

Significant quality improvements and time savings for Usdaw with First Actuarial's administration services



Key outcomes



Improved quality of administration practices



Significant time-cost savings with improved technology



Happy and well-informed members

A market review unexpectedly resulted in a change of provider when trade union Usdaw went out to tender for actuarial, administration and investment services. The selection process revealed scope for improvement in existing administration practices, and Usdaw chose First Actuarial to turn the service around.

The challenge | Unsatisfactory and outdated administration processes

Trustees of leading trade union Usdaw embarked on a tender process for actuarial, administration and investment services.

“We’d been with the incumbent provider for around 15 years, and a market review was long overdue,” says Nick Walker, Central Treasurer and Scheme Secretary at Usdaw. “However, we weren’t unhappy and didn’t anticipate switching.”

The tender submission from First Actuarial’s administration team proved to be a tipping point. “The Trustees and I suddenly realised that the administration service had fallen behind the times,” says Nick. “First Actuarial’s administration team offered the potential of a transformed service, and swung the selection of an administration, actuarial and investment provider in favour of First Actuarial.”

The solution | Up-to-date administration practices

▶ Onboarding

First Actuarial’s administration team put Usdaw through its onboarding process. They made it clear what Scheme information they needed from Usdaw and liaised with the incumbent provider. From the outset, they ran fortnightly meetings with Nick. These worked so well that they continued when the service went live.

They carried out a health check of data and documentation, and gave the Trustees a report with prioritised recommendations.

The onboarding process identified several member deaths that Usdaw had no knowledge of. “We hadn’t been checking deferred members, so this was one of a number of areas where First Actuarial’s services were more thorough,” says Nick.

Onboarding was a smooth process for Usdaw. “It’s a complex Scheme with some complicated benefits, but it was completed with the minimum of fuss,” says Nick.

▶ Running a live administration service

Once live, First Actuarial took on all other areas of administration except payroll and cash handling. On fortnightly calls, Nick joined First Actuarial's administration, actuarial and (when appropriate) investment teams to discuss areas that needed to be tackled together. "I don't doubt that there is anything less than a joined-up approach to everything First Actuarial does," says Nick.

▶ Communicating with members

Usdaw handed over all member communications and enquiry-handling to First Actuarial, and noticed a marked improvement in quality. First Actuarial added more detail to the benefit statements and retirement

packs, presenting all information clearly for the members.

"I've yet to hear a single complaint," says Nick. "Members who have approached First Actuarial's administration team for clarification on their benefit are giving very positive feedback."

▶ Online information on demand

First Actuarial created a member website, which contains useful resources and a modeller which active members can use to look up their own retirement income.

"This is something I could never have envisaged," says Nick, "particularly with our Scheme's complicated benefit structure. Colleagues don't always want to signal that they're thinking of retiring. They can now go online

and find their pension figures in two minutes, rather than waiting two weeks for me to send them out. This is proving to be a valuable addition to the service we offer our members. I'm getting great feedback."

▶ Keeping Trustees informed

Whereas Trustees previously had very little exposure to administration, First Actuarial administrators now provide quarterly reports, giving a broader view of developments in the pension industry, which they never had before. And at least one of the administration team attends trustee meetings. "It feels a world away from how we used to operate," says Nick.

The outcome | Significant time-cost savings with improved technology

▶ Improved quality of administration practices

First Actuarial administrators have worked with Usdaw to build quality and up-to-date processes into the Scheme.

"It feels like we've modernised our Scheme administration," says Nick.

▶ Significant time-cost savings

First Actuarial administrators deliver significant time savings for Usdaw.

The online retirement modeller has cut down the requests Nick receives for exploratory quotations. "I used to respond to three to five a week, but it's now down to two or three a month," says Nick.

Nick and his colleagues used to put together a lot of the data needed for

"The quality of First Actuarial's work is impressive, and their tools are sophisticated. Our fortnightly meetings mean that nothing gets forgotten, and we always know where we're up to. We're happy with what the team does."

quarterly trustee reporting. "First Actuarial have picked this up and that's one of the most positive changes," says Nick.

Overall, this has made a huge difference to Usdaw. "We were bogged down with all the administration," says Nick. "First Actuarial has freed me up to focus on important organisational matters. There's definitely a time-cost saving."

▶ Happy and well-informed members

First Actuarial administrators provide the right information to members, clearly presented. And the online retirement modeller gives members information about their pension income whenever they need it.

"Pension schemes are ultimately about servicing members, so we need to get administration right" says Nick. "Members of all categories now feel better informed. I'm happy with member engagement and communications."



"Working with the First Actuarial administration team has been overwhelmingly positive. I would recommend them without hesitation. Administration is the area that members have the clearest sight of, and First Actuarial are very approachable. There's also a real consistency in the people we deal with; the team doesn't chop and change, which is really helpful."

Nick Walker

Central Treasurer and Scheme Secretary, Usdaw

