



Benefiting from outsourced pensions management

Background

Our client: the UK business of a global engineering technology company

Their pension schemes: career average revalued earnings (CARE) defined benefit (DB) scheme and a defined contribution (DC) scheme for new employees

The UK business had no pension manager and the trustees of their DB scheme had no secretarial support.

The issue

The trustees recognised legislation and governance requirements had increased substantially over their time looking after the DB scheme. With the majority of the trustee board due to retire, they wanted to ensure good governance standards were maintained.

The company understood both they and the trustees **needed greater expertise and increased support**. Their original preference was to employ someone directly but they could not get agreement to add to headcount.

The best solution was to ask various outsourced providers for a 'bundled' package of services. This had to include an experienced pensions manager who was willing to work on site one day a week and retain a commitment to do that. **Accessibility** to both the company and members **was imperative**.



What we do

PSIT provides an experienced pension manager for two days a week, at least one of which is spent at the client's office. This delivers a number of benefits:

- **guidance** and support for **senior management**
- **support for the HR team** on pensions issues - helping them understand their DC arrangements better and providing assistance with auto-enrolment
- an at work **walk in service for members** to talk through their pension issues
- **help with home visits** for pension scheme members
- **additional resource** to assist with other employee benefits, such as life cover renewals and claims

We also provide professional support for the DB trustees including secretarial services, scheme specific trustee training, governance advice and monitoring and management of advisers.



The outcome

Becoming an integral part of the in-house team was our initial focus and we now successfully deliver a personal service which is valued highly by all parties. We have helped them deal with a whole range of pension issues, including:

- **improving overall effectiveness** and operations of the DB scheme, enabling the trustees to feel a lot **more confident** in their role
- **identifying annual and lifetime allowance issues** for executives and ensuring relevant protections were put in place
- **improving member communications** by introducing a much more user friendly newsletter
- **simplifying documentation** by managing a project to consolidate the DB scheme Trust Deed & Rules and highlighting inconsistencies with current practice
- **improving efficiency** for the employer by highlighting the benefits of transferring the pensioner payroll to the scheme administrator

Our client benefits from easy access to cost effective pension expertise.

They get a pension manager with over 25 years' experience for a similar cost to employing an in-house administrator.

