





Pensions Administration Software Market Review

Steve Tiley
October 2017

Pensions Administration Software Providers



	Product Name	Local Government Pension Schemes (England Authorities Only)				Police Pension Scheme Customers	Other notable public sector scheme customers
		Local Government Customers	Market Share by LG Customers	Total Local Government Scheme Members	Market Share by LG Scheme Members		
 Aquila Heywood	Altair	57	75%	3,218,800	65%	27	<ul style="list-style-type: none"> Health and Social Care Northern Ireland: 217,750 Members Northern Ireland Local Government Officers: 106,800 Members
	Hartlink	4	5%	127,500	2.5%	4	<ul style="list-style-type: none"> Scottish Public Pensions Authority¹: 859,250 Members
	UPM	14	18%	1,608,500	32%	0	<ul style="list-style-type: none"> SAUL (London Universities): 46,115 Members
	Compendia	1	1%	21,500	0.4%	3	<ul style="list-style-type: none"> Civil Service (MyCSP): 1,519,000 Members NHS: 2,874,000 Members Armed Forces: 979,000 Members

¹ Administers Scottish Police, Fire, NHS and Teachers Pensions





Aquila Heywood



- UK's largest provider of life, pension and investment administration systems, this is the sole focus of their business.
- The dominant market provider of pensions systems designed specifically for local government.
- Aquila Heywood's software is used to administer the records of over 10 million individuals across 200 major organisations.
- Have a strong presence across all sectors, customers include most local authority schemes and companies such as Prudential, Aviva, Asda, BP and the BBC.
- Counts 48 of the UK's largest 100 schemes as customers.
- Can be accessed via Northumberland County Council's single provider framework established in 2014. London Borough of Lambeth report securing a discounted rate in return for a 5 year contract.
- Customer satisfaction appears to be high, with very few councils reporting issues when implementing Heywood's software.



- Part of Capita, the UK's largest business process outsourcing company.
- Provide both full 3rd party administration services and their Hartlink software as a standalone product.
- Provide full 3rd party services to approximately 550 customers with 4 million individual scheme members
- Their Hartlink software is provided directly to 35 in-house administration schemes across UK, covering 1.75 million members
- Capita generally seek longer contracts (5 – 10 years) for their 3rd party administration services, these are often combined into wider outsourcing contracts.
- Capita have developed somewhat of a reputation for poor performance across their outsourced services.



- Specialist software and services provider focusing on public sector, 95% UK authorities reportedly use some form of Civica product or service.
- Have been offering Pensions software for 18 years, but this forms a very small part of their portfolio.
- Only recently gained a foothold in the local government market, a key point was their winning a place on the National Pensions Administration Software Framework let by Kent County Council in 2013
- However are now able to count 6 out of the 10 largest LGPS schemes by membership as customers.
- No new customers gained since 2014, the majority of contracts signed using Kent's Framework are for 4 years.
- Implementation issues affected a number of authorities who signed contracts in 2014.
- South Yorkshire Pension's Authority felt not enough resources were allocated by Civica to their implementation. Resultant backlogs of work cost SYPA £50,000 in over time payments.
- Durham County Council reported "teething troubles" and had to withhold invoice payments until the Fire area of the system was brought up to a "satisfactory standard".
- East Riding Pension Fund were unable to issue their Annual Benefits statements in time due to delays in software development.





