


# A PENSIONS *Age* AWARDS 2018

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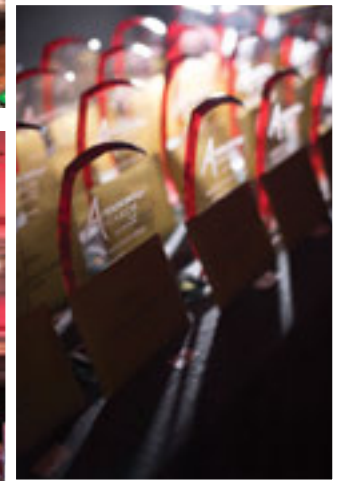
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# A PENSIONS *Age* AWARDS 2018



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## Pensions Age Awards 2018 – a storming success



The UK pensions industry had the opportunity to shake off the post-Christmas blues at this year's annual Pensions Age Awards, which saw over 500 pension professionals gather at the newly-refurbished London Marriott Hotel on Grosvenor Square to celebrate the successes of 2017. And what a year it has been, with schemes and providers having to navigate their way through a labyrinth of high-profile

pension fund closures, industry consultations and regulatory developments; all the while keeping a close eye on what's happening with the Brexit negotiations and what they might mean for the industry going forward.

Now in its fifth year, the Pensions Age Awards aim to reward both the pension schemes and providers across the UK that have proved themselves worthy of

special recognition in these increasingly dynamic yet challenging times. Our panel of independent judges uses the key criteria of excellence, high performance, innovation and a commitment to the pensions industry to help determine the winners from the hundreds of high quality entries that are received but it is never an easy task, with so many pension plans and providers

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displaying these qualities in leaps and bounds.

Matt Forde, former political adviser turned comedian, radio and TV host, did a raucously entertaining opening set before handing out the deserving trophies with the help of this year's judges and sponsors. First of all, it was the pension schemes that took to the stage, with honours being presented to those schemes that have excelled in the areas of risk management (American Express), communication (EAPF), administration (TPT Retirement Solutions), investment (Railways Pension Scheme) innovation (LPFA/Lancashire County Pension Fund) and general excellence in both DC (Warburtons) and DB (ICI).

The providers were next in the spotlight, with the first leg of coveted prizes being handed to the pensions consultancy firm (Aon); the pensions provider (Scottish Widows); the fiduciary management firm (Russell Investments); and the at-retirement solutions provider (JLT Employee Benefits) that led the way in these crucial fields of pension provision.

Leaders in the specific disciplines of technology, law, accountancy and administration were next to be recognised, as representatives from Smart Pension, Eversheds Sutherland, Ensors Accountants and JLT Employee Benefits came forward to collect their respective trophies.

Winners of the various

investment categories, a main feature at the Pensions Age event, were next in the limelight, with accolades presented to managers in the areas of passive (HSBC Global Asset Management); active (M&G Investments); equities (Vontobel Asset Management); fixed income (Insight Investment); alternatives (BlackRock); emerging markets (Newton Investment Management); property (LaSalle Investment Management); LDI (River and Mercantile Derivatives); infrastructure (Hermes Investment Management); and finally multi-asset investing (Aberdeen Standard Investments).

The newly-created award of investment innovation was given to the Asset Management Exchange; the index provider of the year was announced as Legal & General Investment Management; and the highly-regarded risk management prize went to Pension Insurance Corporation.

Additionally, the independent trustee firm of the year was announced as 2020 Trustees; the pensions communications winner was Quietroom; the innovation accolade was presented to LifeSight, Willis Towers Watson; and the best master trust offering was announced as coming from The People's Pension.

Finally, the pensions personality of the year award,



which recognises those individuals who have gone above and beyond to improve pension provision in the UK, was presented to Malcolm McLean OBE, of Barnett Waddingham.

Congratulations to all of this year's winners and many thanks to everyone who helped make the event such a success – we look forward to welcoming you again next year.



# A PENSIONS *Age* AWARDS 2018

## Pensions Age Awards Winners 2018

### DC Pension Scheme of the Year

WINNER: Warburtons Pension and Life Assurance Plan

### DB Pension Scheme of the Year

WINNER: ICI Pension Fund

### Best Risk Management Exercise

WINNER: American Express UK Pension Plan

### Pension Scheme Communication Award

WINNER: Environment Agency Pension Fund (EAPF)  
Highly commended: NGUKPS

### Pensions Administration Award

WINNER: TPT Retirement Solutions

### Best Investment Strategy Award

WINNER: Railways Pension Scheme (RPMI)

### Pension Scheme Innovation Award

WINNER: London Pensions Fund Authority/Lancashire County Pension Fund

### Pensions Consultancy of the Year

WINNER: Aon

### Pensions Provider of the Year

WINNER: Scottish Widows

### Fiduciary Management Firm of the Year

WINNER: Russell Investments  
Highly commended: Cardano

### Pensions Technology Firm of the Year

WINNER: Smart Pension

### At-retirement Solutions Provider of the Year

WINNER: JLT Employee Benefits

### Independent Trustee Firm of the Year

WINNER: 2020 Trustees

### Pensions Law Firm of the Year

WINNER: Eversheds Sutherland  
Highly commended: ARC Pensions Law

### Pensions Accountancy Firm of the Year

WINNER: Ensors Accountants

### Passive Manager of the Year

WINNER: HSBC Global Asset Management

### Active Manager of the Year

WINNER: M&G Investments

### Equities Manager of the Year

WINNER: Vontobel Asset Management

### Fixed Income Manager of the Year

WINNER: Insight Investment

### Alternatives Manager of the Year

WINNER: BlackRock  
Highly commended: Darwin Property Investment Management

### Emerging Markets Manager of the Year

WINNER: Newton Investment Management

### Property Manager of the Year

WINNER: LaSalle Investment Management

### LDI Manager of the Year

WINNER: River and Mercantile Derivatives

### Infrastructure Manager of the Year

WINNER: Hermes Investment Management

### Multi-asset Manager/Provider of the Year

WINNER: Aberdeen Standard Investments

### Index Provider of the Year

WINNER: Legal & General Investment Management

### Risk Management Provider of the Year

WINNER: Pension Insurance Corporation

### Pensions Communications Award

WINNER: Quietroom

### Investment Innovation Award

WINNER: The Asset Management Exchange

### Innovation Award

WINNER: LifeSight, Willis Towers Watson

### Administration Provider of the Year

WINNER: JLT Employee Benefits  
Highly commended: Tata Consultancy Services

### Master Trust Offering of the Year

WINNER: The People's Pension

### Personality of the Year

WINNER: Malcolm McLean OBE, Barnett Waddingham





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**Robert Branagh,**  
Chair, Armed Forces  
Pension Scheme (AFPS)



**Melanie Cusack,**  
Client Director,  
PTL



**Vince Linnane,**  
Chairman,  
Moorlands Human Capital



**Malcolm Reynolds,**  
Managing Director, Employee Benefits,  
JLT Benefit Solutions

**The judging panel**



**Craig Scordellis,**  
Head of Global Loans,  
CGS



**Matthew Swynnerton,**  
Partner,  
DLA Piper



**Maurice Titley,**  
Director,  
ITM



**James Walsh,**  
Policy Lead: Engagement,  
EU and Regulation,  
PLSA

## PERSONALITY OF THE YEAR: Malcolm McLean



The Pensions Age Personality of the Year Award is arguably the most prestigious award of the night. The only category to be decided by the readers of Pensions Age, this accolade is reserved for those individuals who have a proven track record of going that extra mile when it comes to improving pension provision in the UK.

Malcolm McLean is certainly one of those people – a highly-regarded, well-respected and popular pension professional who has truly made his mark in the world of pensions, having held a number of high-profile roles over the years yet never losing sight of what really matters at the end of the day – the member.

Malcolm is currently Barnett Waddingham's in-house 'pensions expert' and is one of the firm's leading media spokespeople. He is a former chief executive of The Pensions Advisory Service (TPAS) and his extensive and up-to-date knowledge of all aspects of the UK pensions industry is unquestionable.

