SBC Case Study
Financial Services 3

Client description

Our client is part of one of the largest financial services groups in the UK.

It is a major player in the UK corporate pensions market providing administration and investment management services to over 15,000 employers.

The employers it provides pensions to range from micro-employers (fewer than 10 employees) to the very large (greater than 5000 employees).

Business need

Changes to UK pensions legislation represent a significant development in the corporate pensions market and will result in much higher levels of activity for pension providers.

These changes also mean that employers have new and challenging duties placed upon them.

Helping employers to fulfil these duties will be a differentiator for pension providers in future.

The existing back office administration systems are unable to cope with the increased activity and new expectations created by these changes.

The client decided that an auto enrolment hub was needed which it could offer to its clients. This solution would:

- Assess existing employees pensions eligibility for employers
- Generate the appropriate employee communications materials
- Calculate employee and employer pension contributions in compliance with the legislation and issue these to the client
- Allow the employer to advise the client of employee joiner, leaver and change activity
- Maintain reportable audit logs of employee activity and communications
- Be seamlessly integrated with the client's existing systems and those of selected third parties
- Reduce the operating costs of administration and new client onboarding
- Be robust and scalable enough to eventually support over 2 million records

SBC solution

SBC Systems is meeting these requirements by designing and implementing a new **on-line auto enrolment hub** solution for employers and the client's staff to use, featuring:

- An **Employer Portal** through which employers can view and maintain their employee's data
- A **Client Services Portal** that will enable the client's call centre staff to easily and efficiently administer pension schemes and respond to queries
- An **Employee Portal** that lets employees interact with their employers pension scheme
- **Automated employee eligibility assessment** through the use of our powerful rules engine
- **Automated communications** generation based on employee eligibility and data
- **Audited data logs** enabling the employer to demonstrate compliance to the regulator
- A fully integrated **Reporting** tool that enables the client and employers to access and export their data at any time
- **Seamless integration** with the client's pension systems and those of its partners enabling the **straight through processing** of joiners, leavers and pension contributions.

The Auto Enrolment Hub solution we delivered not only dramatically enhanced the client's business proposition to its end market it also significantly reduced the existing operating costs of administering schemes. This is true to the extent that in year 1 alone over 50 FTEs were saved in that respect with further savings anticipated as the number of hub users increases.

Summary

One of the biggest changes to UK pensions legislation in decades introduces new and highly complex duties for employers and increases in levels of activity and client expectations for pension providers.

Due to the scale of the client's business and the range of employers that it caters for a powerful, scalable and highly automated hub solution was required to meet the client's business objectives and the new expectations of employers.

SBC Systems' Benefits Workstation meets these requirements with an automated hub solution that is significantly reducing the client's operating costs while enhancing its proposition to market.

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