Paul Black, Pi Partnership professional trustee

Matt Richards, Pension Insurance Corporation (PIC) head of origination structuring

Nikhil Patel, Howden (Barnett Waddingham) head of bulk annuities

Best foot forward

Pensions Age **sits down with Paul Black, professional trustee at Pi Partnership, and chair of the Dr. Martens Airwair Group Pension Plan, to discuss the scheme's buy-in with PIC trustees, along with Matt Richards, PIC's representative on the transaction, and Nikhil Patel, representative of the scheme's risk transfer consultant, Howden (Barnett Waddingham)**

Could you start by telling us about the Dr. Martens Airwair Group Pension Plan?

Paul Black: Dr. Martens is an iconic British footwear brand best known for its 1460 boot, first produced on 1 April 1960. Originally worn by workers for its comfort and durability, the brand was later adopted by musicians and subcultures, becoming a global symbol of individuality and self-expression. Over six decades later, Dr. Martens operates in more than 60 countries and employs around 3,600 people. Every Dr. Martens product reflects craftsmanship, heritage, timeless style, comfort, and versatility. Having transcended generations, the brand stays as relevant today as it was at its inception.

The Dr. Martens Airwair Group Pension Plan is the group's UK occupational pension scheme. Historically, it included both defined benefit (DB) and defined contribution (DC) sections, with trustee governance and external advisers overseeing investment and funding arrangements.

Pi Partnership became the professional trustee in 2006, and later chair of the trustees. During that period, the plan has evolved from an open DB scheme through closure to accrual, setting up a DC section – which was transferred to a master trust – and more recently to the buy-in project. The professional trustee helped guide the board through the various stages, while keeping member interests at the heart of decision-making. This led to the plan being in a strong financial position, which made buy-in a possibility without any additional employer funding.

Could you explain the intricacies of the deal, including the number of pension members/deferred members involved?

Black: The transaction covered 278 pensioners and 176 deferred members and included some unusual benefits, such as early retirement, late retirement and commutation factor underpinnings, which, with PIC's flexible approach, were able to be insured.

Nikhil Patel: The transaction also involved a more complex DC arrangement, which Dr. Martens held with an external master trust, but despite intricacies, PIC were able to ensure that all members' valuable benefits would still be protected.

What were the main objectives of the transaction and what has been achieved?

Black: The trustees' main objective was to de-risk our scheme, secure attractive pricing, put in place high-quality administration services for its members over the long term, and retain the valuable benefits its members truly valued. From the trustees' and sponsor's perspective, the key objectives were to complete a buy-in transaction by 31 March 2026 (the end of the company's financial year), to run a competitive process with multiple insurers and to transact with an insurer who could deliver on the trustees' objectives. This included: suitable pricing – competitive relative to adviser estimates and affordable within the plan's assets, materially able to provide the plan's benefits – noting complex benefits such as a DC switchback mechanism and fixed actuarial factors, and high-quality administration services – giving the trustees and employer confidence that members would be well looked after for the long term.

Matt Richards: Through transacting with us at PIC, the scheme was able to secure these aims and provide long-term security for the plan's pensioner and deferred members, while seeing members' benefits protected. And to top it all, feeling comforted that the scheme's members would receive strong ongoing support through PIC's customer-first focused approach.

Why did Dr. Martens Airwair Group Pension Plan choose PIC for this transaction and how was the selection process carried out?

Black: The trustees selected PIC because it was the insurer that not only matched but exceeded expectations. The offer also closely aligned with the key objectives for the transaction: providing long-term security for current and future policyholders, delivering high-quality administration and member support, offering attractive pricing, and ensuring that members' valued benefits were retained, despite some complexities that were a part of the deal. PIC's customer-focused mindset, flexible approach and strong track record in supporting members over the long term were important factors in the decision to transact with them as the chosen insurer.

Richards: The selection process was carried out through a two-stage insurer feedback process, with consultant Howden initially approaching us as insurers that it felt could meet the trustees' objectives. The start of the process saw Howden set out the specific project background and requirements, including a focus on administration standards and the flexibility around transition timescales to support the completion of guaranteed minimum pension (GMP) rectification and equalisation. A subset of insurers was then invited to provide firm pricing, with PIC ultimately chosen because it could meet the trustees' priorities and delivered a strong overall outcome for members. It was the standout insurer during the process because of how well it could work with all parties to ensure the right outcome for members.

How long did the process take from start to finish?

Black: The two-step approach agreed between trustees and consultant in advance of the request for quotation (RFQ) helped streamline the process, improve efficiency and keep member outcomes at the forefront throughout. From when the trustees appointed Howden as the consultant, the transaction was completed within 12 months, though this is only the beginning of the journey. Work now progresses on data cleansing, GMP rectification and equalisation, and discussions continue for next phases. Once the trustees appointed the consultant, it was a quick and efficient process. Howden then reached out to insurers in April 2025, with the RFQ received on 5 September 2025.

Richards: After a quick, smooth and timely process, PIC was appointed to take on the scheme from 1 December 2025, meaning the transaction was completed in under three months from receipt of the RFQ.

Which other parties were involved in the transaction and what support did they provide?

Black: The scheme's DB assets have been managed under a fiduciary arrangement with Schroders Solutions, while actuarial and administration support was provided by XPS Pensions Group. Baker McKenzie provides legal advice to the trustees.

Patel: Howden was appointed by the trustees as the risk transfer consultant (i.e. project manager and broker of the buy-in transaction) at the start of 2025. Through the long-standing relationship with the employer, Howden developed knowledge of the plan. However, as they didn't provide services to the trustees, they could still provide a fresh perspective when taking the trustees and employer through the buy-in process. The professional trustee chair helped the board ensure oversight of all parties involved to keep them focused on the objectives of the transaction.

What would you say to trustees embarking on a similar transaction?

Richards: Preparation is key for trustees embarking on a similar transaction. In this case, the trustees and advisers were well prepared, with many of the finer details considered and addressed before the process formally began with engaging insurers.

Patel: The knowledge and guidance from the Pi Partnership professional trustee ensured that all key areas were covered in the preparation stage. Having that groundwork in place helped ensure a seamless transaction, enabled quicker and more confident decision-making, and made it easier for insurers to respond effectively at the RFQ stage. It also meant all parties could focus on delivering the right outcome for members, rather than resolving avoidable issues during the process.

Written by Paige Perrin