



FINANCE & TECHNOLOGY RESEARCH CENTRE

Adviser Forum

Workplace Forum

Executive Summary

**Meeting held on 19th January 2011 at
The Chartered Institute of Arbitrators (CIArb), 12 Bloomsbury Square, London, WC1A 2LP**

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Competition Act reminder

- The role of this Forum is to facilitate business efficiencies in the personal finance sector for the benefit of distributors, providers and most importantly consumers.
- All present are reminded of the requirements of the Competition Act and members' attention is drawn to the guidelines, which are available.
- In essence, all Members shall refrain from any conduct or participation in any activities which could lead to a restriction of competition between the Members or any third party who is a competitor of a Member or Product Provider or which could in any other way lead to an infringement of UK and/or EC rules on competition law.
- Output of the meeting must be complete, we will pause before each new section to agree and summarise the issues covered.
- Role of the chairman is to steer the group clear of conversations that may impinge on the act.
- If the chairman fails to do this, delegates should point this out in the meeting and if the situation does not change should leave the meeting.

Workplace Forum

- This pack contains the slides presented at the e-Services meeting held on **19th January 2011**.
- Slides with a **purple banner** represent the meeting presentation; slides with a **gold banner** represent additional views and conclusions from the meeting. Members' comments, additional text and actions are shown in **purple text**.

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Attendees

Distributors (Corporate IFA's, Employee Benefit Consultants and Benefit Portals)

Bluefin Group	Redbourne
Master Adviser	

Product Providers

AEGON	Aquila
Aviva	Friends Provident
Aviva	Friends Provident

F&TRC

Poppy Achilles, Ian McKenna & Helen Clark

Apologies

Clairville York	Royal London Group	Portus Online
Scottish Widows	Standard Life	Ellipse
Mercers	Staffcare	JLT
Johnson Fleming	Sesame Bankhall	

Executive summary

<p>Workplace Forum evolution:</p>	<ul style="list-style-type: none"> • F&TRC will continue contacting distributors and providers to make them aware of the existence of the Workplace Forum and invite them to engage. • F&TRC suggested that it would be a good idea if firms at the meeting sought to invite their peers to join this group. 	<p>Slide 5</p>
<p>Premium collection - drivers for STP.</p>	<ul style="list-style-type: none"> • Auto-enrolment will increase the level of premium collection / reconciliation and refund activity for all parties involved so there is a need to automate processes or else run the risk on increasing operating costs for employers, benefits consultants and product providers. • Distributors who operate their own benefit portals (the majority of major businesses engaged in Workplace solutions to date adopt this model) want to drive out inefficiencies and increase process automation. 	<p>Slide 14</p>
<p>Key issues concerning premium collection:</p>	<ul style="list-style-type: none"> • 1 hour to generate a premium collection report for the benefit provider, 2-3 hours to upload data, then obtain a verification that this activity is complete and deal with exceptions per employer. This is an example of how long the process can take a distributor. • Some employers are now asking for weekly collections and distributors believe that this will need to be addressed soon. Auto-enrolment will also drive a requirement for more frequent collections. • Auto enrolment may introduce a 13th payment in the year to deal with all of the scheme reconciliations e.g. Has every employee paid the full amount into the scheme, has anyone paid too much etc? • Distributors were unaware of this potential development and were keen to learn more about it, this would work in practice as it would impact their clients and potentially their own processes and systems. • With the introduction of auto-enrolment it is thought that the number of refunds will increase substantially and the impact of having to wait up to a month to receive a refund could have a severe impact on smaller businesses. • Product providers felt it was particularly important to address the requirements for refund payments with employers as soon as possible. 	<p>Slides 15 - 21</p>

Executive summary

<p>Premium collection: next steps</p>	<ul style="list-style-type: none"> • The group are now considering whether STP for premium collection is the key issue they would like to investigate via this Forum. • Once support has been established, parties have agreed a teleconference should be convened to start taking this matter forward. Timing was considered important i.e. the sooner the better as providers are already working on auto-enrolment developments now. • Potential scope of this project, would cover (this would ultimately need to be agreed by the group): <ul style="list-style-type: none"> • Developing a business case to document why STP for premium collection is so desirable, how benefit portals, employers and product could benefit. • Business requirements for STP. • How this could be delivered. 	<p>Slides</p> <p>22 - 23</p>
<p>Other issues</p>	<ul style="list-style-type: none"> • Issues such as MI requirements and commission claw back processes were deferred as the meeting ran out of time. 	<p>Slide 24</p>