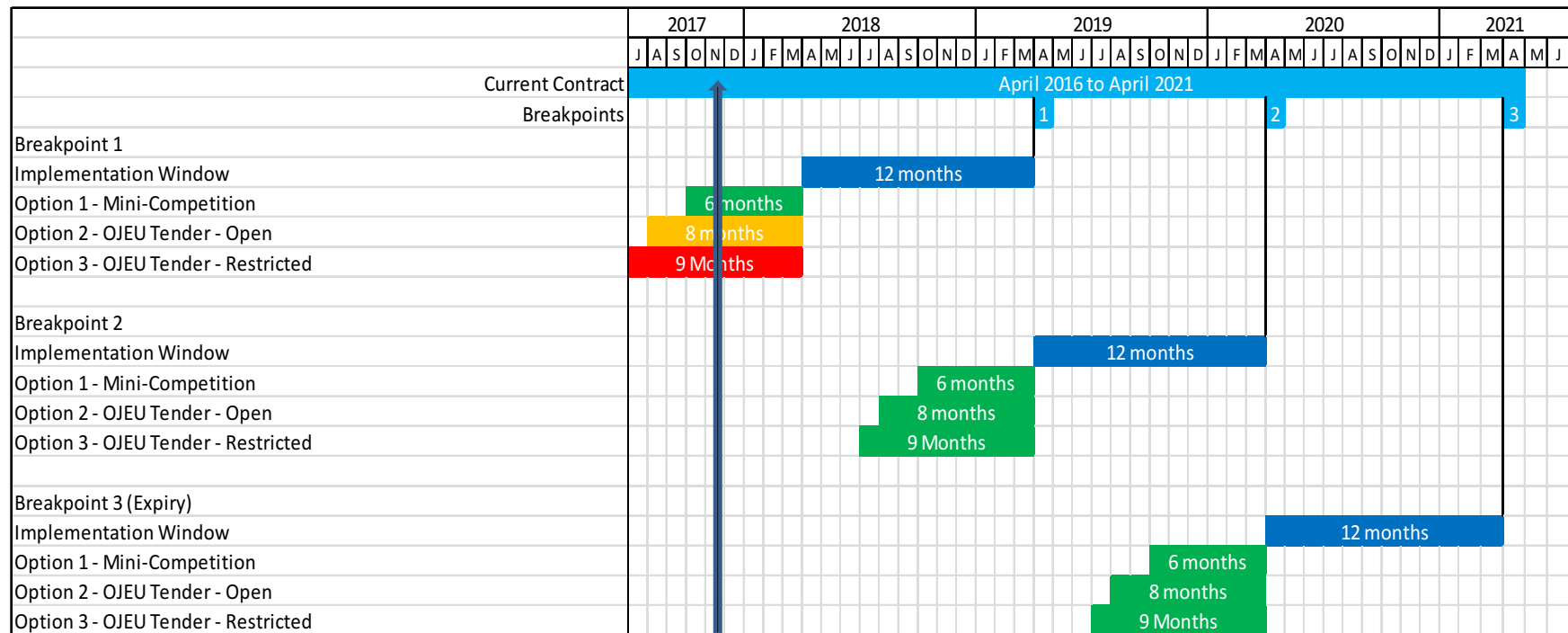
Equiniti



- Part of the wider Equiniti Group who provide a range of share registration, investment, employee benefit and pensions services. Claim to be largest pension and share register in Europe.
- Provide pension related services to more than 750 schemes across the private and public sector, which provides circa 40% of the group's revenue.
- Offer full 3rd party administration services and their Compendia software as a standalone product.
- Single Local Government customer, but provide full 3rd party administration services to large public sector schemes such as the Civil Service, NHS and Armed Forces giving them the #1 market position in public sector pension administration.
- Operate MyCSP (Civil Service Pensions) as a 51% owned joint venture with Central Government. However a 2016 report by National Audit Office criticised the quality of service following the transfer from Capita in 2014.
- Performance has improved but the underlying issues had not yet been fixed at time the report was written.
- Won a place, alongside Civica, on the National Pensions Administration Software Framework.
- Received a number of awards, with an emphasis on technology. Compendia has been voted #1 pension administration platform by in-house teams for last 3 years.



Procurement Timeline Windows





If you have any questions or comments, please contact:

Steve Tiley

Strategic Procurement Manager

Strategic Procurement

07701 394 718

steve.tiley@eastsussex.gov.uk

