



**EQUAL GMP**

From **XPS Pensions Group**

# Get GMP ready with XPS

Helping Trustees and in-house administrators  
with the additional workload of preparing for  
GMP Equalisation

# GMP Equalisation

Following the Lloyds Banking Group Court Case in 2018, all pension schemes now have to **equalise benefits between men and women** to allow for the unequal treatment of Guaranteed Minimum Pensions (GMPs).

For many trustees and employers this is an unwelcome change that is not expected to result in a material benefit to most members. It may also introduce uncertainty, complexity and cost to running a scheme.

However GMP equalisation **done in the right way**, can result in improvements to the running of pension schemes and lead to **cost savings and less complexity**.

## GMP Equalisation - The Journey

### Trustees and Sponsors have 3 options

**1**  
Equalise without conversion

**2**  
Convert pension benefits

**3**  
Convert and offer pension options

---

## Getting ready for GMP Equalisation – Why start now?

-  Certain building blocks must be in place to make a success of your selected options and avoid unnecessary complications or delays.
-  It could take trustees and administrators a number of months to be in a sound position to even start on their equalisation journey.
-  As schemes wait for further clarification on how to equalise, now is the time to embark on the preparation phase.

## Key steps for the preparation phase

### Complete your GMP Reconciliation

Any outstanding queries need more attention as these cannot be equalised without being reconciled.

### Identify and locate your members

Trace your members so you do not equalise more benefits than necessary and have a clean data platform for effective communications, successful member consultation and new option exercises.

### Have complete and accurate data

Cleansing your member data will help you to get to the source of all benefit calculations and allows for automation of calculations, reducing the risk of errors and repeated calculations.

### Understand your member processes

Administrators will need to reflect legacy processes and administrative practises to adjust non - GMP benefits.

### Update your member records

Combining the above outcomes will get you GMP ready



Good preparation for GMP equalisation may well provide wider benefits helping offset the increase required for GMP.

**Vicky Mullins**  
Senior Consultant



Improving data not only **improves the accuracy of the benefits being paid** to members but creates an efficient clean platform to introduce new options and engage with members around the choices available to them.



Trustees and employers can have **more confidence in journey planning** and long term funding targets.

# Talk to us

## 200+

**GMP reconciliation projects to date**

## 140+

**tracing projects to date. Over 300,000 scheme members traced in the six months to March 2019 alone**

## 20+

**bespoke GMP equalisation projects delivered in addition to PPF entry exercises**

Whether you want to discuss planning your GMP equalisation journey or you need help with part or all of the process, we can help.

To get GMP ready...



**Please contact:**  
Vicky Mullins  
Senior Consultant



020 3725 7017



vicky.mullins@xpsgroup.com



@xpsgroup



company/xpsgroup

## About XPS

XPS Pensions Group is the largest pure pensions adviser in the UK, with 1200 staff across 15 offices providing pensions, investment and administration services to over 1000 clients and 800,000 pensions scheme members.

XPS Administration has been rated no.1 for four of the past five years in Professional Pensions independent survey of trustees and scheme administrators.

**xpsgroup.com**



© XPS Pensions Group 2019. XPS Pensions Consulting Limited, Registered No. 2459442. XPS Investment Limited, Registered No. 6242672. XPS Pensions Limited, Registered No. 3842603. XPS Administration Limited, Registered No. 9428346. XPS Pensions (RL) Limited, Registered No. 5817049. Trigon Professional Services Limited, Registered No. 12085392. All registered at: Phoenix House, 1 Station Hill, Reading RG1 1NB. XPS Investment Limited is authorised and regulated by the Financial Conduct Authority for investment and general insurance business (FCA Register No. 528774). This communication is based on our understanding of the position as at the date shown. It should not be relied upon for detailed advice or taken as an authoritative statement of the law.