

Member Focus

Our annual look at the performance of the Pension Protection Fund

Pension
Protection
Fund

March 2017



In this issue we shine the spotlight on **Member Services**.

Image: The contact centre team with manager Trevor Davis keep our members smiling.

"We'll be here for as long as you need us"

Alan Rubenstein, Chief Executive

It's now over 11 years since the PPF was set up to make sure that people like you have security in retirement after the company standing behind their pension scheme became insolvent.

In that time we've grown from having no assets at all to over £23 billion of investments, so we're prepared to take on more members if needed and face whatever the future brings. We'll keep paying compensation to you and members of other pension schemes for as long as we're needed.

The PPF has been in the papers a lot in the last year. There's been much discussion about particular company pension schemes and the future of the defined benefit pension system, both in the media and in Parliament. The value of the safety net the PPF provides has been recognised in the debate. Before we existed some pension scheme members



might have been left with nothing so it is good news we are there to protect members when they need us.

The wider economic and political environment, including the vote on Brexit, has presented uncertainty. However, our award-winning investment strategy has low reliance on equities and is well risk-managed to give protection against volatile markets. Our modelling predicts that we'll achieve financial self-sufficiency in 93 per cent of scenarios – up from 88 per cent the previous year. Our funding strategy is on track and we're in a strong position to weather any storms.

But we're not an organisation that rests on its laurels. We're continually looking for ways to improve, which is why we brought our member services in-house in 2015. We now manage the administration of your compensation right here at the PPF. We pay you directly, and when you call us you'll speak to a PPF employee here in Croydon. This was a real step-change for us, but over a year on it seems to be working well, with very encouraging feedback from members like you.

In 2016 we went further, bringing part of our investment management in-house, to give us greater control over our investments. Developing in this way means we can keep providing the best service we can and give security to you and all our members for decades to come.

We hope you enjoy reading this issue of Member Focus.

Alan Rubenstein

"The PPF is a safety net and we're proud to be protecting people's futures."

Elaine Wiscombe, Head of Member Services

Every day I come into the PPF I am acutely aware of the importance of what we do. My dad worked for Mirror Group newspapers so I saw first-hand the shock and disappointment caused when people find out they might lose their pensions. It was the first time I realised pension schemes could go wrong. Having worked in the pension industry for nearly 30 years, I was really happy when a role that I could do came up at the PPF - it was my dream job in so many different ways and I was delighted to be appointed. Before the PPF was created, people who worked for companies like Mirror Group Newspapers could have lost everything. We're here to make sure that never happens again and people receive at least 90% of the pension they would have received had their employer not gone bust. It's easy to forget that if the PPF didn't exist there are people who could end up receiving nothing when they retire. The PPF is a safety net and we're proud to be protecting people's futures. And I am so very proud to be a part of that!



Occasionally, however, things do go wrong. In December, our usual monthly payment to our pensioner members was delayed for many people by a day. We are very sorry about this and have taken action to make sure that this will not happen again.

An event like this is extremely rare, but when it does happen we know the impact this can have on people's lives, so we go back to the values that drive the PPF. One of the five core values we live by as an organisation is accountability, so if something goes wrong we take ownership and try to put things right as quickly as we can.

