

KEY ACHIEVEMENTS

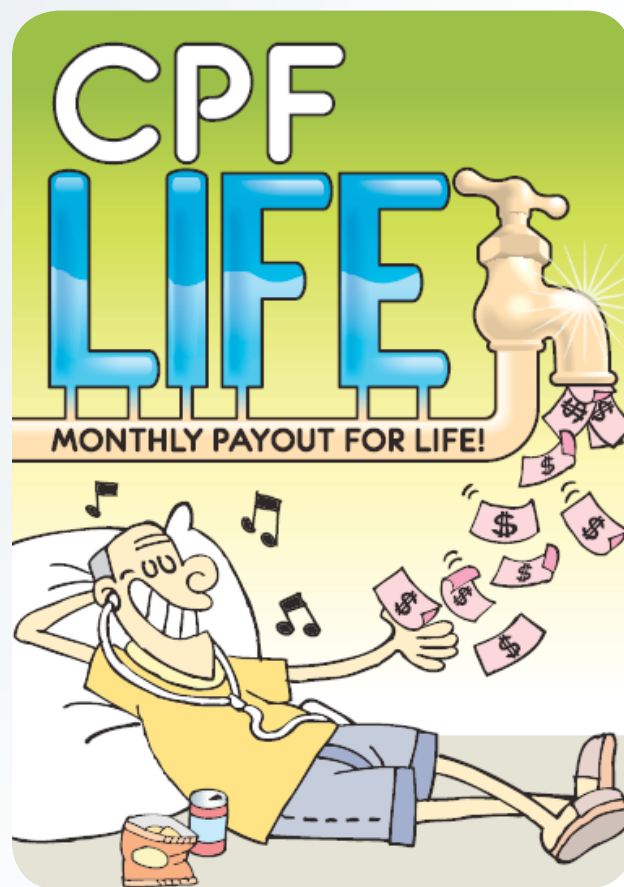
CPF LIFE

Making savings last for a lifetime was first brought up by Prime Minister Lee Hsien Loong in his National Day Rally Speech in 2007. The aim was to address the challenges of increasing life expectancy and an ageing population.

The National Longevity Insurance Committee chaired by Prof Lim Pin was then formed to design a national scheme that would be basic, affordable and fair, and provide members with flexible options to receive an income for life from their CPF savings. The Committee consulted widely with unionists, community and social sector members, industry professionals, academics and the general public, which brought about the conception of the CPF LIFE Scheme, a significant improvement over the current Minimum Sum Scheme (MSS) that provides payouts for only around 20 years.

The choice of a CPF LIFE plan is an important decision. To help members make the appropriate choice, CPF LIFE was simplified from 12 plans into 4, with varying monthly payouts and bequest amounts.

They are:



CPF LIFE Plans with Refund	Monthly Payout	Bequest ¹
LIFE Basic Plan	Low	High
LIFE Balanced Plan	Medium	Medium
LIFE Plus Plan	High	Low

CPF LIFE Plan without Refund	Monthly Payout	Bequest
LIFE Income Plan	Highest	No bequest

CPF LIFE will be implemented as a compulsory scheme for CPF members turning age 55 in or after 2013 with at least \$40,000 in their Retirement Account. Those with less than \$40,000 may choose to join the scheme.

In response to requests from older CPF members who would like to join CPF LIFE ahead of 2013, CPF LIFE has been made available as an opt-in scheme from September 2009 onwards for CPF members who are age 55 and above², and are Singapore Citizens or Singapore Permanent Residents, with savings in their Retirement Account.

As at 31 December 2009, more than 30,000 members have signed up for CPF LIFE and committed about \$1.5 billion to the scheme. The LIFE Plus plan, which provides a higher monthly payout and leaves less bequest for beneficiaries, is the most popular, with more than half of those who signed up choosing it.

To encourage and help Singapore citizens born before 1963 to join CPF LIFE, the government is providing a bonus of up to \$4,000, called the LIFE Bonus (L-Bonus). More than \$60 million of L-Bonus has been given to about 70% of the members joining the scheme.

Roadshows at CDC events, grassroots talks, and other activities were held in the heartlands to help members understand CPF LIFE. Members eligible to participate in the opt-in phase of CPF LIFE also received invitation packages with information on CPF LIFE.

¹ There may not be a bequest if a member's CPF savings used to join CPF LIFE have been fully paid out to him/her as monthly payouts.

² Members who are above 80 have up to 31 December 2010 to join the CPF LIFE scheme.

SERVICE EXCELLENCE AWARD

In 2009, CPF Board won the Service Excellence Award, the highest accolade given to organisations for service excellence in Singapore. CPF Board is the first regulatory agency from the public sector to have done so. The winning factor can be attributed to our holistic approach in developing service capabilities to enhance service leadership, service agility and customer experience.

In the mid-1990s, CPF Board was one of the pioneer government agencies that switched to e-services. The outcome of the service transformation was the reduction of manned counters, from 89 in 2002 to just 37 since 2006. This reduction was made possible only with the strong support from e-services. Today, more than 95% of our transactions are performed online. Despite fewer counters, members' satisfaction remains high at over 98% in the past 4 years.

Even though the majority of transactions are performed online, CPF Board is mindful of the needs of different groups of customers. In harnessing technology, CPF Board has introduced a wide range of initiatives such as Biometric e-counters for older CPF members who cannot remember their SingPass, and Increase-Text and Read-Aloud features on the website for visually-challenged members. For those members who are unable to visit the service counters or transact electronically on their own, CPF Board understands the need to provide a human touch and reach out to them. With the use of ultra mobile personal computers, Customer Service Officers, better known as m-Ambassadors, have been serving the elderly, handicapped and underprivileged at their homes.

The backbone of CPF Board's customer service is the Customer Relationship Management System (CRMS), known as iCARE, which is the central repository of member information. iCARE enables the seamless sharing of relevant information including the status of a member's transactions across the organisation. This helps CPF Board better understand the customers' needs and their different life stage requirements, thus providing personalised services.

IT REVAMP

Flexible, efficient and more responsive to business changes – this is what CPF Board's IT systems will be when the IT Revamp is completed in 2015.

The CPF business is currently supported by two major IT application systems - the Member System (MS) and the Employer System (ES). These two systems, which comprise over 50 sub-systems, support the collection and disbursement of CPF funds for the various CPF schemes and services.

The MS and ES were developed in the 1980s and 1990s respectively on the mainframe platform. The technologies used are not based on today's open standards, which make it difficult to interface with other systems built on open technologies. Hence, it was timely and critical for the Board to embark on its major IT Revamp journey – to leverage on new technologies to support the Board's business needs and to build new capabilities.

The revamp of the Member and Employer Systems involves 2 stages:

Stage 1: Conversion of the Member database to a relational database, with the codes in the Member application systems modified to access the new database.

Stage 2: Revamp of the Member and Employer application systems from mainframe-based to open, standards-based technologies.

CPF Board successfully completed Stage 1 in September 2009, where over 4,000 programmes and more than 600 types of database records were converted. Stage 2 is scheduled to take place in phases from 2010-2015³.

In preparation for ITR2, CPF Board has embarked on a major initiative - the Enterprise Architecture (EA) programme to ensure alignment of business and IT to support business agility and transformation. The objective of the programme is to streamline and rationalise all our business processes, and to create shared service components for common processes. The EA blueprint would lay the foundation for ITR2.

The key benefit of EA is that it provides a holistic view of the business and allows us to capitalise on newer Information and Communication Technologies to create more flexible and aligned IT systems. This versatility will enable CPF Board to respond more quickly to policy changes and better serve our customers.



³ Projected end date.