An Roinn Caiteachais Phoiblí
agus Athchóirithe
Department of Public
Expenditure and Reform

SINGLE SCHEME TOWNHALLS

10 & 16 November 2016

Project Team

Martina
Hennessy

Finbar Ó
hAnnracháin

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Hardiman

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Fergal
Carty

DPER Project & Policy Teams

An Roinn Caiteachais Phoiblí agus Athchóirithe
Department of Public Expenditure and Reform

Who Does What
whodoeswhat.gov.ie

Vacancy
Assistant Secretary

Remuneration, Industrial Relations and Pensions Division

Peter Brazel	Tom Clarke	Frank Griffin	David Denny	John Pender	Martina Hennessy
Principal Officer	Principal Officer	Principal Officer	Principal Officer	Principal Officer	Principal Officer
Remuneration, Industrial Relations and Pensions Division	Remuneration, Industrial Relations and Pensions Division	Remuneration, Industrial Relations and Pensions Division	Remuneration, Industrial Relations and Pensions Division	Remuneration, Industrial Relations and Pensions Division	Remuneration, Industrial Relations and Pensions Division

Agenda

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Session 1 - Setting the Scene
10:15 : Single Scheme Administration Project Introduction *Martina Hennessy, DPER*
10:40 : SPSPS - Perspectives from the Frontline *10 November 2016:* *John Keane & Aileen Reilly* *St Vincent's University Hospital* *16 November 2016:* *Triona Lydon* *NUI Galway*
11:05 : Project Findings to Date *Michael McKeown, DPER*
11:30 : Coffee
Session 2 - Breakout Discussions
11:50 : Discussion by sector in Breakout Groups *Discussions led by facilitators*
13:00 : Lunch

Session 2 - Breakout Discussions Contd.
13:45 : Feedback from Breakout Discussions *Chair: Claudia Carr, BearingPoint*
Session 3 – Policy Updates
14:30 : Update on Policy Developments *Henry O'Mara, DPER*
15:45 : Wrap Up
16:00 : Close

SINGLE SCHEME ADMINISTRATION PROJECT

Martina Hennessy

Topics

- Single Scheme Overview

- Baseline Study 2014

- Feasibility Study 2016

- Current Status

- Next Steps

- Purpose of Today

Reminder of Some Key Elements

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- Introduced in 2013 for all new entrants to the public service

- Approx. 350 public service bodies now designated as 'relevant authorities' (RA's)

- Based on career-average earnings, not final salary

- Pension age from 66 to 68 to a max of 70

- Deductions remitted centrally

- Referable amounts are calculated based on pay and work pattern

- Benefits accumulate annually

- CPI adjustments may need to be applied

Some Facts & Figures

Single Scheme Membership Headcount

300% increase in Single Scheme members, with 3% increase in public service numbers in the same period
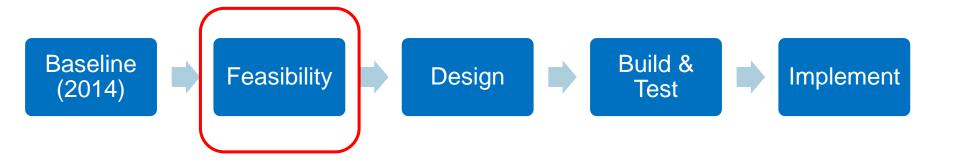
232 RAs have members

Education has >20K members

47 RAs have < 5 members

124 RAs are not active

HSE has >10K members

Baseline Study 2014

Baseline (2014) → Feasibility → Design → Build & Test → Implement

- 85% bodies participated (excluding C&C schools)
- 22,500 Single Scheme members at the time
- 11.3 FTE actively involved in administration across the public service
- **Single Scheme administration is very closely tied with payroll**
- Identified a number of general challenges and some specific to particular sectors

Feasibility Study 2016

| Baseline (2014) | → | Feasibility | → | Design | → | Build & Test | → | Implement |

What's involved in the Feasibility Study?