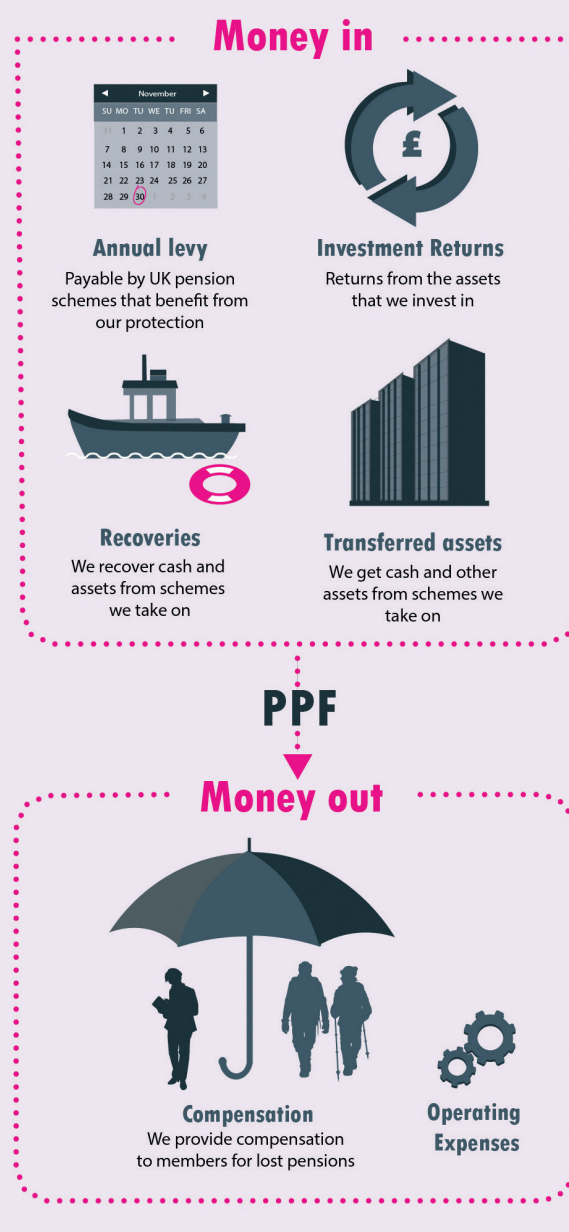
Following the payment delay we tried to think of what we could do to help people where the delay caused particular problems. For me personally, looking after our members means putting myself in their shoes. All of my team will listen carefully to members every time they contact us to best understand their enquiry because our members are individuals, each with unique circumstances, who will sometimes need a bespoke solution. That is what we aimed to offer when the payment was delayed.

The emphasis on respect for all of our members extends across the organisation. Since bringing Member Services in-house, our administration teams have been working hard behind the scenes to make sure your queries are dealt with as efficiently and thoroughly as possible. In most cases members should expect a response to be sent within five working days.

Everybody we recruit to the administration teams comes with a wealth of experience. However, the rules governing the compensation paid by the PPF are unique, so there is still a lot to learn on joining us. The most important thing though is that our team members are committed to outstanding customer service, and we hope that's what you experience each and every time you contact us.

How the PPF works

The PPF is not tax-payer funded. Below are the four ways we get the money we need to pay compensation to our members.



"We want our members to have the very best customer experience"

Trevor Davis, Contact Centre Manager

As the PPF grows, we continue to take steps to make sure our customer experience grows with us. As members of the Institute of Customer Service (ICS) we're able to access practical solutions to help us raise standards across the PPF. Trevor Davis, Contact Centre Manager, describes our recent achievements:



"We're delighted that we've made the shortlist for the ICS Best Customer Experience Award this year. We'll keep speaking to our members and working with the ICS throughout the year to look at how we can maintain a high level of service."

Highly trained team

The contact centre team at the PPF have access to your entire member record which enables them to handle most queries straight away. This includes providing retirement illustrations over the phone, updating personal information and guiding you through the website registration process. Very few calls need to be referred to a pensions expert.

"This sets us apart from a lot of other organisations where the contact centre may only be able to do very basic information changes. Our contact centre is a one-stop shop for a range of enquiries," says Trevor. The contact centre team, including those who play the important role of indexing your letters and emails to the correct member record, receive intensive training before they begin their role and walk away from the training with an ICS accredited qualification.

Helpful reminders

We can only communicate with you if we have your correct contact details. So be aware that we may ask you for an up-to-date phone number and email address next time you call us. When you write to us, it is important to include as much information about yourself as possible in your letter or email because we'll need to identify you before we can move your enquiry forward. The same applies when you contact us by phone, as Trevor explains:

"When you call us, please make sure you have all of the relevant information to hand, including your National Insurance number. We perform security checks over the phone before we can deal with your enquiry, to make sure we keep your personal information safe. Having the correct information to hand allows us to help you more quickly."

The PPF receives instructions from HMRC, which sets tax codes for each individual. These codes from HMRC determine how much tax you'll pay on your compensation. "If you have a tax-related question, HMRC should be your first port of call," says Trevor. We'll send out your annual P60 by the 31 May 2017. Contact details for HMRC can be found on the back cover of this newsletter.