Prior to his role at TPAS, Malcolm was general manager/secretary to the Occupational Pensions Board. His earlier career was mainly as a civil servant in what is now the Department for Work and Pensions. Malcolm makes comment to the media on behalf of Barnett Waddingham frequently, covering a variety of retirement and pensions issues in the UK, and his views are often broadcast across a variety of the UK's media outlets, from TV and radio, to the national and trade press. Malcolm also speaks/presents at conferences, seminars and events across the pensions industry and beyond. An experienced broadcaster, Malcolm became well known to daytime television viewers as the "resident pensions expert" on BBC2's Working Lunch.

Speaking about his win, Malcolm said: "I was surprised but naturally delighted at being named Pensions Personality of the Year. It was indeed a memorable evening in the presence of so many friends and colleagues and I was really touched by the warmth of the reception I received on coming up to receive the award. My sincere thanks go to all the readers of Pensions Age who took the time and trouble to vote for me. I am extremely proud and honoured to receive such a prestigious accolade."

## Pensions Administration Award: TPT Retirement Solutions



*The Pensions Administration Award went to TPT Retirement Solutions. Receiving the award were Paul Murphy and Rob Lawrence, TPT Retirement Solutions (centre). Presenting the award were Maurice Titley, ITM (left) and Matt Forde, host (right).*

The pensions industry has undergone a taxing few years as legislative modifications and the political climate faced uncertain ground. As a result, the importance of effective pensions administration cannot be underestimated.

This category aims to reward the pension scheme that continues to keep administration as a key consideration, proving it has the needs of the member at the heart of its offering. Standing ahead of its peers for its continually-innovative pensions administration, the winner of this award is TPT Retirement Solutions (TPT).

The judges emphasised that this firm's entry demonstrated "a true understanding of the important role good administration plays

in today's challenging environment".

It is clear that TPT has remained dedicated to positioning its members at the heart of its administration processes. Last year, as part of its work to continually improve its processes and systems, the scheme developed an online portal, 'DB Online' that gives its defined benefit members 24-hour access to their records. Members are able to view and update personal information, read benefit statements, request quotes and ask individual questions.

TPT's paperless information provision has resulted in cost savings of over £17,000 in postal costs this year and a projected saving in excess of £30,000 for 2018. An

independent survey also revealed that 80% of members scored the service at over eight out of 10 for "ease of use".

Moreover, with customer service feedback highlighting the importance of speed of service for members, TPT developed its 'bulk' automation practice that enables member requests to be processed in bulk with minimal human interaction. The firm noted that with this change, members realised the benefit and customer satisfaction scores increased in the year.

The firm's success is further validated through its early access to resources from HMRC that led to the reconciliation of 83,000 GMP records. This was secured through ensuring an industry-leading level of accuracy at 99.9 per cent, providing members with considerable confidence in the information the scheme holds for them.

Most notably, TPT has been ahead of its peers in achieving Stage Two Master Trust Assurance Accreditation. In order to best serve its members and protect its reputation in the industry, TPT was one of the first master trusts to obtain and pass first level checks in 2016, which evaluated how well business processes and control procedures have been designed, and was again one of the first to pass the voluntary level two checks. These assessed how effective they have been over the past year.

As a result of its continued efforts to work in the best interests of members, TPT has been an example of true innovation and excellence in its field. Well done to an impressive scheme.



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[www.tpt.org.uk/DBComplete](http://www.tpt.org.uk/DBComplete)

\*Based on a £200m defined benefit pension scheme with 2,000 members. Based on independent research conducted in 2014.

**t|p|t**  
Retirement Solutions

## Pensions Consultancy of the Year:

### Aon



*The Pensions Consultancy of the Year Award went to Aon. Receiving the award was John Baines, Aon (centre). Presenting the award were Jon Amess, CQS (left) and Matt Forde, host (right).*

Consultancy is an ever-evolving practice and clients' demands have changed dramatically over the past few years. Bigger players have had to meet these changing needs, while more niche providers have entered the space.

In a tough field of pension, investment and actuarial consultancy firms, the winner of this category has shown true dedication to serving its clients, harnessing a real understanding of what they need and consistently moving with the times.

The winner of the 2018 award showed that it had a strong commitment to its clients across a diverse sector, proving that it is possible to innovate and stay flexible within

the current environment. Congratulations to Aon.

Aon has been able to adapt itself over the past year, as the industry has experienced some uncertainty and volatility, leading to new approaches in strategy and governance.

The firm was noted for delivering its ViewPoints strategic framework, which supported over 200 clients through the 'pensions maze', combining emotional intelligence and quantitative research with online technology to reach new decision-making techniques.

This innovation that Aon prides itself upon enables the company to work alongside its clients, making the decision-making process

less technical than it was previously and more consultative.

This has been a reaction to the volatile markets after Brexit, along with the need to better understand the pension stakeholders' objectives, for integrated risk management, and for the potentially uncertain financial pathway ahead.

As a result of this innovation, Aon received an outstanding 94 per cent client satisfaction for its approach.

Furthermore, Aon received an incredible 95 per cent client satisfaction rate for its partnership approach and a 77 per cent net promoter score for clients who went through its Client Promise framework.

Aon's member flexibility also appears to be a cut above the rest of the market. Delivering 50 liability management exercises, including the largest Pension Increase Exchange in the market to date, covering 36,000 pensioners, it achieved a take-up rate that was five per cent higher than the market average.

The group has also developed a trustee checklist, with which it aims to help its clients overcome bias in investment decisions, which has been downloaded by nearly 900 pension representatives. The checklist explores trustees' perception of key areas of decision making, such as cost and value, risk and return, manager selection and the role of behavioural bias.

Aon prides itself on being fast and agile when finding solutions for clients. So congratulations again to Aon, a company that puts clients first.

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## Pensions Provider of the Year: **Scottish Widows**



*The Pensions Provider of the Year Award went to Scottish Widows. Receiving the award was Gordon Egan, Scottish Widows (centre). Presenting the award were Melanie Cusack, PTL (left) and Matt Forde, host (right).*

**P**ension providers have had to navigate the roll out of auto-enrolment over the past several years, along with a number of other changes that has forced them to up their game.

The Pension Provider of the Year Award celebrates those firms that have moved with the times and have displayed excellence in the area of pension provision. Winning for the second year in a row is Scottish Widows, a firm that demonstrated excellent commitment to improving pension provision in the UK in a way which made them truly stand out above the rest.

Part of Lloyds Banking Group, Scottish Widows lives by the group's commitment of 'Helping Britain Prosper', which is why delivering superior pension products is so

fundamental to its culture. The company achieves this by focusing on three core pillars; sharing knowledge and expertise, supporting through complexity, and being easy to do business with.

In order to share knowledge and expertise, Scottish Widows commits vast resources to developing innovative pension products. Over the last year, it invested more than £80 million in a comprehensive change programme to enhance its workplace and individual pensions. This has transformed its propositions to make it easier for advisers, employers and customers, and with notable success, as it has led to a 93 per cent reduction in complaints from pension customers in 2016/17.

In particular, Scottish Widows has focused its innovation on four areas; engagement, digital, charges and investment. Going above and beyond, Scottish Widows employees toured the country on a double decker bus for Pensions Awareness Day in 2017, allowing them to connect with the public and help them plan for retirement.

Leveraging its position with Lloyds Banking Group, Scottish Widows has accessed the Group's digital expertise to transform the way it serves customers. For example, employers can now access an online system to manage monthly contributions, customers can consolidate legacy pensions, and advisers are able to manage and rebalance customer portfolios using simple, intuitive, digital solutions.

When it comes to charges, Scottish Widows is a champion of transparent pricing, with its AMC being the only customer charge. Almost without exception Scottish Widows schemes are well below the 0.75 per cent charge cap. Not only that, it has removed all exit fees on existing products, a step further than the 1 per cent cap.

