

Schemes in Wind-Up



Barnett Waddingham LLP can help to effectively and efficiently wind-up occupational pension schemes.

We provide administration services during wind-up for:

- pension scheme trustees
- independent trustees
- insurance companies
- legal advisers
- financial advisers

In addition we can provide independent actuarial advice to employers, where we are not otherwise involved in providing services to the pension scheme trustees.

Current position

There are thousands of schemes currently in wind-up. In addition many schemes are in a paid-up state, which could be in wind-up.

All of these schemes still have to comply with the requirements of pensions legislation – discontinuance and winding-up does not provide any form of exemption.

Complexities

Winding-up a pension scheme is a complex and potentially time-consuming business and, as a result, schemes which are winding-up can be a source of many difficulties and sometimes complaints from scheme members. These are frequently referred to in reports by the Pensions Regulator, The Pensions Advisory Service (TPAS, formerly known as

OPAS) and the Pensions Ombudsman (and also often find their way into the press).

Amongst the reasons for these difficulties are:

- **delays in commencing wind-up**
lack of trustees or lack of awareness by trustees – this delays the process of winding-up as only the trustees as opposed to an insurance company or independent financial adviser have the power to wind-up a scheme
- **delays in progressing the wind-up**
wind-ups often present difficulties and administrators need to be able to resolve situations that don't fit into their usual methods of working
- **incomplete and inaccurate data**
employers can sometimes be unwilling and/or unable to provide assistance to the trustees – this creates difficulties at a time when co-operation is most needed
- **delays in completing final stages of the wind-up**
interest is often focused on setting up and transferring members to replacement arrangements rather than dealing with aspects of the wind-up

Experience and expertise

Barnett Waddingham has many years' experience of dealing with schemes in wind-up, working on a wide variety of final salary and money purchase schemes directly for clients and on behalf of insurance companies.

We adopt a pro-active approach to ensure that winding-up is completed properly and efficiently.

The main features of our service are as follows:

- experienced staff, working in a dedicated team
- informed decision making – we can set out and explain the responsibilities and requirements of trustees to help them make their decisions
- a combined administration and actuarial service which can be tailored to fit the needs of individual clients
- client control of timescales and costs – instead of an open-ended commitment
- fixed fees for all stages of the winding-up process
- regular work management information tailored to the needs of each client
- a dedicated telephone helpline providing clients and members with information concerning the progress on the wind-up of a scheme

It is common to choose providers on the commencement of a pension scheme, so why not on wind-up? Barnett Waddingham is happy to provide details of our services for comparison with other providers.

Barnett Waddingham Investments Limited

To ensure that clients receive a streamlined service, Barnett Waddingham Investments Limited, regulated by the Financial Services Authority, was established to provide, high quality, independent financial advice, to both companies and individuals.

Barnett Waddingham Investments Limited has experience in dealing with clients involved in wind-up and can help in the following areas:

- advice to members in respect of the transfer of their benefits on wind up
- if required, advice and implementation of alternative pension arrangements
- specialist advice to senior executives and directors of the company

The close contact between Barnett Waddingham Investments Limited and Barnett Waddingham LLP means that the lines of communication and provision of information between the trustees and individual members can be structured and coordinated to ensure that the decision making process is as efficient as possible.

Summary

Barnett Waddingham has expertise and experience in providing administration and actuarial services to schemes in wind-up. We understand the need to be pro-active

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This document contains an overview of some Barnett Waddingham services and is not intended to be a comprehensive description. Barnett Waddingham LLP accepts no liability for any errors or omissions it may contain. Readers should take professional advice in relation to their own circumstances.

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