We're listening

When you call us you'll be asked to complete a short customer satisfaction survey at the end of your call. Trevor explains why it's important to take part: "We rely on your feedback to keep improving our service. We listen to each and every one of the comments you leave us and take note, whether the feedback is positive or highlights ways we can improve. The survey only takes two minutes to complete and feedback left for particular individuals is always passed on. This really helps to motivate our team – they love receiving positive comments about the service they've provided."

A final tip from Trevor: "When there is something important that we want to communicate to our members we will add a message to our phones so you'll hear it as soon as you call us. We also put important messages on the member website so I'd encourage you to register if you haven't already."

5 Reasons to register online today

- ✓ Update your personal details easily and quickly.
- ✓ Find out how much money you'll be entitled to when you retire.
- ✓ View your monthly payslips and P60s online.
- ✓ Read the latest articles and news items from the PPF.
- ✓ From spring 2017, you can contact us quickly using our secure messaging feature.

Visit www.ppfmembers.org.uk/PPF to register now!

Samantha
Team Alpha

Angela
Payments Team

Dan
Team Delta

Carl
Transfers Team

Tell us about your team and how they look after our members...

We look after our members by answering general enquires and investigating complex cases which are referred to us by the contact centre. When a member wants to retire we process their paperwork and put them into payment.

What is your favourite thing about working at the PPF?

I enjoy the atmosphere at the PPF and how everyone gets along. It's great how well we can all pull together when things get challenging.

How many payments do you process each month?

The payments team process over 127,000 compensation payments per month. In addition we make approximately 40 daily payments to members, usually as a result of new members starting their retirement.

What is your favourite thing about working at the PPF?

I like working for an organisation that exists to help people and to reassure them that they will get compensation for the pension that they've built up over the years.

Tell us about Team Delta...

Our objective is to pay surviving spouses or child beneficiaries the right amount at the right time. As a team, we know that some of our members have suffered a bereavement and are going through a very difficult time, however, we do all that we can to make the 'next step' as easy as possible.

What is your favourite thing about working at the PPF?

It may be said about a number of organisations, but the Pension Protection Fund is truly unique and our people really put each other first.

How many new schemes do you welcome each year?

On average we welcome 35 new schemes each year and 18,000 new members. I make sure that we receive all the data needed to guarantee that members joining the PPF have a seamless transition.

What is your favourite thing about working at the PPF?

This is the first time I've worked in an organisation where everybody pulls in the same direction to make sure we do the very best for our members.

Security in a Changing World

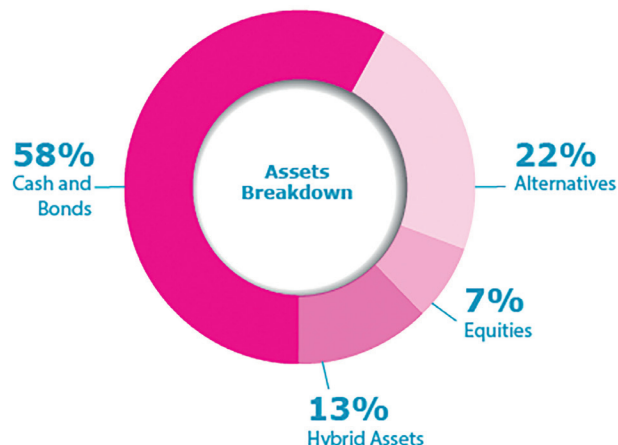
The past 12 months have, once again, demonstrated the benefits of holding a large diversified portfolio. As we watch and read about momentous events such as Brexit and the US presidential election it is easy to feel uncertain about the future. However, our aim is to make sure that that we have sufficient funds to compensate all our members at PPF levels for as long as necessary.

Despite the uncertainties, our investment performance remains strong. Since creation in 2005 our investment strategy has become highly sophisticated with assets of £23.4 billion. Over the past three years our returns have exceeded those required to pay compensation by 2.4% per annum, helping us to build a buffer to take on other schemes in future.