- Assess operating model options
- Estimate high level costs against benefits
  - Cost saving is not a key driver
- Assess benefits from several perspectives
  - Effective Administration
  - Member experience
  - Governance
  - Management Information
- Recommendation will form a Memo to Government
- Will include a high-level implementation plan

Taking a collaborative approach to the work

What have we done so far?

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Categorised 350 Relevant Authorities

13 workshops

136 attendees from 39 Relevant Authorities

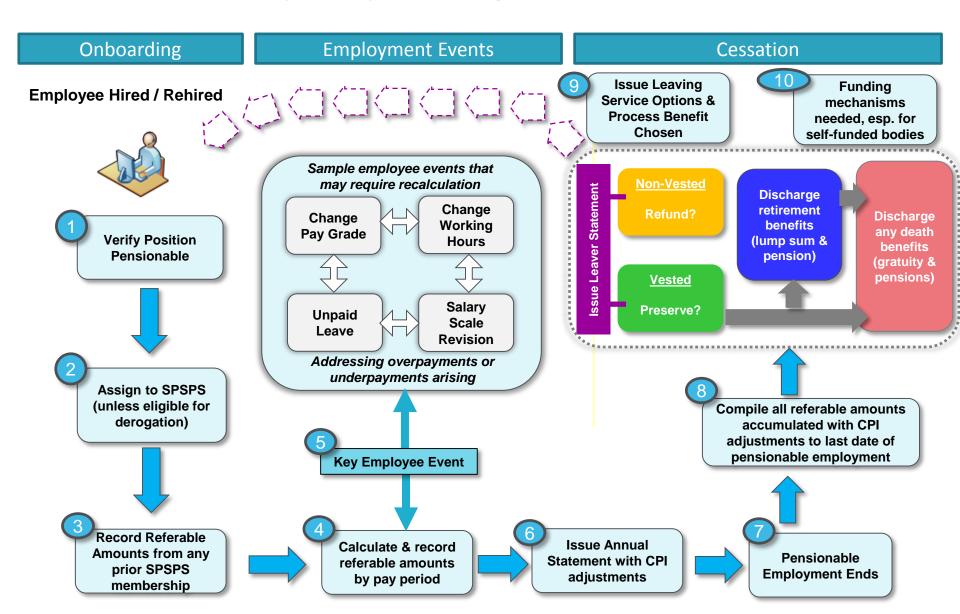**32K Single Scheme members**

Good practices in evidence

229 detailed issues/risks

Questionnaire to 125 RAs
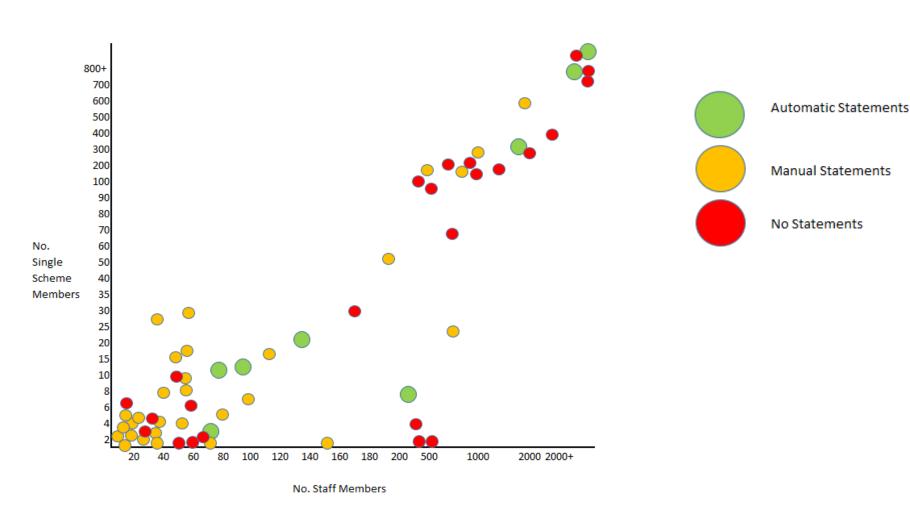
Looking at international examples

Issued RFI/ assessing market capabilities

From the Workshops: Key Challenges from Hire to Retire ....

