



Annuity administration services

Helping organisations deliver and grow

In the last five years the annuities market has evolved to benefit consumers with greater choice and better service. Existing providers must work harder and new ones move quickly to secure a share in a market the value of which has been predicted to grow to over £20 billion by 2012.

For existing annuity providers this means removing limitations of systems which cannot support new products and are expensive to change. New entrants must restrict cost and barriers at set up to launch at speed. Outsourcing suppliers need to ensure their services remain reliable and cost-effective. All must adhere to statutory regulation including meeting new requirements for data accuracy and Solvency II.

Working with a specialist external supplier can help overcome these challenges and deliver market leading products at a competitive price.

How we can help

In this market, achieving accurate and efficient administration whilst having the flexibility to meet changing product requirements can help providers become market leading.

As the UK's leading independent provider of annuity services, Xafinity Paymaster helps organisations grow and deliver. We support established life companies large and small to deliver the fullest range of products. Our approach has helped annuity providers launch and deliver their service proposition to the UK market and do so cost effectively.

Xafinity Paymaster supplies end to end processing through the full lifecycle of an annuity including new product and annuity payroll services. The approach we take:

- Supports providers wishing to enter and exit a market quickly with highly configurable systems which can incorporate new products quickly
- Helps deliver typically more than 20% operational cost savings
- Badged services to reflect the clients own brand and values through call centres, correspondence and the web
- Assures full compliance with tax regimes PAYE (Schedule E), Schedule D, Irish, Channel Islands, HMRC and Treating Customer Fairly (TCF)
- Uses technology designed for purpose to achieve high levels of automation and integration with external systems including the web
- Supplies Management Information (MI) reporting to meet the insurers requirements.

"Xafinity Paymaster's capability to administer the whole process on our behalf has definitely helped set us apart and has given us competitive advantage in this very aggressive market."

Jon King, Managing Director, Hodge Lifetime



Annuity administration

Xafinity Paymaster provides annuity administration for insurance companies wishing to transfer the full responsibility of administration for an annuity portfolio.

This includes annuitant customer care and administration of the policy. We generate secure payments with daily frequency in the UK and overseas and calculate increases or decreases in payment amounts.

All aspects of tax deduction and reporting to the annuitant and HMRC are covered. Xafinity Paymaster also manages annuitant death processes, including the cessation of payments, creation and payment of any reversionary benefits and the recovery of any overpayments that arise. We handle on average one in ten death processes in the UK.

Annuity payroll

Some insurance companies – particularly those providing flexible annuities including income drawdown, wish to retain responsibility for all customer and advisor interaction but transfer payroll to an outsourcer. Handling over 45 million BACS and 100,000 CHAPS transaction payments annually, Xafinity Paymaster has the experience to deliver robust and reliable payroll services.

A variety of operational models are available to enable payment instructions to Xafinity Paymaster. These may be individual instructions for every payment made or revisions to regular payment amounts. Xafinity Paymaster:

- makes secure payment on behalf of the insurance company
- handles all frequencies of payment as required by policy terms
- covers every aspect of tax deduction together with the regulatory reporting to the annuitant and HMRC.



Clients include:

Aviva
Sun Life Financial of Canada
Generali
Windsor Life
Living Time
Hartford Life
Hodge Lifetime

New annuity products

This is a new service designed to allow insurance companies entering the UK Market or launching new products to tap into an existing distribution and administration infrastructure. Time to market for new products can be reduced to three months from specification, permitting insurers to be highly reactive to market conditions.

The boundaries of consumer engagement have been challenged allowing advisers and annuitants to complete and manage new business applications online. Data flows seamlessly through all stages until accepted by the insurer. This feeds automatically into the annuity administration services provided by Xafinity Paymaster where payments commence.

Xafinity Paymaster has partnered with The Annuity Corporation (TAC) to deliver this end to end distribution and administration service. TAC brings together the expertise to advise and deliver effective annuity strategies and solutions to corporations and insurance companies.

"Our relationship with Xafinity Paymaster has spanned a decade and over this time we have successfully delivered numerous projects across multiple disciplines. It is of key importance to us that our customers receive a service which reflects our brand's commitment to the highest levels of customer care. Xafinity Paymaster has not only met these standards but worked with us to drive them forward through their unique specialist industry knowledge."

Jude Nicol, Head of Annuity, Aviva

Why choose Xafinity Paymaster?

Xafinity Paymaster's annuity services leverages both our heritage and modern outsourcing capabilities to offer a cost effective, highly geared and robust solution.

- We are specialist annuity providers using systems which are built for purpose and designed to handle a multitude of product designs
- Our innovative approach cuts speed to market for new products to three months and allows providers to enter and exit the market at speed
- Staff are enthusiastic experts who are passionate about service excellence
- We manage a retired population of more than 2.2 million giving us a unique insight into the needs of a mature population and how best to interact with them
- We are backed by the business processing outsourcing capability of the Xafinity group – employing 1400 staff across 12 UK locations.

Key Facts and Figures

- Our payments total over 2.2 million annuitant and pensioners to a value of £11 billion per annum in 180+ countries throughout the world
- We handle on average 1 in 10 death processes in the UK every year
- Over 45 million BACS and 100,000 CHAPS transaction payments are made annually.



Xafinity Paymaster is a leading business process outsourcer providing pension, payroll and annuity administration for more than 850 schemes covering the full spectrum of sizes and arrangements. Xafinity Paymaster delivers large scale financial administration for more than 140 major public and private sector organisations and makes payments totalling over £11 billion per annum to pensioners, dependents and annuitants in 180 countries worldwide.

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