

CASE STUDIES

Case study 1 – Multiple levels of onsite and remote support

A team of Barnett Waddingham administrators, project managers and actuaries were seconded onsite to a very large UK in house pension team in a number of roles and covering a range of levels, including interim cover of managing the client's team. The £50 billion scheme was particularly complex as it had a number of benefit categories including a CARE structure.

We provided support over a significant period on a whole range of areas, from project support on for example, GMP rectification and project managing GDPR, to performing BAU roles within the in-house team.

One project our team played a pivotal role in, was the migration of their administration system to another system. With their technical expertise and experience of working with the scheme on secondment, the team first focused on writing the calculation routines into system specifications. A third party built the system and the Barnett Waddingham team thoroughly tested each calculation, documenting any issues to gain a full understanding of problems and using a ticket system to get them resolved.

The client was very happy with the support that was given and asked us to lead other projects post transition, such as the scheme closure administration project.

Case study 2 – Large scale data and benefit audit support

We assisted the trustees and in-house administrators of a large scheme with more than 100,000 members in the run up to a large transaction and member option exercise. Our role included carrying out a high level data and benefit audit of the scheme to identify any material areas of risk or concern. This was carried out in short timescales to accommodate the wider project and involved a multi-disciplinary team of administrators and actuaries. A core team was based on-site with the in-house administration team, with a wider team spread across a number of our offices. The work was delivered within the tight timescales we had been set.

We further supported the in-house team by providing a number of secondees to support their ongoing administration work while the member option exercise was ongoing. This was a challenging period for the in-house team who had a significant number of member enquiries to deal with. We received excellent feedback that our secondees were able to provide a good level of support and expertise but also developed a strong rapport with their in-house team colleagues.

Case study 3 – Delivering complex change effectively

A company left government ownership and the change in ownership led to a wide variety of tasks with regard to the pension arrangements (hybrid 20,000 member scheme with £650m assets), each requiring careful and sensitive input from a range of stakeholders and advisors in challenging timescales.

The client asked Barnett Waddingham to project manage the entire exercise from a pensions' perspective, a vast and complex undertaking which included ensuring the successful liaison between all of the parties involved: trustee, old company, new company, Government department, lawyers for each stakeholder and the Government Actuary Department.

We achieved this by establishing and constantly reviewing comprehensive project plans shared with all parties and holding regular conference calls. Within Barnett Waddingham, close collaboration was required across a number of different specialist areas, including administration, actuarial, investment, pension management and defined contribution (DC) to deliver the changes, highlights including:

- The hybrid pension scheme did not transfer to the new employer. We provided advice on the design of a new DC arrangement and on the selection and implementation of a suitable provider and default investment arrangement, ultimately a Master Trust scheme; all in less than five weeks.
- The decision was taken to close the DC section of the existing hybrid pension scheme and transfer DC benefits to a Master Trust. We advised on a default solution for closing the DC section, a provider for the default solution, default investment arrangement and actuarial advice in relation to the bulk transfer. Subsequently, we project managed the bulk transfer of the DC section to the Master Trust including solving member data issues.

The project was successful and the client commented Barnett Waddingham had added value by having an individual managing the project who had the expertise to work across all of the different services.

Case study 4 – Risk manager secondment -setting risk management strategy

We were appointed as the outsourced Risk Manager for a FTSE250 global company, to help the organisation set their risk management strategy and engage with Senior Executives, Committees and Boards to embed risk management throughout the organisation. We developed and implemented a comprehensive risk management framework, defined a clear set of Board-level risks through facilitated workshops, training and discussions at both the executive leadership and the board-level risk committees. We also undertook a data exploration and analysis project bridging two departments. The client was very pleased with the work and has subsequently engaged us to undertake further work.

Case study 5 – Review of the actuarial team role in supporting scheme administrators

We supported the trustee of one of the largest DB schemes in the UK with assets around £30 billion regarding the role of the actuarial team in its support of the scheme administrators. This involved a detailed review of the processes in place for undertaking individual calculations – an area where the trustee had been experiencing a number of challenges. As part of this, we built up a clear understanding of the scheme’s benefit structure (which had multiple sections and a number of legacy benefit issues) and how this benefit structure interacted with the various individual calculations that were required.

Our review provided numerous recommendations for increasing the efficiency and robustness of the operations in place in respect of individual calculations, including the potential for further automation and changes to the approach taken for certain calculations. Following this successful project, we were engaged to provide additional input into the challenges that the trustee might encounter in undertaking GMP equalisation, which included recommendations for best practice and how best to proceed.

Case study 6 – Covering maternity leave

The client has a pensions manager who carries out the secretarial duties as well as some company related work. The pensions manager was going on maternity leave and the company had been looking to recruit a temporary replacement. The recruitment campaign was unsuccessful, primarily due to being unable to find someone with a broad enough knowledge base to handle the expected forthcoming issues.

Barnett Waddingham offered to help with this role, with an experienced administrator working in their office for two days a week. The client was attracted by the fact that even if the individual concerned did not have all the skills and knowledge required for every aspect of the role, they would have direct access to the wealth of knowledge within Barnett Waddingham

Case study 7 – Data gap analysis

As the first stage of a benefit audit, we have recently finished a data gap analysis for a scheme with both defined benefit and defined contribution benefits, with a total of approximately 700 members. The trustees were considering their future pension strategy and preparing for buyout. The initial phase highlighted a number of urgent actions for the incumbent administrator to address, including the updating of personal information and calculating pension splits. We also recommended a number of actions for the trustees to consider when looking to secure the scheme’s benefits with an insurer. These actions were split between immediate considerations (e.g. missing surnames or salaries) and actions, which should be considered shortly before the transaction (e.g. current spouse information). This work has been undertaken remotely. The client is very happy with our work to date and has asked us to commence the next stage of the project, i.e. a targeted benefit audit.

Case study 8 – Provision of urgent short-term resource

Barnett Waddingham provides actuarial services for the client and the administration is undertaken in-house by one individual. From our discussions with the client, the client is aware the pension administration set-up involves a number of risks. This was borne out when their sole administrator was unexpectedly absent with an unknown date of return.

However, we were able to provide an experienced administrator to the company within just a few days to support them through this difficult period, working in their office two days a week. In this case, the absence wasn't as prolonged as expected and they were soon able to return to normal in the knowledge that their administration had been well looked after in the intervening period.