



Pensions administration delivery

Bridging the gap.*

The options for delivering pensions administration services have been changing over the last few years, driven by a number of factors. Organisations need to remain confident that their strategy for pensions administration is still suitable and that they are up-to-date with market developments.

What you need to know

When thinking about a pensions administration strategy, you now need to consider more than just the usual questions of cost, quality of service, corporate sourcing strategy, efficiency gains, etc. Some new factors are now in play:

1. New pensions legislation burdens resulting from A-Day, age discrimination and changes in state scheme provision.
2. Pensions deficit reduction programmes and their effects on membership profiles.
3. Trends such as HR outsourcing, shared service centres, flexible benefits and facilities management.
4. Changes in the pensions administration provider market – e.g. mergers and take-overs, new entrants (particularly for the new buy-out market), exits from the market, off-shoring.
5. New technologies which are placing greater demands on pensions service providers – e.g. member self-service; “pull” rather than “push” demand for information.

What you need to assess

1. The recent pensions deficit reduction programme has reduced the scheme’s membership. Should pensions administration for the remaining members be retained in-house? If not, who can meet the requirements?
2. The current pensions administrator is not meeting its Service Level Agreement / is reporting breaches. How distressed is the administration service, what caused this, is it just a short-term shift in performance and what are the options going forward?
3. With the additional costs and complexities resulting from recent pensions legislation, investing in technology and developing in-house pensions technical skills, is the return on investment justified or should a review of the options be undertaken?

What you need to do

Central to helping you understand your options, and which organisations are available to provide not only administration but also actuarial and other pension scheme services, is our new web-based system entitled “Bridge”.

Bridge from PwC

Supporting our existing consultancy around pension administration, Bridge facilitates tailored solutions to meet individual organisations' business needs. Information is entered and maintained by the service providers themselves, so the system content is both extensive and up-to-date.

Benefits

- Access to the very latest market information
- Industry-wide information held in one convenient place
- A faster and more robust decision-making process

For further information, please visit:

www.pwc.co.uk/eng/issues/pensions_management_consulting.html

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www.pwc.co.uk/eng/services/human_resource_services.html

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