

Laying the foundations on GMP equalisation

Laying solid foundations is key to a successful GMP equalisation project and here are four simple steps to get started.

1 Pay equalised transfer values

The transfer value module of our Pension Valuer software will ensure equalised CETVs are paid going forward. This will stop the number of cases that need rectifying from growing.



2 Identify affected members

We recommend you work with your Scheme Actuary to identify members affected by GMP equalisation and this will help you to:

- Appropriately scope the data audit (see 3 below) and any resulting activity
- Identify changes required to administration processes
- Complete your recalculation and rectification work for those members identified as not affected.

3 Audit your member data

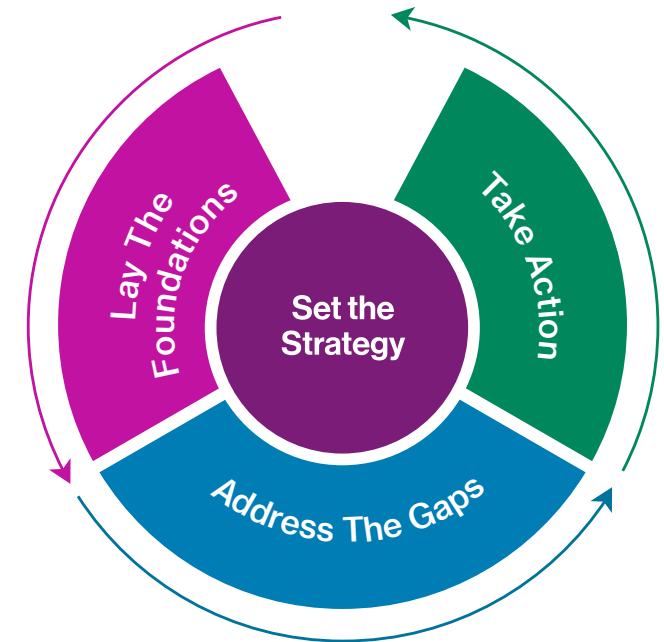
Carrying out an equalisation audit of your member data will help establish the quality of the data for GMP equalisation.

This will lead to a clear data plan for recreating benefits at date of leaving for affected members and calculating a tranche of 1990-1997 benefits. This provides certainty about the work required before you can run the calculations.

4 Audit your scheme data

Understanding your historical scheme information will be key in accurately coding the calculation tools for GMP equalisation. Your Scheme Actuary will work with you and your administrator to do the following:

- Document the defined benefits accrued over the period
- Identify past pension increases applied
- Capture member options taken e.g. early retirement or commutation
- Allow for discretionary retirement and administration practices



Value for you:

- Members are receiving equalised transfer values and the cases to be rectified are stemmed
- Effort will be focused on affected members which in turn helps inform the financial impact
- A clear roadmap of the data and administration work needed to equalise benefits
- GMP calculations follow intended practice in line with the scheme rules

Get started today!

Please contact your Willis Towers Watson team to agree the first steps.