Objectives

Objectives

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| • Address queries raised by F&TRC as a result of the distributor consultations that took place on the subject of premium collection processes. | ✓ |
| • Discuss distributor drivers for STP links to support premium collection and identify what mechanisms exist (or need to be developed) to support this requirement. | ✓ |
| • Examine what is needed to deliver single premium collection for multiple schemes. | ✓ |
| • Understand why advisers want providers to confirm when collections have taken place and discuss how such notifications could be delivered. | ✓ |

Actions

Date of meeting	No.	Task	Resource name	Deadline	Comments
07/10/10	68	F&TRC to arrange a teleconference with distributors to take forward activity on the subject of MI reports and identify what reports are needed, why prioritisation for reports/MI, critical data items needed and delivery formats.	F&TRC	19/11/10	Activity deferred as priority has been given to work on premium collection. F&TRC to raise this with distributors at the meeting.
07/10/10	69	F&TRC to arrange conference call with providers, to establish the areas they would like F&TRC to raise with the distributors on the topic of premium collection processes when collecting their business requirements.	F&TRC,Aviva,Friends Provident,Standard Life	22/10/10	Complete
07/10/10	70	F&TRC to engage with the distributors who attended the meeting as well the distributor firms that were an apology, to determine their business requirements concerning premium collection processes on a 1:1 basis.	F&TRC	03/12/10	Activity started and preliminary findings gathered. See main document for details.
07/10/10	71	F&TRC to distribute copy of distributor Forum good Practice statement on the use of fund codes to all Workplace Forum meeting attendees.	F&TRC	29/10/10	Complete
07/10/10	72	F&TRC to share learning on the use of fund codes and STP with Workplace Forum meeting attendees as and when further information becomes available.	F&TRC	29/10/10	Complete
07/10/10	73	F&TRC to send firms a copy of Contract Enquiry Collaboration Guide so that experiences from other integrators can be shared across this group.	F&TRC	29/10/10	Complete
07/10/10	74	F&TRC to work with benefit portals, distributors and CMS vendors to identify the support they need from providers when testing services prior to being launched.	F&TRC	17/12/10	Issue raised at e-Services Forum and a document developed by CMS vendors addressing this issue has been sent to distributors.
07/10/10	75	F&TRC to make available research conducted by distributor Forum on the subject of e-commissions and distributor data requirements to meeting attendees.	F&TRC	29/10/10	Complete
07/10/10	76	F&TRC to make available research conducted by distributor Forum on the subject of growth rates and illustrations to meeting attendees.	F&TRC	29/10/10	Complete

New actions

Date of meeting	No.	Task	Resource name	Deadline	Comments
19/01/2011	001	Product providers at the meeting are to confirm if they would be supportive of an initiative that would investigate the business requirements for STP and what a business case might look like.	AEGON, Friends Provident, Aviva	11/02/2011	
19/01/2011	002	F&TRC to contact all firms that were an apology to establish whether they would be supportive of an initiative to investigate the business requirements for STP and what a business case might look like.	F&TRC	11/02/2011	
19/01/2011	003	F&TRC to facilitate a teleconference call with parties to take forward an initiative to define business requirements for STP and what a business case might look like.	F&TRC	This action is dependant upon 001 and 002	Suggest teleconference calls are set up early March once next steps are agreed.

2011 meeting dates for Workplace Forum:

- 7th April
- 7th July
- 6th October

All 2011 meetings will be held at:

- The Chartered Institute of Arbitrators (CI Arb), 12 Bloomsbury Square, London, WC1A 2LP

Adviser Forum Meeting Calendar 2011

Key	Meeting type	Who attends
	Investment Forum	Adviser Firms, Product Providers, Fund Mgt. Groups
	Workplace Forum	Adviser Firms, EBC's, Benefit Portals and Employee Benefit Providers
	Protection Forum	Distributors, Product Providers, Re-insurers
	E-Services Forum	Technology vendors, Product Providers, Platforms

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