

Benefit Calculations Review

PENSIONS ADMINISTRATION

December 2017

Are you confident that your benefit calculations are being performed in accordance with your scheme rules?

Ensuring that the correct benefits are being paid to members is one of the fundamental responsibilities of pension scheme trustees. Whilst most trustees receive regular reporting from their administrators, it can be difficult to have any certainty over the accuracy of the benefit calculations being performed.

How can LCP help?

LCP can help by conducting an independent review of your administration service, focusing on a carefully-selected sample of benefit calculations. We can help you ensure that the calculation procedures are well-structured and robust, and that they conform with relevant legislation as well as the scheme's formal documentation, such as the trust deed and rules, member booklets and announcements.

This review is performed by highly-qualified staff with a high level pension administration and actuarial experience. Combining the rigorous analytical skills of our actuaries with the strong process background experience of pension administration is an important part of our service.

Why review your benefit calculations?

- To provide in-house administration teams with support and the additional comfort that calculations are being performed correctly.
- To reassure the trustees and the sponsoring employer that benefits are being calculated accurately.
- The Pensions Authority expects trustees to verify and be confident that benefit calculations are correct.
- To prepare for specific projects such as redundancies, scheme wind up, a liability management exercise, all of which require a high degree of confidence in your benefit calculations.
- To complement the annual audit of the scheme's accounts, which will not typically include a detailed review of the benefit calculations against the scheme's formal documentation.
- To implement and demonstrate good governance.
- To confirm if changes to your scheme's benefit design have been implemented correctly.
- To reassure the trustees and the sponsoring employer that benefits are being calculated accurately.
- To benchmark the quality of the pensions administration service being received by the trustees.
- To prepare for the new General Data Protection Regulation ("GDPR") which comes into force on **25 May 2018**, marking a significant change in the EU data protection regime.

What is included?

We can carry out a tailored review covering:

An initial fact-finding and scoping meeting to establish the trustees' requirements and any specific concerns you may have.

Knowledge capture, following a high-level review of the scheme's formal documentation.

A detailed review of a carefully-selected sample of benefit calculations, and close liaison with a key member of the administration team.

A formal report to the trustees summarising our findings and any recommended actions. If required, this report can be presented at a trustee meeting.

Whether it's a comprehensive review you require or there are specific areas of concern that you would like to be reviewed independently, please contact us.

Contact us

If you would like to discuss a benefit calculation review, please contact us on +353 (0)1 614 4393, or contact Kathy Keating or Roma Burke.



Kathy Keating
Consultant

Kathy.keating@lcpireland.com
01 614 4393



Roma Burke
Partner

Roma.burke@lcpireland.com
01 614 4393