REPORT TO: POLICY & RESOURCES COMMITTEE - 27 OCTOBER 2008

REPORT ON: PENSION FUND - UPGRADE OF PENSIONS
              ADMINISTRATION SYSTEM

REPORT BY: HEAD OF FINANCE

REPORT NO: 522-2008

1   **PURPOSE OF REPORT**

1.1   To submit to the Committee a request for the upgrading of the AXIS*e*
       pensions administration computer system to Altair.

2   **RECOMMENDATIONS**

2.1   That the Committee approves the upgrade of the AXIS*e* computer system to
       Altair at an initial cost of £103,243 and an ongoing cost of £10,500 per
       annum.

3   **FINANCIAL IMPLICATIONS**

3.1   The cost of the upgrade will be charged to the Tayside Superannuation Fund.

4   **BACKGROUND**

4.1   Since 1994 the Pensions Section has been a member of the Computerised
       Local Authority Superannuation System (CLASS) consortium. There are
       currently over 90 local authorities who are CLASS members and the
       advantage of this is that the cost of amending the system is shared between
       the CLASS members.

4.2   Heywood Ltd are the software suppliers for CLASS and the product currently
       in use is the AXIS*e* system. However, they have developed and recently
       released their next generation system, Altair. At present they are supporting
       both the AXIS*e* system and the Altair system. Whilst there is currently no
       pressure to take the new system it is expected that some point in the future
       support will be scaled down on the AXIS*e* system.

4.3   The upgrade offers a number of important benefits over the current system:

4.3.1 Browser technology improves ease of use
4.3.2 Users will be able to navigate the system quicker and it will be easier to train
       new users.
4.3.3 It includes a workflow system which will assist with the Section's work
       allocation and management to improve efficiency and facilitate flexible
       working arrangements.
4.3.4 The growing trend of concurrent employments is better catered for.
4.3.5 Altair is fully compliant with all legislation, including meeting e-government
       requirements.

4.4   Heywood Ltd have a workflow system called Task Management which is an
       add on to the AXIS*e* system but is part of the standard Altair package. It has

been agreed with them that if a contract is signed for Altair, delivery would not be expected until late 2009. However, Task Management could be purchased for immediate use and the cost would be refunded from the cost of Altair. This would enable the Pensions Section to set up the workflow system prior to setting up Altair. Assurances have been given that Task Management will transfer over to Altair's workflow system seamlessly.

5   **POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-Poverty, Equality Impact Assessment and Risk Management.

There are no major issues.

6   **CONSULTATION**

The Chief Executive, Depute Chief Executive (Finance) and Head of Information Technology.

7   **BACKGROUND PAPERS**

7.1   None.

MARJORY M STEWART   **13 OCTOBER 2008**
HEAD OF FINANCE

SUMMARY OF AXIS TO ALTAIR QUOTATION

	2008/09	2009/10	2010/11
	£	£	£
Initial Costs			
License Fee	9,500	86,300	0
Implementation	5,000	22,000	0
Server Upgrade	0	3,485	0
	14,500	111,785	0
Recurring Costs			
Annual Fee	4,542	10,500	10,500
Total	19,042	122,285	10,500
Less: Refund of Task Management		19,042	
		103,243	