In terms of investment, Scottish Widows fund range is subject to a rigorous governance oversight regime, and follows an investment strategy that delivers investment outcomes that are among the best in the market. For example in the 12 months to 30 September 2017, customers in its Balanced Pension Investment Approach saw returns of 10.74 per cent, a staggering achievement.

Congratulations to a worthy winner.

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## The impact of living longer on retirement planning



Written by Iain McGowan, head of fund proposition at Scottish Widows.

Since the pension reforms of 2015, investors have a greater degree of flexibility and choice when accessing their savings. Significant though the reforms were, they have to be seen within the context of other changes affecting retirement, particularly demographic developments

### Accelerating life expectancy

Accelerating life expectancy means that a 65-year old man in the UK has an average of 18.5 more years of life ahead of him, while women of that age will live on average for another 20.9 years, according to most recent data from the Office for National Statistics. These are averages – someone could live for just one or two years in retirement or they could live to 100. A retiree with sufficient savings to get them to 85 could still be left with an empty pension pot if they live beyond that point.

### Underestimating

A study by the Pensions Policy Institute (PPI) that was sponsored by State Street Global Advisors (SSGA) showed that those aged 55-70 significantly underestimate their chances of surviving to greater ages. As a result, they may fail to take the required measures to prepare for a longer retirement.

### Overestimating

Another error that people make is to overestimate the level of income they can expect in retirement. The average income they can expect is 27 per cent (£6,445 p.a.) less than the amount they'll need to be "financially comfortable", according to research by Opinium.

### Unexpected outgoings

There may be many unexpected demands

made on savings in retirement, including those from ongoing debt repayments such as mortgages, financial support for children and long-term care. In England, for example, the average residential and nursing care costs are around £700 and £1,000 a week respectively.

### From DB to DC

The decline in defined benefit (DB) has created difficulties. Due to insufficient private pension provisions and rising life expectancy, the move to defined contribution (DC) has placed far greater responsibility on individuals for their pensions.

### Considerations for planning

Careful planning needs to take into account investment risk, inflation, the risk of expenditure such as long-term care and mortality drag. Mortality drag refers to the need for drawdown investments to work harder – as investors become older – if they're to provide the same income as an annuity. Unlike those annuitants who live longer than average, and who benefit from the cross-subsidy inherent in risk pooling, drawdown investors don't have pooled risk in place.

### Annuities: Still working hard

This is why annuities – though waning in popularity – remain an important component of the at-retirement product suite. Investors

are more likely to enter drawdown when they reach retirement. But an annuity option remains open to them, and may become attractive if maintaining a sustainable income from drawdown proves too demanding.

### Ageing and decision-making

Another feature of ageing is its tendency to bring about cognitive decline. This can affect people's abilities both to make decisions and – as ABI research shows – to seek help with making decisions. And that includes financial decisions. Yet, despite their cognitive decline, people's tendency to be confident in their decision-making remains. This is an important but difficult subject to bring up with clients. Cognitive decline, dementia and Alzheimer's disease will affect more people as longevity increases. It's "one of the most challenging intergenerational issues facing the investment industry", according to a report by SSGA.

### Awareness of the challenges

Being aware that living longer brings many financial risks is not enough in itself to solve all the problems. But it's a sound basis on which to build a robust investment strategy.

For more market insight and expert guidance, please visit [www.scottishwidows.co.uk/changehub](http://www.scottishwidows.co.uk/changehub)

**SCOTTISH WIDOWS**

## Fiduciary Management Firm of the Year: Russell Investments



*The Fiduciary Management Firm of the Year Award went to Russell Investments. Receiving the award was Owen Davies, Russell Investments (centre). Presenting the award were John Woods, Pensions Age (left) and Matt Forde, host (right).*

Fiduciary management has become a mainstay in the UK pensions industry, and as various types of providers enter the market, this category rewards the fiduciary management, implemented and delegated consultancy firms that add value.

Meeting specific clients' needs while displaying strong performance is key, and the award for this year's fiduciary manager of the year recognises that developing a relationship with a provider built on trust is at the heart of their practice.

The 2018 winner demonstrated all of the above, and had taken on a significant number of new mandates in the past 12

months, whilst still showing strong commitment to existing clients. Congratulations to Russell Investments.

Its trust-based ethos has continuously delivered for clients, ensuring that they are kept on target with their journey plan, while its capability and resources ensure that it can consistently deliver excellence to clients.

On top of this, Russell Investments provides additional incremental gains by placing their strategists, portfolio managers and traders under one roof, allowing clients to draw on the firm's expertise like an extension of their own.

In 2017 alone the global asset manager

achieved a total of eight new UK mandates, with total scheme assets in excess of £900 million.

In recent years increased focus has been placed on qualitative measures such as communication, which the firm recognises as an industry challenge. Through providing simple to understand information to clients, it hopes to improve practice across the industry.

Beyond this, Russell Investments has been committed to improving the industry, and for the past three years has delivered 15 unique, free tutorial sessions for over 170 pension fund trustees designed to help trustees make the decisions that help improve their funding levels.

In a time where schemes have been struggling with rises in liability valuations and volatility across capital markets Russell Investments has helped clients exceed their investment objectives.

It is no wonder that through its continued innovation, ability to meet client's needs and its commitment to improving the standards of the industry, that Russell Investments takes this year's Fiduciary Manager award.

Commenting on the company's win, Paul Wharton, Head of UK Fiduciary Management Clients noted "Whilst 2017 was a busy year, we are energised by the growth of the business during the last 12 months. Needless to say we shall be seeking to build on this growth in a sustainable way during 2018 and aiming to continue delivering above our clients expectations".



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Firm of the Year Award 2018



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## At-retirement Solutions Provider of the Year: JLT Employee Benefits



*The At-retirement Solutions Provider of the Year Award went to JLT Employee Benefits. Receiving the award was Richard Williams, JLT Employee Benefits (centre). Presenting the award were Gareth Tancred, PMI (left) and Matt Forde, host (right).*

Improving the retirement experience of clients had been on the back-burner for many years. However, lately, following 2015's freedom and choice reforms, there has been a real drive to ensure that those entering retirement phase make the most of their pension pot. Therefore, this award seeks to showcase those providers that have shown innovation and dedication to improving the at-retirement marketplace.

This year's winner was praised by the awards judges for its extensive research into the market, helping businesses to ensure they meet the changing needs of their savers. Congratulations go to JLT Employee Benefits.

In particular, the judges noted JLT's drive for excellence, and coupled with its impressive testimonials, it is certainly a worthy winner.

The confusion for many people approaching retirement following the freedom and choice pension reforms of 2015 is still a major problem across the industry. However, JLT's work has clearly demonstrated its tackling of this problem head on, and helping employers to be as effective as possible in encouraging staff to engage with long-term saving.

To ensure it could provide the most effective help, JLT conducted a survey of over 1,000 50-65 year olds. It found that

only 26 per cent think they have received enough support from their employer regarding understanding their pension savings, with just 23 per cent having access to retirement planning advice as part of their employer's benefit package. Sixty-five per cent would like retirement planning advice to be part of the benefits package offered by their employer.

JLT utilised this survey information along with extensive client feedback and evaluation to create its Pension Decision Service PDS which embodies the JLT brand attributes of client first, personal and innovative'. PDS is a people-to-people retirement guidance service, helping employees to make the most out of their retirement funds.

PDS was launched in an innovative manner, where key clients were visited by the PDS bus tour before it reached its final destination at the PLSA annual conference and exhibition. –so really taking the discussion to the people.

The PDS educates members through a 30-45-minute phone call, as well as through print and digital channels. This includes the use of engaging explanatory videos.

However, JLT's efforts and expertise are not solely limited to the member side. JLT also assists employers, understanding their desire to ensure the efforts they expend on helping their staff save for retirement results in the most optimal outcome.

The benefits JLT's PDS provides to both members and employers are clear to see. Congratulations to such a worthy winner.





