

TPT Retirement Solutions

Uncover the true cost of your DB scheme

Do you know the real cost of your defined benefit (DB) scheme?

Use this checklist to calculate the annual costs of your defined benefit (DB) scheme. Some of your expenses may vary considerably from year to year, so take an average of your costs over a number of years. Most of these expenses will be in the scheme accounts or you can ask your service providers.

With DB Complete you can save up to 30% of your costs, so find out how much you can save.

Administration fees

- The administration of member benefits, including calculations and managing member data
- member communications
- pensioner payroll
- management of scheme bank account(s)
- monitoring of risks and internal controls
- preparation (not audit) of scheme annual accounts.

If the administration is managed in-house or by the employer and there is no invoiced cost to the scheme, you can estimate the cost by using the salaries of the people working on administration.

Cost

Independent trustee fees

Fees relating to services provided by an independent trustee appointed to the scheme, which may include provision of secretarial services.

Cost

Actuarial fees

Costs incurred for actuarial services to the scheme trustees including the triennial actuarial valuation and excluding any actuarial services provided to the employer.

Cost

Covenant costs

Covenant advice provided to the trustees by an independent assessor on the strength of the employer's covenant to support the scheme or, where applicable, the impact on the covenant of particular events.

Cost

Legal fees

These are costs associated with internal and external legal advice.

You should include all legal costs that have been paid for directly by the scheme or by the employer on the scheme’s behalf.

Cost

Investment costs

These can include:

- investment consultants and advisers
- custody / platform fees
- hedging, including liability-driven investment advice.
- fund management costs (see table below)

Cost

Fund Name	Amount invested	Fund Management Charge	Cost
			Cost

Other external costs

These can include:

- trustee expenses (not independent trustee costs)
- annual cost of secretary to trustees and/or pension manager
- independent financial advisers or employment benefit consultants
- auditor fees
- Trustee liability insurance
- any other costs.

Cost

Total Cost

Total cost

DB Complete can save you 30% of your costs

What would your saving be?

Total cost - 30%

Total saving

For further information