

## Pension Fund Board

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**Title:** Pensions 'Online' Update  
**Date:** Wednesday 19 July 2017  
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### Local members affected:

*For press enquiries concerning this report, please contact the media office on 01296 382444*

### Summary

The “my pension online” service for LGPS members was launched in 2016 and is now standard practice for member users. i-Connect is a web-based application / data exchange hub through which employers submit data relating to their workforce to the Buckinghamshire Pension Fund. The aim is the realisation of anticipated operational efficiencies and administrative cost savings.

### Recommendation

**The Board is asked to note the Report.**

### Supporting information to include the following if a decision is being requested:

The “my pension online” service for LGPS members was launched in 2016 and is now standard practice for member users. As at 5<sup>th</sup> July 2018, 7,574 active scheme members have registered, which equates to 34.8%, 3,482 (12.7%) deferred members and 3,055 (16.2%) pensioner members. A more user-friendly version was launched in Q4 2017 and the project has been successfully implemented.

i-Connect is a web-based system through which employers and/or payroll providers submit data relating to their workforce to the Buckinghamshire Pension Fund. The aim is the realisation of anticipated operational efficiencies and administrative cost savings.

i-Connect is marketed to the 80 LGPS funds who use Altair as their pension administration platform by third party provider Aquila Heywood via their subsidiary i-Connect Services

Limited. It replaces the existing requirement for employers to submit spreadsheets or undertake an action with regard to new entrants, leavers, opt-outs and other changes and in particular removes the need to undertake the lengthy year-end return procedure.

i-Connect minimises manual intervention as it combines the capabilities of a number of commonly used interfaces and enables the automatic transfer of data. Some manual intervention may still be necessary after payroll data upload following the detection of errors in the data by i-Connect.

There is an online return option for employers with fewer than 100 active LGPS members, so employers will transmit the data either by uploading a payroll extract file (larger employers) into i-Connect or by keying the information into Altair via i-Connect (smaller employers), both on a monthly basis.

#### Progress to date

10 employers including Thames Valley Police are currently submitting monthly data via the Live i-Connect system and several more are testing. There is a plan to roll out i-Connect to all other employers and payroll providers over the course of the next 2 years and it is standard practice for new employers who join the Fund.

#### Cyber security

Heywood are ISO27001 certified and their hosting procedures are certified under ISO9001:2008.

Each member accesses the 'my pension online' website using their own unique credentials, comprising a user name and password. Inherent system security prevents each member from accessing the records of other members.

i-Connect provides mapping, processing and change detection, via reliable "direct line" secure communication over site-to-site VPN. All processing takes place in memory, and rarely is data held in the database. All data is encrypted, is converted into a stream of thousands of individual change commands. i-Connect reduces the risks associated with the transmission of data between employers/payroll providers and the Fund through the use of a secure HTTPS system for user access over the internet. It is certified by a high-end VeriSign SSL certificate. i-Connect converts the data files it receives into binary form and then sends a "message" to a message queue in the middle tier. All communication between the web tier and the middle tier is via this messaging system; there is no web, database or other similar technology communication between the tiers, only messaging of binary objects. The payroll extract file is never stored. In the i-Connect middle-tier, the binary contents are extracted, mapped and processed into a per-member list of in-memory structures – the hash-codes of these structures are compared with those stored on the database for the same member. Any identified differences trigger the creation of an event – which is effectively a ready-to-send binary message – informing the Altair pension administration system that data has changed, and the nature of that change. These events are stored in binary form in the database until the user "releases" the event stream to the back end. At this point they are placed on a very specific messaging queue and consumed, over the VPN, by a Target System Bridge (TSB) which is deployed, along with the pension administration system, in the main application server. The ready-to-send objects (which do contain sensitive information) are stored in the database using Blowfish encryption. These objects are only retained in the database until they are released to the pension administration system (expected to be a small number of outside normal office hours). The i-Connect database does not hold personal member data of any kind in an un-hashed format. The hash chosen is irreversible, and is a hash of a combination of all the fields on a particular member structure. Each bridge in the pension administration system instance has a globally unique identifier (GUID), comprising of a large number of characters,

and all data objects contain the client reference (for example DUBLIN) as a primary key field. In the unlikely case of mis-configuration of i-Connect, if the messages intended for another client (for example BELFAST) were sent to the DUBLIN client's queue, then all message processing would fail as the primary key information will not match. All changes in pension administration system are audited in the standard way. All changes to member details in i-Connect cause the creation of a new row and triggers the expiry of the old row (this allows an element of history and "undo"). All user actions are logged in the database - "changed by" is a column on every table in i-Connect.

**Resource implications**

The aim is the realisation of anticipated operational efficiencies and administrative cost savings.

**Legal implications**

N/A

**Other implications/issues**

N/A

**Feedback from consultation, Local Area Forums and Local Member views (if relevant)**

N/A

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**Background Papers**

None

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