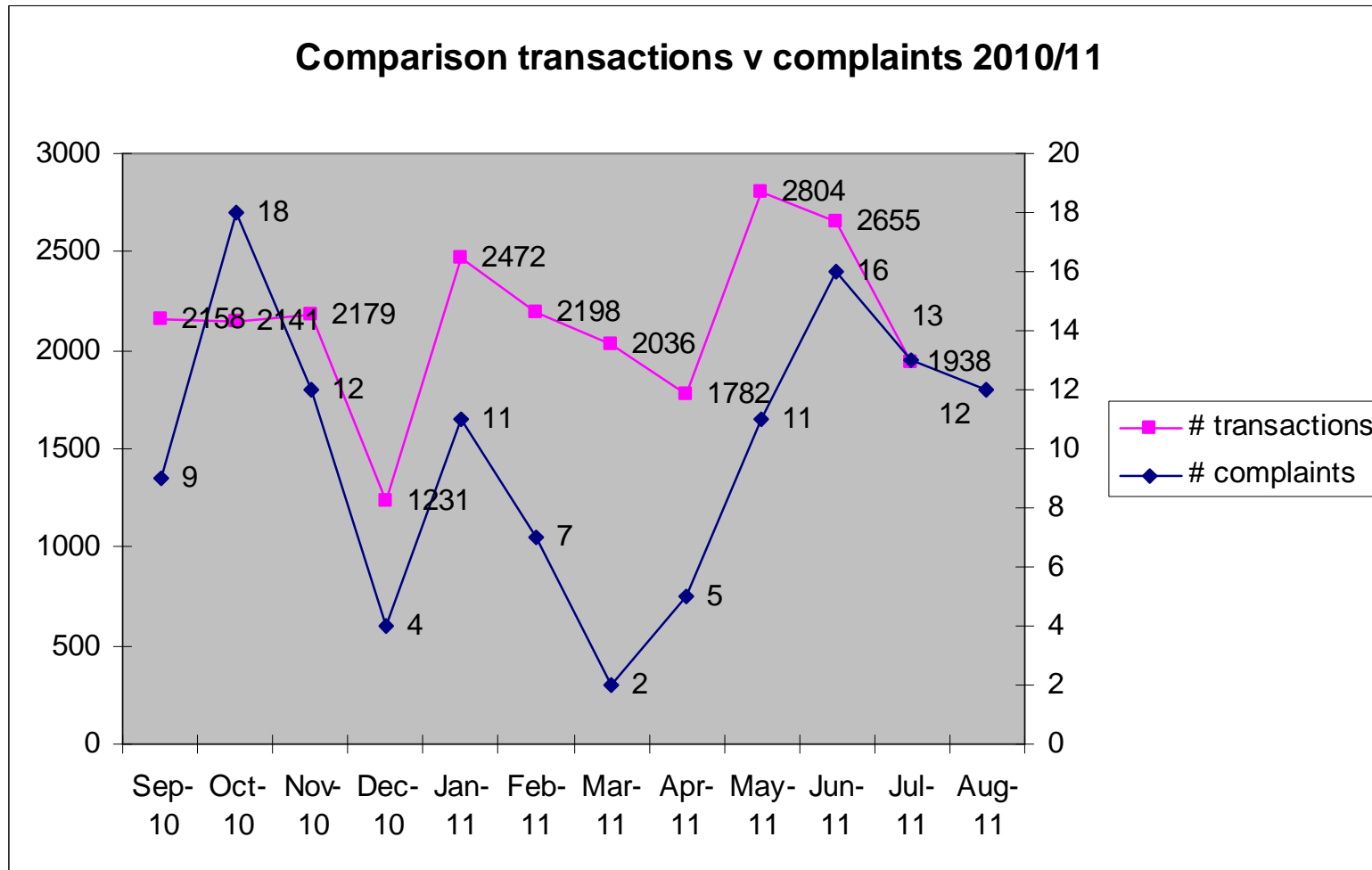
Project governance

Complaint Handling

# Project Change Control

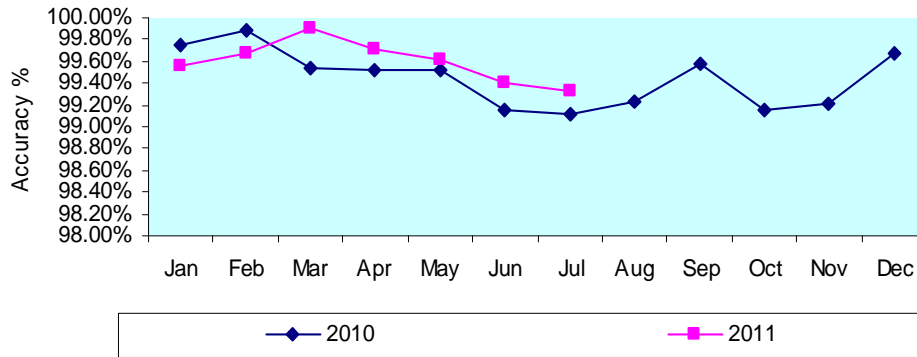


# Complaint Handling

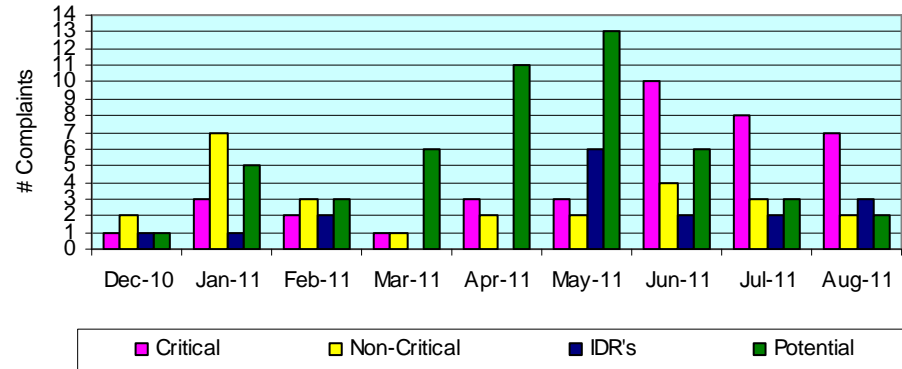


# Complaint Handling

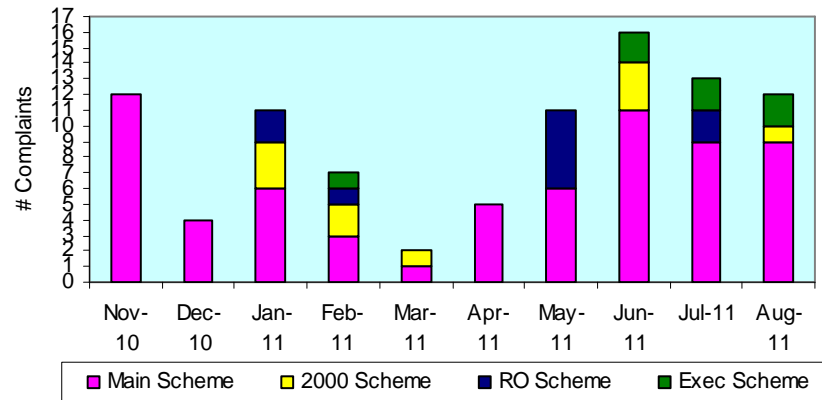
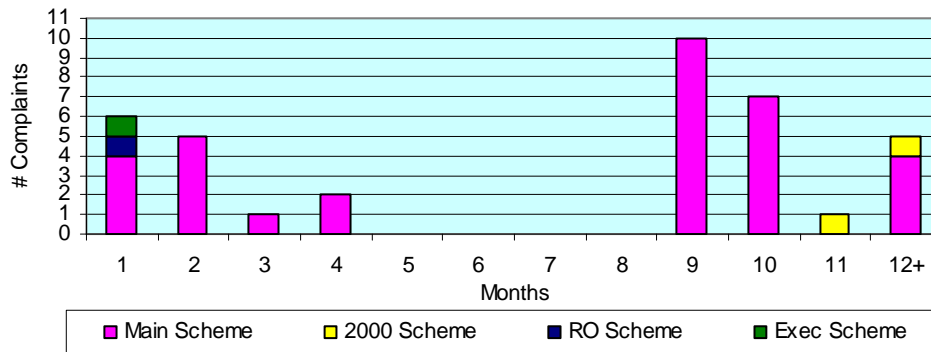
### Customer Perception



### Volume



### Age of Complaint



# Training

Name	Pensions Essentials	Contracting out	Disclosure of Info	Resources	Governance	Divorce - inter	DB benefits pre retirement	DB benefits at retirement	Contracting out - DB	DB benefits on death	Focus on DC	Divorce - advanced	Unauthorised payments	Transitional protection	HMRC reporting
Katharine McKee															
Louise Mackie															
Sarah-Jane Whittaker															
Sarah Denver															
Shelagh Green															
Michelle Galbraith															
Jemma Lambert															
Julie Walters															
Karen Graham															
Sue Butler															
Maria Clinton															
Karen Fairhurst															
Adelye Renyard															
Hanna McCallum															
Paul Swarbrick															
Luke Kirby															
David Harling															
David Quinn															
Diane Shorrocks															
Paula Kirkman															
Jackie Walker															
Pam Riley															