Onboarding	Employment Events	Cessation

Employee Hired / Rehired

9 Issue Leaving Service Options & Process Benefit Chosen

10 Funding mechanisms needed, esp. for self-funded bodies

1 Verify Position Pensionable

Sample employee events that may require recalculation

Change Pay Grade ↔ Change Working Hours

Unpaid Leave ↔ Salary Scale Revision

Addressing overpayments or underpayments arising

Issue Leaver Statement

Non-Vested Refund?

Vested Preserve?

Discharge retirement benefits (lump sum & pension)

Discharge any death benefits (gratuity & pensions)

2 Assign to SPSPS (unless eligible for derogation)

5 Key Employee Event

8 Compile all referable amounts accumulated with CPI adjustments to last date of pensionable employment

3 Record Referable Amounts from any prior SPSPS membership

4 Calculate & record referable amounts by pay period

6 Issue Annual Statement with CPI adjustments

7 Pensionable Employment Ends

Data insights….work in progress

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No. Single Scheme Members (y-axis)
No. Staff Members (x-axis)

Automatic Statements
Manual Statements
No Statements

Future Options

- Evaluating from different perspectives:

  - Cost

  - Benefits

  - Risks

  - Practicality

  - Member experience

  - Standardisation
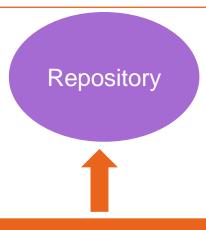
  - Governance

  - Timelines ……

High-Level Option 1: All RAs to be fully compliant

All Relevant Authorities to be fully compliant

What would this involve?

- Ensure standardised approach across all RAs
- Cater for moving benefits between organisations as employees change jobs
- Employee history is with the most recent employer

High-Level Option 2 : Central Repository ' Lite'

Repository

- Hold employee history
- Hold referable amounts accrued in each employment
- Hold information on vesting across the PS
- Identify where >1FTE rule exceeded and issue instruction

Central Repository to hold some information on all scheme members.

Employer to do calculations and send data to Central Repository.

- Check if new hire already in Single Scheme
- Send hire/leaver information to repository
- Send referable amounts to repository
- Access full employee history at retirement

High-Level Option 3: 'Full' Central Administration

Administration

- Hold employee history
- *Calculate referable amounts accrued in each employment*
- Identify when member is vested
- Identify where >1FTE rule exceeded and issue instruction
- *Issue Benefit Statements*
- Assess pension entitlements at retirement and issue authorisation/make payment

A Central Hub to implement all administration functionality.
Employers send more data to the central administration on a regular basis

- Check if new hire already in Single Scheme
- Send hire/leaver information to central admin
- Send pay data and work pattern information to central admin

Whatever option is selected....

- Each Relevant Authority needs to have good quality data on pay and work pattern for each Single Scheme Member
- Data from 1 Jan 2013 must be available

This work is needed regardless of future option selected

Project Next Steps

- Get input from stakeholders

- Complete the cost/benefit analysis

- Review outcomes with Programme Board/ DPER Senior Management

- Complete Feasibility Study

- Make a submission to Government

Future Phases 2017 +

| Baseline (2014) | → | Feasibility (2016) | → | Design | → | Build & Test | → | Implement |

Purpose of Today

- Get your input on project findings to date

- Share any best practices that may help others

- Identify possible short-term actions

- Raise awareness of the need for work to support the Single Scheme in your organisation

Thank you

Email: Martina.Hennessy@per.gov.ie
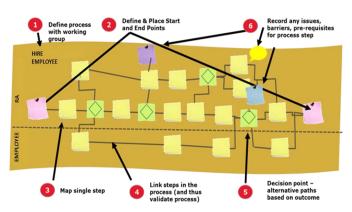
PROJECT FINDINGS TO DATE