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## Pensions Accountancy Firm of the Year: Ensors Accountants LLP



*The Pensions Accountancy Firm of the Year Award went to Ensors Accountants. Receiving the award were Malcolm McGready and Zoe McLaughlin, Ensors Accountants (centre). Presenting the award were Talya Misiri, Pensions Age (left) and Matt Forde, host (right).*

Pensions is a numbers game. How much contributions are required, be it from the member or the employer, the level of DB deficit, the total DC retirement pot, the fees paid for services, working with payroll, the amount of assets versus liabilities – all of these vital components of providing pensions are underpinned by the numbers that ultimately determine whether there is enough money for the pension to be delivered.

At the heart of this is the accountancy firm making sense of these numbers. This is why the Pensions Age Awards aims to reward those pension scheme accountants that

recognise the needs of the pensions market and have tailored their services accordingly, with a focus on excellence.

The winning firm this year shone out to the judges due to its “clear passion” for the work it does, its flexibility and dedication to smaller pension schemes. Congratulations to Ensors Accountants.

With over 60 years combined experience of working within the pension scheme industry, and with pension scheme clients ranging between £5 million and £300 million, the Ensors pensions team are firmly established as key service providers for the

smaller pension scheme.

It provides a full range of services from day-to-day bank account management and pensioner payroll services to the provision of statutory scheme accounts, audit and employer covenant reviews.

Best of all, the Ensors pensions team prides itself on being approachable and committed to providing expert, yet down-to-earth, jargon-free, advice – no easy feat in such a complex industry.

As a firm, Ensors Chartered Accountants have established specialist payroll, book-keeping and insolvency teams and as such are able to offer pension scheme clients with additional services, including payroll, bank account support and employer covenant reviews.

These services are also tailored to the needs of the smaller pension scheme. For example, the employer covenant reviews are provided as agreed scope assignments that are far more attractive to the smaller scheme who are generally working with limited resources.

In addition, over the past 12 months and in response to changing market conditions, the Ensors pensions team has also broadened its service offering, which can be tailored to the needs of a smaller pension scheme.

The passion Ensors Accountants exudes has not only won the firm the Pensions Age Award accolade, but has also seen it turn into considerable growth for the company.

Well done Ensors Accountants, a winner that is invigorating pensions accounting.

"I had no experience of Ensors until a few years ago when they were appointed to audit one of our pension scheme's accounts. We found them to be very approachable, professional and helpful. Their fees are very competitive and there have never been any hidden extras or late additions. I would recommend Ensors."

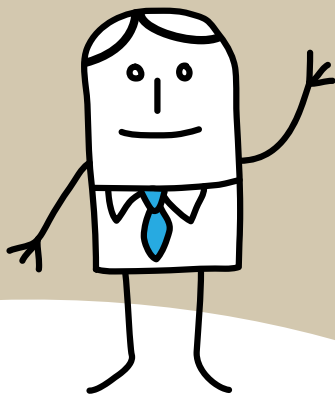
**Richard Bryant**  
Atkin Trustees Ltd

"The Beckman Coulter Pension Plan has used the services of Ensors for some 4 years. In that time we have found them to be highly professional, responsive to client requests and personable in their approach to providing auditing services."

**Stephen Pleasance**  
Chairperson of the Trustees of the Beckman Coulter UK Pension Scheme

"Ensors have provided us with valuable and efficient pension audit services over many years and I would recommend them without hesitation."

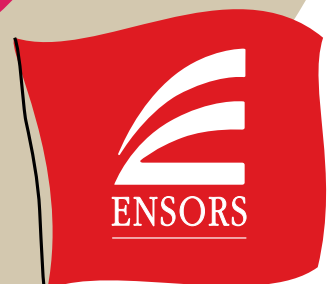
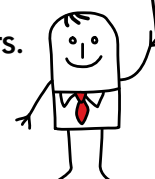
**Malcolm Delahaye**  
SuperTrust UK Master Trust



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## Passive Manager of the Year: HSBC Global Asset Management



*The Passive Manager of the Year Award went to HSBC Global Asset Management. Receiving the award was Xavier Baraton, Global CIO Fixed Income, HSBC Global Asset Management (centre). Presenting the award were Camilla Capece, Pensions Age (left) and Matt Forde, host (right).*

**D**elivering strong returns is a must in the investment market, but there are few who can claim to do it consistently, while managing to provide excellent customer service and a true understanding of their client's needs.

The constant hunt for yields has driven some in the market to use bespoke strategies, which while innovative, also have to deliver in the way of returns.

The passive manager winner for 2018 demonstrated strong leadership and innovation in this field, while having a clear passion for passive investment and a strong commitment to its clients. Congratulations HSBC Global Asset Management.

HSBC, which has \$469 billion of clients'

assets under management, recently launched its first fixed income index tracking funds, offering cost-effective access to corporate and inflation-linked bonds.

The firm has also been innovative by launching a low carbon investment strategy, increasing exposure to carbon efficient companies and meeting HSBC's responsible investment credentials.

HSBC also addressed ESG issues by filtering out companies involved in cluster munitions from the index universe, while extending this focus to all HSBC passive portfolios.

Its technology and integrated-led investment approach has delivered investment decision tools for both its active

and passive equity functions.

The firm uses a distinctive, multi-layered risk management approach that is fully integrated within the management process, using frameworks which are outside of the standard risk management practice in the passive investment industry.

It has a dedicated quantitative team to research the best way to integrate ESG factors into its equity portfolios, while building and improving its proprietary investment risk models.

Over the past year HSBC has worked hard at developing new in-house statistical models that assist portfolio management with liquidity risk controls, tracking error estimation and idiosyncratic risk control, leading the market in the process.

HSBC has consistently gone above and beyond in order to make its processes more efficient. By investing in its information technology systems and enhancing its teams it has ensured that it has the resources to perform to a high level, time and time again.

Beyond this, HSBC has always ensured that it goes above and beyond when engaging with clients to ensure that it does more than the basic information sharing, using roundtables, webcasts and white papers on specific investment trends to share its views on the macroeconomic environment, ensuring its clients doesn't miss a trick.

With its market leading and innovative approach, HSBC Global has showed a committed approach to achieving its client's needs, congratulations again to this superbly-run practice.

# MONEYAge

## AWARDS

2018

**OPEN FOR ENTRIES**

**Deadline for entries: 22 June 2018**



**18 October 2018, De Vere Grand Connaught Rooms, London**

**Celebrating excellence within the personal finance space**

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## Active Manager of the Year: M&G Investments



*The Active Manager of the Year Award went to M&G Investments. Receiving the award was Clare Daly, M&G Investments (centre). Presenting the award were Adam Cadle, Insurance Asset Management Europe (left) and Matt Forde, host (right).*

As the active versus passive debate continues, it is all the more important for active managers to demonstrate consistent outperformance and take an innovative approach to investment.

This year, the Active Manager of the Year Award went to a manager that is a leader in its field, and has demonstrated excellence and superiority that sets it ahead of the rest. Congratulations, M&G Investments.

With its focus on the delivery of long-term returns, it is clear to see why this asset manager, which looks after £298 billion of assets, has come out on top. M&G has over 400 investment professionals managing fixed income, equities, multi-asset strategies and real estate assets. Its active management

approach aims to deliver outperformance regardless of market conditions.

With ESG issues taking a greater importance among pension scheme trustees, asset managers have had to work hard to meet new demands. M&G, however, has gone above and beyond to meet the needs of their pension fund clients. For example, the creation of the M&G Responsible Investment Advisory Committee (RAIC), which reports to the M&G Investment Management Board, oversees the governance and management of responsible investment activities as part of M&G's UNPRI signatory status, and ensures the company stays true to its word.

M&G knows that investment success

comes from consideration of all factors that can influence investment performance, which is why it pays such close attention to ESG issues. This attention to detail has been rewarded with superb results, with its flagship funds revealing its success. For instance, its European strategic value strategy saw growth of 14.5 per cent over five years; within multi-asset, the multi-asset growth strategy has seen returns of 10.1 per cent over five years.

