

THE SOVEREIGN OCCUPATIONAL PENSION SCHEME FOR THE CROWN DEPENDENCIES

CASE STUDY: CROWN DEPENDENCY PAN ISLAND PLAN

PROFILE



A local financial services company has 200 employees in Guernsey, 50 employees in Jersey and 20 employees in the Isle of Man.

CIRCUMSTANCES



They know that auto-enrolment is coming and they need to be prepared.

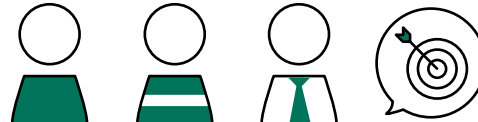
AIM

Overall Aim: They want to set up a suitable tax-approved occupational pension for all staff, across all three islands to fulfil their obligations.



Employer

They want to harmonise the benefits so that everyone is treated the same in whichever island they work. They also want to gain some efficiencies and economies of scale.



Employee

People are living longer and therefore it's important that I start saving as early as possible for my retirement. By saving via the employer's occupational plan it makes it easier for me as the money is taken straight from my salary and I don't miss it as much.

SOLUTION



- » The financial adviser undertakes a complete market review of the local pensions market, including the proposed States-facilitated 'Your Island Pension (YIP) Scheme' and recommends that the employer establishes an Employer Plan within the Sovereign Occupational Pension Scheme.
- » The Sovereign Occupational Pension Scheme is chosen as it meets the Employer's core aim, i.e it is approved in Guernsey, Jersey and the Isle of Man and so will allow for all employees to join the same arrangement for ease of operation and efficiency purposes.
- » The Scheme also provides suitable investments for the diverse employee population that have different attitudes towards investment risk.
- » There is the added benefit of straight-through processing via a user-friendly portal. This easy access and efficiency not only helps HR but also allows employees to be directly involved.
- » The Scheme is also highly competitive in terms of the initial and ongoing costs.

Due to the fact that the employer wishes to enrol their Jersey and Isle of Man employees in addition to their Guernsey employees, Sovereign Isle of Man will be appointed to manage the sub-plan into which the Isle of Man employees will be enrolled.