# Communications Centre

	Offered	Answered	Answered After Threshold	Abandoned	Abandoned After Threshold	Longest Wait Before Answer	Longest Wait Before Abandon	Average Wait Time	Service Level Target (Answered Within 30 Secs)	Service Level (Answered within 30 secs)	% Abandoned Target	% Abandoned	AHT
01/08/2011	254	248	15	6	3	3.39	3.18	0.17	90.00%	92.91%	5.00%	1.18%	
02/08/2011	178	170	3	8	1	3.10	1.20	0.13	90.00%	97.75%	5.00%	0.56%	
03/08/2011	169	160	6	9	1	3.04	2.12	0.16	90.00%	95.86%	5.00%	0.59%	
04/08/2011	148	142	3	6	0	2.14	0.1	0.16	90.00%	97.97%	5.00%	0.00%	
05/08/2011	163	160	6	3	0	2.21	0.11	0.16	90.00%	96.32%	5.00%	0.00%	
08/08/2011	194	186	24	8	1	3.25	2.12	0.35	90.00%	87.11%	5.00%	0.52%	
09/08/2011	191	185	4	6	0	2.12	0.10	0.11	90.00%	97.91%	5.00%	0.00%	
10/08/2011	179	171	5	8	1	1.2	2.15	0.17	90.00%	96.65%	5.00%	0.56%	
11/08/2011	142	139	5	3	0	2.17	0.12	0.15	90.00%	96.48%	5.00%	0.00%	
12/08/2011	131	125	3	6	1	3.48	1.25	0.17	90.00%	96.95%	5.00%	0.76%	
15/08/2011	174	169	11	5	0	3.44	0.13	0.16	90.00%	93.68%	5.00%	0.00%	
16/08/2011	141	137	0	4	0	0.36	0.13	0.03	90.00%	100.00%	5.00%	0.00%	
17/08/2011	119	114	5	5	0	3.3	0.10	0.18	90.00%	95.80%	5.00%	0.00%	
18/08/2011	105	104	4	1	0	2.12	0.04	0.14	90.00%	96.19%	5.00%	0.00%	
19/08/2011	104	102	6	2	0	3.21	0.16	0.14	90.00%	94.23%	5.00%	0.00%	
22/08/2011	165	155	23	10	3	3.36	3.11	0.25	90.00%	84.24%	5.00%	1.82%	
23/08/2011	126	125	7	1	0	2.25	0.05	0.16	90.00%	94.44%	5.00%	0.00%	
24/08/2011	115	111	1	4	0	0.36	0.10	0.14	90.00%	99.13%	5.00%	0.00%	
25/08/2011	142	139	14	3	0	2.25	0.1	0.16	90.00%	90.14%	5.00%	0.00%	
26/08/2011	135	130	6	5	0	2.2	0.1	0.11	90.00%	95.56%	5.00%	0.00%	
30/08/2011	201	193	25	8	2	4.05	2.48	0.32	90.00%	86.57%	5.00%	1.00%	
31/08/2011	173	167	16	6	1	3.10	2.12	0.16	90.00%	90.17%	5.00%	0.58%	
<b>Total</b>	<b>3449</b>	<b>3332</b>	<b>192</b>	<b>117</b>	<b>14</b>	<b>4.05</b>	<b>3.18</b>	<b>0.17</b>	<b>90.00%</b>	<b>94.03%</b>	<b>5.00%</b>	<b>0.41%</b>	<b>4.50</b>

# Changes Underway

Pulse provides full MI at press of a button and new ways of working

Consider quality and productivity objectives

Monthly 1-2-1s to assess attainment or otherwise of required standards

Review management structure

Quality Management fully embedded

# Changes for 2012

New levels of automation

Member web access

Move to Target Operating Model

Integration between Farnborough and Fulwood

New letter style

# Risks/ Inhibitors of Change

Resource – for example enabling managers to have the time to manage more strategically

Staff morale – witnessing change and real time exposure of their work with the arrival of Pulse