In particular, within fixed income, the asset manager has a number of competitive advantages, such as its value-driven investment approach, its 116 strong team of experienced credit analysts, over 20 years' experience investing in private assets and 20 dedicated restructuring analysts, which is unusual in the industry. Unusual it may be, but it gives M&G the advantage of being able to play an active role in restructurings.

When it comes to equities, M&G's teams are driven by a fundamental belief that outstanding performance can be generated through active, unconstrained management. With more than 80 years' experience it has built a strong reputation for investment integrity, original thinking and innovation.

In the world of multi-asset, M&G has adopted a distinctive 'episode' approach which combines valuation observations with behavioural finance analysis. This has helped it to deliver attractive returns for clients in a variety of market conditions for over 15 years. It is this performance, and zest for pleasing its clients, that sees M&G a worthy winner of the Active Manager of the Year.



**M&G INSTITUTIONAL**

IT TAKES  
**IM&GINATION**  
TO GO FURTHER TO  
FIND VALUE

We understand that meeting your long-term requirements means working closely with you to find investment solutions for your specific need – targeting the right blend of risk and return through an active value management approach that generates performance for investors.

The value of investments will fluctuate, which will cause fund prices to fall as well as rise and you may not get back the original amount you invested. Past performance is not a guide to future performance.

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**M&G**  
INVESTMENTS

## RIVER AND MERCANTILE DERIVATIVES

### LDI Manager of the Year: River and Mercantile Derivatives



*The LDI Manager of the Year Award went to River and Mercantile Derivatives. Receiving the award was Masroor Ahmad, River and Mercantile Derivatives (centre). Presenting the award were Steven Bedford, Perspective Publishing (left) and Matt Forde, host (right).*

Liability-driven investment (LDI) has been an important aspect of many UK pension schemes' investment strategies for many years now. However, understanding what LDI really means and applying it to the benefit of pension clients requires true skill and understanding of pension fund needs.

This is why the Pensions Age Awards recognises the providers that excel in the LDI space, despite the challenges it may present.

This year, clearly standing out from the crowd is River and Mercantile Derivatives, a market-leading derivatives manager focused on enabling small- and medium-sized UK pension schemes to use derivatives to help meet their goals.

With its 100 segregated mandates, River

and Mercantile Derivatives is the third-largest provider of LDI in the UK, having hedged over £15 billion in liabilities. It is the only asset manager to be accredited under the Institute and Faculty of Actuaries' Quality Assurance Scheme, reflecting the company's belief in the importance of actuarial work in managing LDI portfolios.

Particularly impressive to the judges is River and Mercantile Derivatives approach to LDI, which is to take into account the challenges schemes face, such as the increasing difficulty to absorb market shocks as schemes mature.

Therefore the company recognised that LDI has to evolve; to be about earning a return – not just hedging liabilities. But it also

realised that it needed to help some schemes overcome their concern that 'derivatives are scary'.

This it achieved by educating schemes about derivatives, making derivatives understandable and accessible to all. The result was around 90 per cent of schemes the company has educated about derivatives going on to implement.

In order to manage liability risk without sacrificing return, and target this return whilst managing exposure to shocks, River and Mercantile Derivatives utilised synthesised growth assets to target return whilst still having sufficient collateral. Across its client base, synthetic growth assets provided, on average, 50 per cent of the collateral pool, with 35 per cent of clients using synthetic growth assets.

River and Mercantile Derivatives also used shaping tools to target return whilst protecting from shocks. Its solution uses structured equity options to shape exposure to equity markets contractually, providing a significant improvement in certainty to clients.

Key to these solutions was that they are accessible to schemes of all sizes. Over 12 months, the company won 13 LDI mandates, with an average mandate size of £65 million, and with its smallest client being £35 million.

It is not just this understanding of the dynamic role LDI can play for all-sized pension schemes that impressed the judges, but also River and Mercantile Derivatives' strong engagement with trustees.

Congratulations to River and Mercantile Derivatives, leading the way within LDI.

## Getting out of the pool

Mark Davies reveals why pension funds should look beyond pooled LDI and consider the benefits of segregated mandates



**P**ooled LDI, for understandable reasons, is seen as the easy route in to LDI. This ease however, comes with some significant drawbacks that can affect the strategies of pension schemes. Segregated LDI is now easier than ever to implement and avoids these drawbacks.

### 3 reasons why you should rethink pooled LDI...

#### 1. Derivatives are not meant to be used in this way

Derivatives are just a contract between two parties – like your car insurance or even your mortgage. Yet when you get car insurance or a mortgage you do not create a new company in order to put that in place. Derivatives are the same. Almost all of the derivatives market (and many larger pension funds) use derivatives on a segregated basis. This is because to do anything else would mean potential implications as we highlight in the next two points.

#### 2. It restricts the tools you can use

There are some derivatives that cannot be used within a pooled fund such as, equity protection strategies, swaptions and currency hedging. To use a pooled fund rules out potential use of these tools.

#### 3. There is a financial implication – less return, more risk

The above points' impact means pooled funds will potentially restrict the asset allocation strategy of the pension scheme. The aim of derivatives is to keep your asset

allocation the same and to put in place contracts that manage risks without changing your asset allocation. When a pension scheme invests in pooled LDI it is investing in a fundamentally more risky vehicle (a leveraged entity) that has financial implications for the pension scheme, reducing the derivatives efficiency. This means that more assets are required by the pooled LDI fund in order to put in place LDI, which will restrict the investment strategy of the pension scheme by either targeting less return or having a lower LDI allocation.

Pension schemes are becoming less long term than they used to be, meaning that a schemes ability to absorb shocks is lower and therefore it cannot afford to ride out market cycles like it used to. As a result having access to tools that can protect from market falls is a significant benefit for pension schemes today. Using a pooled approach makes doing so extremely difficult.

### ...and 3 myths about segregated LDI

#### 1. They are difficult to set up

Segregated mandates mean that trustees have contracts in their own name (this is what yields the benefits of a segregated mandate). However, this is often confused with the trustees having to put more work or time in, in order to set the mandate up. This is not true. In a segregated mandate trustees should need only sign a single document (similar to a pooled fund) that allows the manager to do the set up on their behalf =

all the benefits of a segregated mandate with the documentation ease of a pooled fund.

#### 2. They are expensive

It is sometimes thought that segregated mandates are more expensive. A segregated mandate is more work for asset managers and sometimes that may result in minimum fees. However, with technological developments these minimum fees have come down significantly, making segregated mandates accessible to many more schemes (the 2017 KPMG LDI survey put the smallest segregated mandate at £2 million).

#### 3. There is more exposure for the trustees

For some the attraction of a pooled fund is that 'you can only lose what you put in'. This may optically be the case. However in practice the exposure is the same. This is because the situation where you lose value in LDI (rise in interest rates) is exactly the situation where you want to keep the exposure in place (as you want more LDI as rates rise, not less). As a result, schemes will invest more in the pooled fund as rates rise meaning they have the same exposure as a segregated mandate.

RIVER AND MERCANTILE  
DERIVATIVES

Mark Davies, managing director,  
River and Mercantile Derivatives

# A PENSIONS *Age* AWARDS 2018



## Infrastructure Manager of the Year: Hermes Investment Management



*The Infrastructure Manager of the Year Award went to Hermes Investment Management. Receiving the award was Mark Miller, Hermes Investment Management (centre). Presenting the award were Matleena Lilja, European Pensions (left) and Matt Forde, host (right).*

At one of the most challenging times in pension fund investment, infrastructure is now being taken seriously as an asset class among the UK's pension investors. In light of this, the Pensions Age Awards recognises those players that understand this complex asset class and are working hard to help pension funds reap the potential rewards.

For its innovation and unparalleled commitment to its clients, the Infrastructure Manager of the Year is Hermes Investment Management. This firm impressed the judges with its clear understanding of this exciting asset class and its strong entry that demonstrated evidence of considerable value added for clients.

