

Trustee toolkit downloadable



How a DB scheme works

Check your scheme

Each module features a section called 'Check your scheme'. This aims to embed the learning you have completed throughout the module by asking you questions about your own scheme or to check your scheme documents.

It is essential that you complete each 'Check your scheme' section relevant to your scheme type and size, so we have created this worksheet to help you do this offline.

Once you have completed the learning, work through the questions and learning points in this worksheet, noting your findings, to help you transfer the theoretical learning into the practical application of your own scheme.

If you have already completed the toolkit, the worksheet can serve as a useful refresher. Work through each section to identify any areas you should brush up on by redoing the module or reviewing your own scheme documents.

This worksheet applies to:

- DB schemes
- DB schemes with AVC
- hybrid schemes.

The Pensions
Regulator

Scheme valuations	For your notes
When is the triennial valuation for your scheme due?	
When was the last interim valuation?	
Scheme actuary	
In your scheme do the trustees have the same actuarial adviser as the employer?	<input type="radio"/> Yes <input type="radio"/> No
<p>If so, are there circumstances in which you might require advice from an actuary who does not advise the employer?</p> <p>If you haven't already, you should discuss these circumstances with your fellow trustees.</p>	
Scheme benefits and calculating benefits	
At what age can members take full benefits?	
Over how many years can they build up full benefits?	
What counts as pensionable salary?	

Scheme benefits and calculating benefits continued	For your notes
What are the death benefits in service or in retirement?	
Are the scheme benefits clearly set out in your scheme booklet?	<input type="radio"/> Yes <input type="radio"/> No
Could your scheme booklet be improved in this respect?	
Increasing costs	
Are the costs of providing benefits from your scheme increasing? If so, have you discussed the reasons for the increase?	
Deficits	
Is your scheme in deficit on a scheme funding basis?	<input type="radio"/> Yes <input type="radio"/> No
<p>How funded is your scheme on the following bases:</p> <ul style="list-style-type: none"> • Accounting • PPF • Solvency 	

Employer covenant	For your notes
The support of a 'healthy' employer is crucial to members receiving the benefits they were promised.	
When did the trustees last review the strength of the employer covenant?	
How strong is the employer covenant currently?	
Has this weakened or strengthened recently?	<input type="radio"/> Strengthened <input type="radio"/> Weakened <input type="radio"/> Stayed the same
What has been the trend?	
Do you know what the employer's plans are to invest for sustainable growth and how those plans might affect what the trustees can receive?	
Analysing employer covenant strength	
What information do you receive from your employer about its financial position?	

Analysing employer covenant strength continued	For your notes
Is this sufficient?	<input type="radio"/> Yes <input type="radio"/> No
What other information might you be looking for from the employer?	
Have you considered agreeing an information protocol with the employer, to make clear what information will be provided, and in what circumstances?	
Corporate transactions	For your notes
Has your employer been involved in an asset sale, share sale or withdrawal of an employer?	
What impact did this have on your employer's covenant strength?	
As trustees, were you adequately prepared?	<input type="radio"/> Yes <input type="radio"/> No

<p>Corporate transactions continued</p>	<p>For your notes</p>
<p>Whether the answer is yes or not, what plans have you in place to prepare you in case there are corporate transactions involving your employer in the future?</p>	
<p>Conflict of interest/duty</p>	
<p>You should have plans to cope in situations in which one or more of your trustee board may find themselves conflicted.</p>	
<p>Have you ever been in such a situation and had to put the plans into effect?</p>	<p><input type="radio"/> Yes <input type="radio"/> No</p>
<p>Employer covenant – debt</p>	
<p>Has your employer taken on extra debt in the recent past? If so, did you get adequate advance information about this? How much should it concern you?</p>	
<p>For your notes</p>	
<p></p>	