Michael McKeown

Project Workshops

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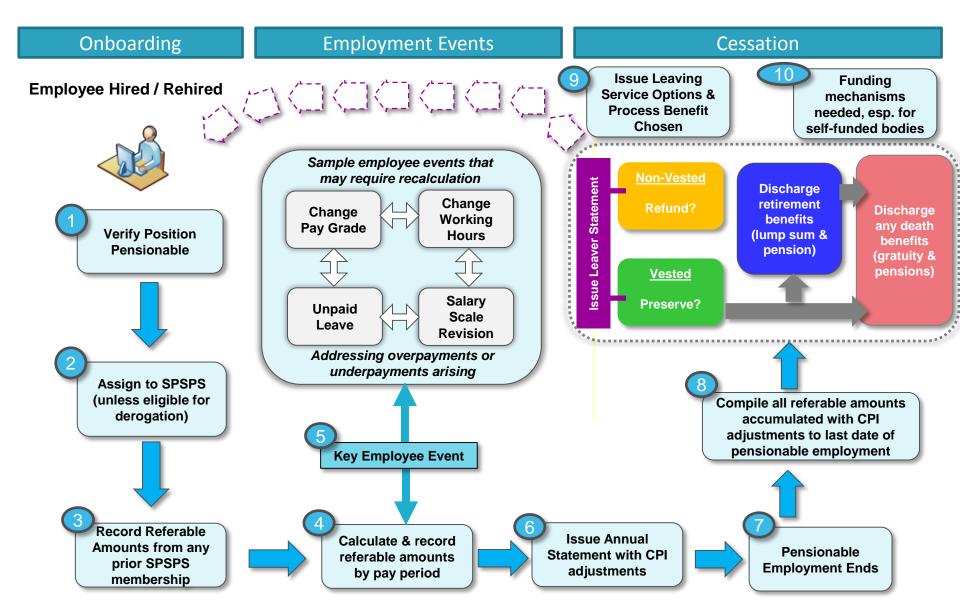
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Collaborative & Open Approach

Workshop Format

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Workshop Findings

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Evidence of Good Practice

but . . .

229 detailed issues / risks arising

Workshop Issues Analysis

229
detailed issues / risks

12
key summary issues / risks

Validation of Workshop Findings

Breakout Topics

Topic A – Workshop Findings

- *Do you agree with the high-level workshop findings?*
- *Are there any significant issues missing?*
- *What aspects are the most challenging to implement for your sector?*

Topic B – Short Term Actions

- *What immediate/short-term actions could be taken to help Relevant Authorities address the issues found?*
- *Has your organisation done specific work to help improve Single Scheme administration that you could share with others?*

Topic C – Historical Data

- *Do you hold have all member data (incl referable amounts) from Jan 2013 readily available?*
- *If not, have you quantified how much work would be involved to collate?*
- *What are the barriers that need to be addressed?*

Breakout Groups

A

EDUCATION
Facilitator:
Gerald O'Driscoll
Dundalk IoT

B

HEALTH
Facilitator:
Jacqueline Morrissey
Brothers of Charity

C

INDEPENDENT BODIES & AGENCIES
Facilitator:
Martina Hennessy
DPER Project Team

D

LOCAL GOVERNMENT & CIVIL SERVICE
Facilitator:
Janice Witcombe
PeoplePoint

Check Your Name Badge for your Group

Thank you to Facilitators for your assistance!

SESSION 1 – Q & A

INTRODUCTION - BREAKOUT SESSIONS

Breakout Groups

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Check Your Name Badge for your Group

Thank you to Facilitators for your assistance!

Approach

- Be prepared for an **open discussion**

- Share **your experiences and ideas**

- Consider other **view points**

- Consider ways of **improving** the current administration of the single scheme

- Identify the **challenges** and share potential **solutions**

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FEEDBACK FROM BREAKOUT SESSIONS

Facilitator: Claudia Carr, *BearingPoint*

WRAP UP

10 & 16 November 2016

www.per.gov.ie/single-scheme

- Policy FAQ

- Circulars

- Baseline Study

- Project Bulletins – next due in Dec

- Feasibility Report – early in 2017

- Queries to singleschemequeries@per.gov.ie

Follow up

- Issue a short survey to get feedback on the event

- Project bulletin will be issued in Dec/every quarter