Hermes IM stands ahead of its peers,

reviewing over 460 deals in total to June 2017 and has successfully recorded over £425 million on average per annum since 2012. The firm's first infrastructure fund, Hermes Infrastructure Fund I, which reached a close in 2015, outperformed its target returns delivering a double digit gross IRR and high single digit cash yield since its inception.

The investment manager also prides itself in being the first in the market to introduce a pooled commitment option for Local Government Pension Scheme investors. LGPS investors are able to achieve a discount on management fees, with the fee pricing reducing as the volume of commitments increase. Six LGPS investors, representing c.30 per cent of all

commitments received by the Hermes Infrastructure Fund I were able to achieve a significant c.20 per cent of discount as a result.

This offering is also set to be particularly attractive to the new LGPS pools set to join the market by April 2018.

Additionally, Hermes IM has been instrumental in providing investors with the ability to gain access to greater investment opportunities through its shared platform, enabling third-party institutional investors to access market opportunities.

The platform has enabled investors to build a diversified portfolio such as funding large scale UK infrastructure investments including Cadent Gas, previously the National Grid Gas Distribution business, Eurostar and Associated British Ports, as well as funding newer technologies via investments in renewable generation and smart energy metering.

Hermes IM has remained true to its responsible investment philosophy over the last 12 months through engaging with its portfolio companies, factoring ESG into its investment processes and contributing to the development of policy by regulators and government. Considering the nature and long-term impact of infrastructure, Hermes IM has proudly noted that it is "aligning [its] interests as a manager with those of our clients in an innovative, transparent and committed way".

It is for these reasons that Hermes IM is truly deserving of this accolade. Congratulations to a strong winner.



OUTCOMES  
BEYOND  
PERFORMANCE

# ONBOARD OUR EXPERTISE

£4.2bn

INFRASTRUCTURE  
PORTFOLIO

13

INFRASTRUCTURE  
INVESTMENTS

£400m+

DEPLOYMENT PER ANNUM

£2.7bn

NET ASSET VALUE

Our investment in ABP, the UK's leading ports group supporting 84,000 jobs in Britain, is a good example of our commitment to funding the country's leading essential service infrastructure.

## Hermes Infrastructure

Hermes focuses on delivering appropriate risk-adjusted performance, innovatively and responsibly. Underpinned by proven investment strategies, our shared platform provides our clients with unparalleled access to high quality infrastructure investments.

OUR APPROACH TO HOLISTIC RETURNS MEANS WE ARE COMMITTED TO DELIVERING EXCELLENT LONG-TERM INVESTMENT PERFORMANCE AND STEWARDSHIP, WHILE IMPROVING THE LIVES OF MANY

  
**HERMES**  
INVESTMENT MANAGEMENT

Telephone [020 7702 0888](tel:02077020888) email [InfrastructureIR@hermes-investment.com](mailto:InfrastructureIR@hermes-investment.com)  
or visit [www.hermes-investment.com/ukw/capabilities/private-markets/infrastructure](http://www.hermes-investment.com/ukw/capabilities/private-markets/infrastructure)

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# A PENSIONS Age AWARDS 2018



PENSION INSURANCE CORPORATION

## Risk Management Provider of the Year: Pension Insurance Corporation



*The Risk Management Provider of the Year Award went to Pension Insurance Corporation. Receiving the award was PIC's risk management team (centre). Presenting the award were Talya Misiri, Pensions Age (left) and Matt Forde, host (right).*

The Risk Management Provider of the Year award recognises the firm that has applied innovative and effective risk management solutions and risk controls to truly assist pension schemes in managing or removing their risks, at a time when the necessity for risk management is perhaps higher than ever.

The judges highlighted that this year's winning firm leads the way in so many facets of risk management that it sets a strong example for its peers. For the second consecutive year, Pension Insurance Corporation has demonstrated its unparalleled solutions to assist and secure pension schemes.

In 2017 PIC excelled by insuring £3.7 billion of defined benefit pension scheme liabilities, securing the retirement incomes of more than 15,000 pensioners.

Following buy-ins with TI Group Pension Scheme and the Smiths Industries Pension Scheme in 2013 and 2016 respectively, PIC secured repeat business with the TI scheme, completing a second buy-in for a £130 million premium.

PIC also secured a notable buy-in transaction with the Alcatel-Lucent Pension Scheme for a premium of c.£100 million.

The firm was praised for the speed of the deal's execution that closed within weeks, with the Trustee Chairman noting

that: "PIC's track record with buy-ins and its focus on delivering to trustees' requirements was a big plus in their favour."

Furthermore, PIC has maintained its strong record of investing in the real economy. In 2017, PIC invested more than £1 billion in the UK economy, including in social housing; student accommodation, for example £87 million invested in the University of London and £60 million in the University of Essex; and in renewable energy, with £100 million invested in the Walney Extension Offshore Wind Farm Project.

The results of the firm's regular customer satisfaction surveys have been extremely encouraging with 98 per cent of policyholders expressing overall satisfaction with the service.

In addition, PIC is the only financial services firm in the country to be awarded the Institute of Customer Service's ServiceMark with Distinction for its "dedication and passion for great customer service".

PIC has also been influential in its introduction of a mentoring scheme for junior female actuaries titled 'Project AMP', which looks to increase the numbers of women at the top of the profession over time. PIC has also initiated a long-term project, The Purpose of Finance, that aims to encourage financial services businesses to think about why they exist and how to rebuild trust in the sector.

For all its hard work, congratulations to PIC, a truly deserving winner.





PENSION INSURANCE CORPORATION

# PROUDLY SECURING THE PENSIONS OF OUR POLICYHOLDERS



The purpose of Pension Insurance Corporation plc (PIC) is to pay the pensions of our policyholders. PIC has insured over 150,000 pension scheme members and has more than £25 billion in assets to back those pensions, accumulated through the provision of tailored pension insurance buyouts and buy-ins to the trustees and sponsors of UK defined benefit pension schemes.

“ MY PERCEPTION IS THAT PIC IS VERY GOOD AT FOCUSSED ON ITS CORE PURPOSE OF SECURING POLICYHOLDER BENEFITS. ”

*PIC policyholder*

For further details and to discuss de-risking defined benefit pension schemes, please contact:

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Our clients include:



# A PENSIONS *Age* AWARDS 2018



## Innovation Award: LifeSight, Willis Towers Watson



*The Innovation Award went to LifeSight, Willis Towers Watson. Receiving the award was Stuart Reid, LifeSight and Harriet Hayward (centre). Presenting the award were John Woods, Pensions Age (left) and Matt Forde, host (right).*

Innovation has been rife in the UK pensions space, be that in the area of investment, product design, de-risking or any other area.

Therefore, this award looks to reward the provider that has truly added value to the pensions space with its originality and innovation. The winner of this year's Innovation of the Year Award uses innovation effectively to help members engage with their pensions earlier in their working lives, which is no mean feat. Well done, LifeSight, Willis Towers Watson.

Engaging members is one of the most challenging aspects of running a pension scheme, but doing so can be truly rewarding

for all. LifeSight knows that the best investment options and strategies are wasted if members are unable to understand them. It is this knowledge and expertise that led to the creation of the LifeSight 'ageOmeter', a tool that takes a more personable approach.

It is the heart of the LifeSight experience, using age as a focus for communicating retirement outcomes. It is able to educate members on the age at which they may be able to afford to take their pension savings, and how they can influence that age through contribution, retirement and investment decisions. A simple idea that really delivers.

It is also accessible from any computer, tablet or smartphone, showing just how able

LifeSight is to meet the demands of 21st Century pension savers. This nifty tool is not just for those in the accumulation stage, with the tool transitioning to help those who opt for drawdown. The 'ageOmeter' helps them work out when their money will run out based on their current withdrawals and investment choices.