Resistance from those who may refuse to work/ fully engage in new culture

Risk of loss of technical knowledge

Can't get new clients into these offices until Compendia fully embedded

Compendia launched at busy year end time

# New Business Model

Finance Transformation

Data Cleanse project

Compendia Data Migration

Compendia Interfaces

Compendia Workflow / Letters

Pension Calculations

Proformae Produce/Review

# New Business Model

Pulse

Forward Scanning

Pension Calculations

Code Development

Go-Live training

End-to-end testing

Member Web Services

Infrastructure Requirements

Bulk Events

# Enterprise Risk Management

## XP Control Framework



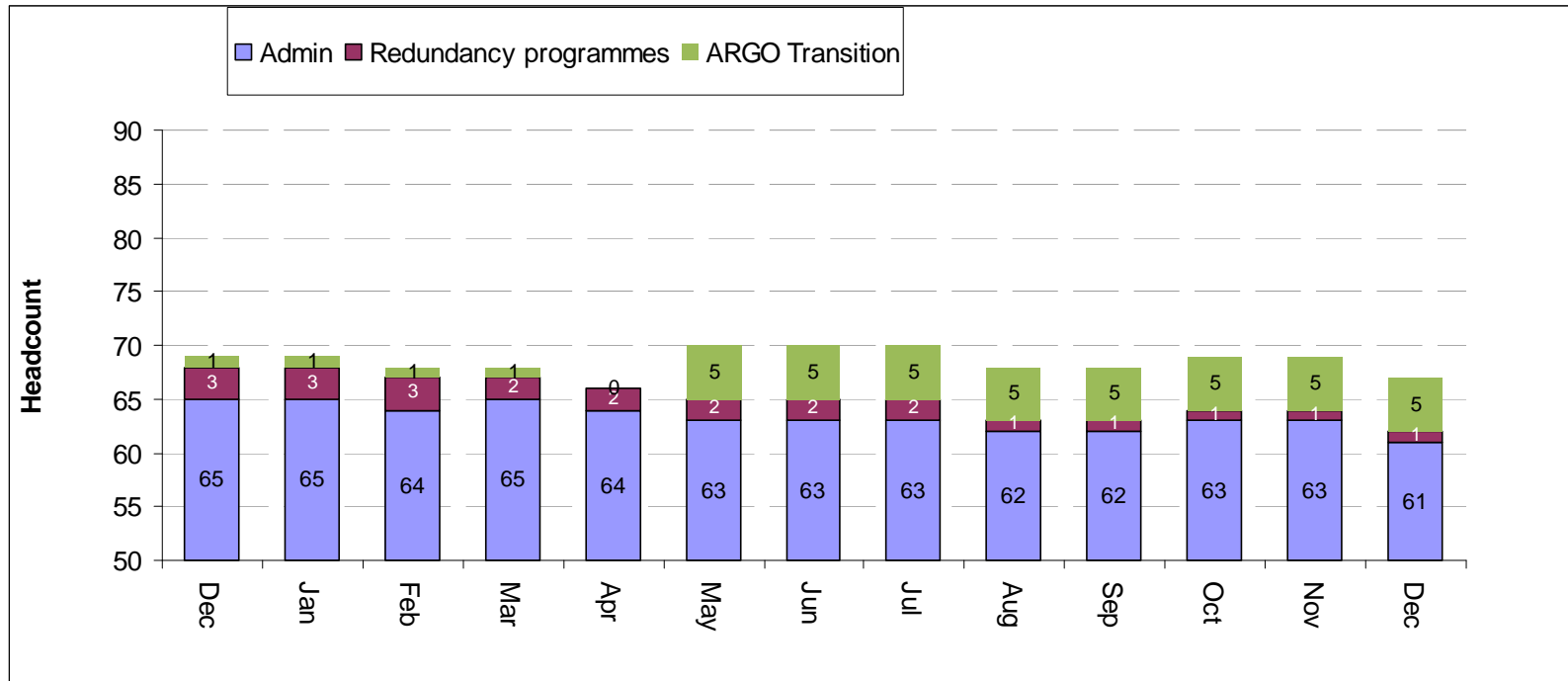
# Enterprise Risk Management

- Xafinity Paymaster Executive Management Group
- Business stream specific controls
- Quality Management System
  - Maintenance of ISO 9001 Certification (ISO audits)
  - Working towards ISO 27001 for our IT security environment
  - AAF 01/06 Reporting (by KPMG)
  - Risk Register
- Business Operational Review Meetings
- Executive Management Self – Assurance Statements
- Internal Audit Reviews / Consultations – Risk Based
- Audit Committee Evaluation of ERM Arrangements
- Transition to an automated environment within Compendia

## Risk Management - Contractual requirements

- Annual "pensions assurance plan" – ensures:
- compliance with ASA and that the schemes are being correctly administered
- internal and external audit timetable (including actuarial checks)
- any remedial actions are undertaken
- Twice yearly "Operational Assurance Statement"
- Scheme annual audits
- Calculation audits
- BCDR plan audits

# Resourcing



# BAE Systems – XP Management

