London Borough of Hammersmith & Fulham **PENSIONS BOARD** **27 JUNE 2018**	h&f hammersmith & fulham
ADDITIONAL VOLUNTARY CONTRIBUTIONS PROVIDER TRANSITION UPDATE	
Report of the Strategic Finance Director – Hitesh Jolapara	
Open Report	
Classification: For Information **Key Decision: No**	
Wards Affected: None	
Accountable Director: Philip Triggs, Director of Pensions and Treasury	
Report Author: Matt Hopson, Strategic Finance Manger – Treasury and Pensions	**Contact Details:** Tel: 0207 641 4126 E-mail: mhopson@westminster.gov.uk

1. EXECUTIVE SUMMARY

1.1 This report provides an update of the AVC provider, Zurich Corporate Savings, transitioning their existing portfolio of London Borough of Hammersmith and Fulham Pension Fund Member assets to a new platform.

1.2 The transition aims to provide members with a better service by utilising an online platform where members can check their benefits and receive up to date information.

1.3 The implementation will require key contributions from Human Resources in communicating this change to affected members.

2. RECOMMENDATIONS

2.1 The Committee is recommended to note the update as presented to the Pensions Sub Committee.

3 TRANSITION OVERVIEW

3.1 An initial call was held between Zurich and LBHF pensions representatives on 14 February 2018 to initiate the project launch.

3.2 Zurich have communicated their timetable for the transition and the key dates are listed below:

Milestone	Date
Project Launch	14/02/2018
Service Agreement signed and returned	23/02/2018
Define and agree all requirements	02/03/2018
Zurich - Employee/member letter issued	13/03/2018
New scheme 'live' on Zurich system	27/03/2018
Literature approved	29/03/2018
Administration, Upload and Payroll process - training completed	29/03/2018
New infosite live and member literature available online	03/04/2018
Member blackout starts (no access to DCP) but can still request switches via phone	16/04/2018
Existing scheme members uploaded to new scheme	17/04/2018
Release scheme administrator access for new scheme	26/04/2018
Go/No Go call	27/04/2018
Member blackout on DCP scheme prior to asset transition	01/05/2018
Transfer effective date	08/05/2018
Member records updated	23/05/2018
Transfer confirmation letters Issued	24/05/2018
Reconciliation report issued	25/05/2018

3.3 Whilst the majority of the transition will be handled by Zurich, there are a few decisions that need to be taken by LBHF. The biggest decision will be the communication strategy, of which there are two options:

- Utilise the communication material provided by Zurich (attached at Appendices 1-3) if deemed appropriate, although no modifications to this material at all are allowed by Zurich's assurance team.
- If it is deemed that the material is not sufficient, LBHF can either provide supplementary communications, or devise bespoke communication from scratch.

3.4 The second decision that needs to be made is what investment products will be transitioned to the new platform. The proposal is to transfer all members into the equivalent products on the new platform and utilise those products accordingly.

3.5 The exception for this will be ten members who are currently in the "with profits" investment product as this is no longer going to be provided in the new platform. These members will need to be advised of this and a new investment product proposed. If members do not elect to transfer to a new product one will need to be selected for them.

4 NEXT STEPS

4.1 The first step is to sign and return the service agreement (Appendix 4).

4.2 LBHF Human Resources will need to liaise closely with Zurich to ensure that communication to members is provided in a timely fashion as the project moves towards completion.

4.3 The Pensions Sub-Committee will be provided with an update of the transition at the next meeting. This update will also be provided to the Pensions Board.

LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT

None.

LIST OF APPENDICES:

Appendix 1: Zurich communication material – Trust announcement letter
Appendix 2: Zurich communication material – Q&A
Appendix 3: Zurich communication material – Timelines
Appendix 4: LBHF service agreement