Evidence shows that the tool is a winner with members, as 70 per cent of those that enter the 'ageOmeter' follow the process to the end to refine their LifeSight age by updating it with information about other savings they might intend to use to fund their retirement. Member testimonials have also been positive, with the website described as "simple to use" with "helpful" information, laid out to "provide you with personal tailored support".

For those members that prefer a more complex breakdown of their savings and retirement prospects, LifeSight provides a spending tool. This guides members on how much income they might need in retirement and shows them how they can fund this income requirement based on their various sources of savings and benefits. The tool allows members to schedule and organise income flows to meet their objectives for both income and lump sum needs in retirement.

As can be seen, the ageOmeter tool is an excellent illustration of LifeSight's broader aim to improve engagement and communication through innovation, as well as effectively leveraging technology. Congratulations to a worthy winner.







It's all about

RETIREMENT

**LifeSight is Willis Towers Watson's master trust, a defined contribution multi-employer pension trust for employers who would benefit from a high-quality, low-risk, market-competitive pension provision without the governance burden.**

LifeSight offers the best attributes of a trust in an outsourced arrangement. Our unique solution looks after the day-to-day running of the scheme, whilst an independent trustee board looks after the interests of your members.

LifeSight gives you access to our leading-edge technology platform, including the award-winning ageOmeter tool, and administration services. Combined with our proven expertise in investments and communications, LifeSight is the complete package.

**To find out how LifeSight could be the answer for you and your employees, please contact:**

**Stuart Reid**  
stuart.reid@willistowerswatson.com  
+44 207 170 2232

[www.lifesight.com](http://www.lifesight.com)



Willis Towers Watson 

## LifeSight – The future of pension provision

David Bird, head of proposition development at LifeSight, outlines why LifeSight combines the best of a trust-based scheme with the efficiencies of outsourcing



**L**ifeSight, which is Willis Towers Watson's UK defined contribution (DC) Master Trust, was named winner of this year's Innovation award at the Pensions Age Awards. The judges felt that LifeSight stood out from the rest for combining a personalised approach with innovative tools to help members engage with their retirement savings earlier in their working lives. The ageOmeter, a tool that calculates the age at which an individual may be able to afford to retire, was the focus of LifeSight's entry.

David Bird, head of proposition development said: "It is fantastic to be recognised by the industry for our new ageOmeter tool, which is specifically designed to take a fresh, engaging approach to retirement planning and savings. We know that people find it difficult to clearly see the link between their savings and the age at which they could retire, and the impact they could have on their retirement age by making changes to their contributions or investments. This has always been a tough nut to crack but our tool helps people have a clearer understanding of their financial situation to help them plan for retirement."

In today's changing pensions landscape, especially in light of the ageing workforce, being able to provide members with an accurate view of when they might be able to

retire gives them a better understanding and reason to engage with their pension saving. The ageOmeter captures the attention of the individual with an individual message that is compelling and easily understood. The innovative approach by LifeSight lets individuals see the impact their savings decisions could have on their 'LifeSight Age' in real time. The tool is available through the member's personalised, online account and helps them easily digest complex concepts and understand what they can do to change their outcome through their saving decisions.

Bird continues: "Beyond the ageOmeter, LifeSight uses various other tools that show our commitment to innovation as a way to enhance member engagement. We use multi-channel communications such as targeted print, personalised ecards and videos. Innovation is core to everything that we do and we believe it is the key to helping people understand the importance of consistent long-term saving. We are therefore delighted to have been recognised for this with this award."

### Our offering

LifeSight has achieved market leading growth since its launch in 2015 reaching £2 billion of assets under management (AuM) in the UK covering over 50,000 scheme members.

LifeSight combines the best attributes of

a trust-based pension scheme with the efficiencies of an outsourced solution, including high quality administration, effective member engagement – including our award winning tools, and member-friendly investment choices. LifeSight harnesses the best of Willis Towers Watson's established administration capabilities, with a fresh engagement proposition for employers, trustees and members to embrace.

LifeSight has been built using state-of-the-art technology to provide a master trust offering, alongside a complementary flexible access drawdown platform.

The LifeSight brand has been rolled out globally with success, with a presence in the Netherlands, Belgium and South Africa.

### Saving for retirement

Whilst saving for retirement, a member will have access to intuitive risk assessment and investment modelling tools. This will allow a member to tailor their investment strategy simply using two main variables:

1. Their attitude to risk.
2. Whether they intend to use their account to take an annuity, opt for drawdown, or cash out.

The investment strategies are blends created by the award-winning Willis Towers Watson

22 FEBRUARY 2018

London Marriott Hotel  
Grosvenor Square

Investment Management team, improving the member outcome through using factor based investment. These strategies are delivered at low-cost to members achieved by leveraging the scale of Willis Towers Watson.

Members can also access a range of self-selected funds, and create their own lifestyles should they wish.

The consumer tested online tools show the impact their investment decisions could have on the age they might be able to afford to retire, creating a focus on retirement outcomes and improving understanding of complex pension savings information.

#### **Spending in retirement**

For members who want to access their savings through flexible access drawdown, LifeSight offers this as a complementary service. In advance of retirement and regardless of the members' preferences for taking their benefits (i.e. drawdown, annuity or cash), access to a considerable range of planning tools, helplines and advice is standard. Guidance on retirement options is available online at any time and advice, provided by a third party, is available over the phone free of charge.

For those who choose to remain in LifeSight as a drawdown member, they will have unlimited access to their savings, enabling them to take income flexibly when it suits them, without incurring additional charges for accessing their money. The movement from savings to spending is seamless and provides members with continued exposure to their chosen investment choices.

#### **Communication and engagement**

The LifeSight member journey is truly

consumer grade, combining innovative tools with an intuitive transactional system to facilitate informed decisions about retirement savings. The entire journey is a personal one, unique to each and every member, using tried and tested technology and experienced online, through any device.

The experience is based around the award-winning ageOmeter, which calculates a personal 'LifeSight Age' – the age at which a member can afford to retire, based on their savings decisions and anticipated income needs.

The ageOmeter allows members to add in other pension savings and assets (e.g. ISAs, cash, property) they plan to use for funding retirement. LifeSight's modelling tools can account for the member making creative plans e.g. using DC savings to bridge an income gap until a defined benefit (DB) pension commences.

High member engagement levels are achieved through an experience that is consistent with the interactions they have with other online transactional websites and applications they use, both financial and non-financial. Our personalised communication strategy nudges members to login when they need to and we employ gamification techniques, such as a progress tracker, to highlight the activity the member needs to take to benefit most from their LifeSight Account. Meanwhile employers can monitor member activity at a scheme level online.

#### **Governance**

Employers and trustees considering master trust solutions want confidence they are picking a provider that will be successful, and gives them comfort as to how the scheme is run. One of the ways LifeSight

meets expectations is through the appointment of an independent trustee board. Five individuals have been carefully selected to ensure a broad range of skills and experiences shape the governance of the scheme to the highest standards, the board is chaired by Jane Platt CBE. Employers have access to the trustees and details of the governance undertaken by LifeSight, through regular reporting. Additionally, employer specific management information is also available at all times.

#### **Transition experience**

Appointing a new pension provider is often the start of the hard work rather than the end of the process. A client of LifeSight can be reassured that Willis Towers Watson has a breadth of experience when it comes to pension fund transitions, covering all sizes and complexities. With over 1.75 million members on the administration platform, and some of the largest FTSE100 companies as clients, the onboarding project team are highly experienced in implementing a range of transition options for trustees and corporate clients to ensure costs and risks are minimised or removed.

**Written by David Bird, head of proposition development at LifeSight**



WillisTowersWatson |L|T|W|



## Administration Provider of the Year: JLT Employee Benefits



*The Administration Provider of the Year Award went to JLT Employee Benefits. Receiving the award was Mark Adamson, JLT Employee Benefits (centre). Presenting the award were Theo Andrew, Pensions Age (left) and Matt Forde, host (right).*

High quality administration is a key cog in the smooth running of any pension scheme, and those providers who offer strong administration services to the market are invaluable.

