

AUDITING DATA INTEGRITY FOR THE BENEFIT OF MEMBERS



Equiniti was appointed by an independent trustee to supply Pension Protection Fund (PPF) services when a pension scheme with 21,000 members entered the PPF assessment period.

The process began with an audit of the benefits and data held on the incumbent's administration system.

A large number of issues were uncovered in respect of the past administration, ranging from incorrect benefit calculations to no split of pre and post '97 tranches held on payroll.

The scheme was assessed to have assets slightly in excess of PPF liabilities and so a buy-out with an insurer was transacted. At £800m this was the sixth largest transition of its kind in the UK.

Equiniti was then engaged to clean the data, to reduce the data risk and ultimately to reduce the eventual cost of the buy-out.

Equiniti used a simple bespoke solution to deliver this highly complex project.

The data cleanse involved:

Migrating 93,300 newly scanned images of fiche and roll film to Equiniti's pension administration platform, Compendia.

Taking over a partially completed GMP reconciliation of 21,000 records.

All scheme calculation work in respect of over 2,000 quotes and claims.

Reconstructing the 21,000 benefits in the scheme and correcting administration errors including any over and under payment calculations.

Undertaking additional complex calculations such as GMP equalisation, change in Barber window with three NPAs, different sections, HMRC Maximum calculations, statutory minimum checks, later earnings additions and re-tranching.

Work effort amounting to 80,000 hours carried out over a four year period by a team of 30 staff, including ten Actuaries.

Equiniti used a simple bespoke solution to deliver this highly complex project. Our solution involved the use of a single calculation engine sitting on an SQL database that held all electronic data sources. Equiniti also provided a team of appropriately skilled and experienced staff.