We celebrate those providers who bring excellence and accuracy to this vital role, and this year's winner impressed the judges with an approach that was not only innovative but has improved the industry at its core. Well done JLT Employee Benefits, winner of Administration Provider of the Year.

JLT knows that for a pension scheme, changing administration provider is a big task, and a tough decision for trustees and

sponsors. The administrators vying for the contract have to demonstrate an exceptionally high level of expertise and an understanding of the members of the scheme so they can tailor the service to their needs.

The success story of JLT's appointment as administrator to the Royal National Institute of Blind People (RNIB) Pension Scheme earns its place as a winner. RNIB has a set of essential and challenging accessibility requirements, as many of its former and current employers are blind or partially sighted themselves.

In competing for the contract, JLT was required to meet RNIB's core values with

number one being, 'led by the blind and partially-sighted people'. Others were for people to be collaborative, creative, inclusive and open. In submitting its proposal, JLT adhered to Arial font, size 14 minimum, which was the easy part; the challenge was putting across ideas that are normally shown by images or tables. The team's soft skills were also put to the test when RNIB staff visited JLT.

Once it had won the contract, as well as the actions needed in a conventional transition, JLT had to tailor its work to the particular needs of its new client. This included producing output in a variety of typefaces, font sizes and media, and identifying on its systems which members should receive letters from them in which format. The systems were also configured so that when a task is being prepared for authorisation, the system automatically produces the output in the required format.

In addition, JLT staff were trained in dealing with the contact needs of the blind and partially-sighted, of which RNIB helped with, such as role-play training for JLT team members where they were placed in the same position as a blind person, seeking to interact with them.

As a testament to its success, RNIB group director of resources, Rohan Hewavisenti said the society is "very satisfied" with JLT. "They have collaborated with us very well and have displayed the other RNIB values that we hold dear." Congratulations to JLT Employee Benefits on a richly-deserved win.



22 FEBRUARY 2018

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## Making admin easy for the member – and the trustee!

Pension scheme members are more demanding than ever, expecting immediate service because that's what they get in other aspects of their lives. Trustees need an administration provider they don't need to worry about, at a price they want to pay. Challenging? Challenging!

In the last few years, pension freedoms have driven member activity ever upwards.

Members have new options and they want to see whether those options work for them – the table opposite shows the rise in transfer value quotes JLT has been asked to generate across in the past three calendar years.

This increase in activity cannot just be absorbed by an administrator using traditional methods, particularly at a time when trustees and sponsors are understandably keeping a tight hold on their purse strings.

In a scenario like that, providers need to find new ways of working if they are to survive and prosper. They need to be better and more efficient than in the past, but they also need to keep costs under control. So, how can administration providers tackle that conundrum?

Well, the good news is that there is an administration efficiency continuum from the provider's point of view (see below) which, if achieved, solves that conundrum.

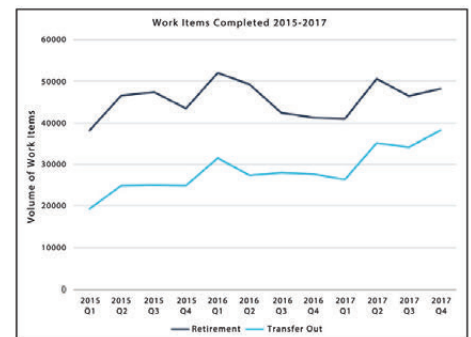
The not so good news is that significant upfront investment is likely to be needed to achieve that continuum. Some providers have been fortunate enough to have been able to make that investment and so the members they look after and the trustees and sponsors they work with have begun to reap the rewards. Others may not be so fortunate.

However, we help by running transfer

value and retirement benefits calculations for every member on a daily basis and displaying them on the web, so members receive the immediate service they want. Members can also run their own calculations online, for example by tapping in a different retirement date. If a member prefers not to use the web, or simply wants to talk to someone, they can phone in and, deploying online data verification to confirm the caller's identity, we use the same technology to provide the data over the phone.

We also work hard to ensure that members understand their retirement options. This is about rising to the responsibility of making clear to members the options they have at retirement, guiding them to the appropriate conclusion or helping them to judge that they need to consult an IFA. Our Pension Decision Service (PDS) has already been used by many thousands of members approaching retirement – and is free of charge! We also send them a retirement pack and offer a guidance call with a Retirement Relationship Manager (RRM).

The RRM helps the member understand their options and consider their financial needs in retirement, taking in to account all the pensions arrangements they have. Of course, some members will benefit from financial advice, so we help them to consider that and explain how they can source it –

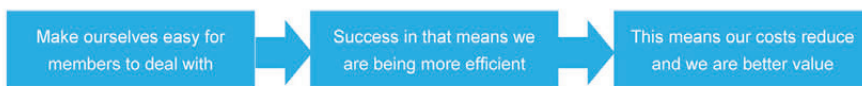


their own IFA, unbiased.co.uk or JLT's own advice team are first ports of call.

Once the member has decided what they want to do, the RRM helps them to complete their option forms and oversees payment of the benefits that JLT looks after. PDS makes retirement more efficient for the member and us – its success has led us to offer it as a standalone service to schemes outside our administration portfolio (with a modest cost attached).

Finally, a big thank you to Pensions Age and the judges. It is great to see excellence in our industry celebrated and JLT feels honoured and privileged to be part of that.

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# A PENSIONS *Age* AWARDS 2018

the  
people's  
pension

## Master Trust Offering of the Year: The People's Pension



*The Master Trust Offering of the Year Award went to The People's Pension. Receiving the award was Darren Philp, The People's Pension (centre). Presenting the award were Laura Blows, Pensions Age (left) and Matt Forde, host (right).*

Master trusts have taken the UK market by storm, as pension funds continue to look for ways to control their costs without compromising on quality and governance. The Pensions Age Master Trust Offering of the Year award looks at who is ahead of the game in this space, deciding that The People's Pension is truly deserving of this accolade this year.

The judges highlighted that this firm has “demonstrated excellence, innovation and a strong commitment to the market”.

In July 2017 the master trust announced the enrolment of its three millionth member and has assisted over 70,000 employers with their pension obligations, totalling £2.4 billion in pension contributions since its launch.

The master trust has excelled in maintaining transparency in its communications with members. Prior to the Department for Work and Pensions' call for disclosure of transaction costs, TPP, along with its main asset manager State Street Global Advisors, have worked to provide a full breakdown of the schemes' transaction costs. TPP published both explicit and implicit transaction costs and prides itself on being one of the first schemes for doing so at this level of detail.

To achieve greater excellence in its communications, TPP is now a corporate member of the Plain Language Commission and has highlighted that it is “extremely pleased” that some of its member and

employer facing publications have achieved the Clear English Standard accreditation.

Furthermore, TPP was ahead of its peers in becoming one of the first auto-enrolment schemes open to all employers to pass the second level of voluntary master trust assurance in 2016.

It is clear that the organisation has consistently delivered high-quality support to its members. In October 2017, TPP was in the top ten for Best Overall Customer Service in the Top 50 Companies for Customer Service list. A further 91 per cent of employer customers surveyed by IFF Research between July 2016 and March 2017 were satisfied with TPP's overall customer service and 94 per cent of intermediaries surveyed in the same period were satisfied overall with the scheme's customer service.

TPP has also exceeded its duties to ensure its members can achieve the best possible outcomes in retirement through additional advice offerings. The scheme partnered with LV= to offer its Retirement Wizard service to members and stands as the only provider in the space offering a guidance service at present.

Adding to its successes, TPP has been awarded a five-star rating by independent financial researcher Defaqto, as well as an Investors in People Gold until 2019 and has featured on the *Sunday Times* Top 100 not-for-profit companies to work for.

Congratulations to this scheme for its continued efforts in the master trust space and for proving that it is a market-leading winner.



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the  
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# **SAVE THE DATE**

**28 February 2019**

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