As well as holding conventional assets such as bonds

and equities, the PPF is increasingly recognised for its large portfolio of 'alternative' assets such as the London Gateway port at Tilbury.

This forward-thinking approach stands us in good stead to face the future.



Keep your details up to date with our member website

One of the perks of being a PPF member is exclusive access to our secure member website – find out why you should be logging on.

We understand that people don't choose to become PPF members, that's why we want to offer you as much choice as possible when it comes to managing your relationship with us online. If you've moved house or changed your bank, the PPF member website offers you a straightforward way to update your personal details at the click of a button. Once you've registered, you can select 'My Details' from the top navigation menu. This page will show a summary of your personal information, including your former scheme, allowing you to see at a glance if anything is incorrect or missing.

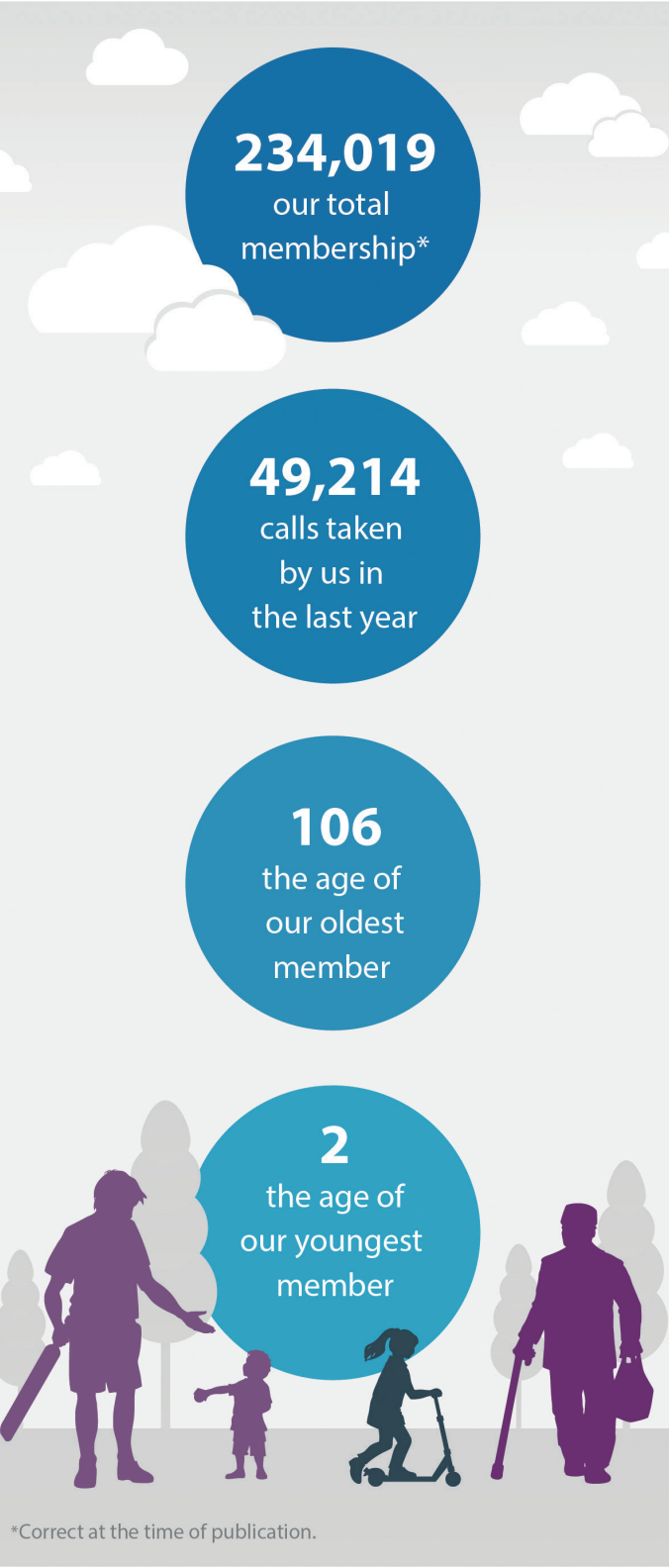
If you haven't retired yet, our benefit modeller tool allows you to get an estimate of what your compensation might look like at different retirement ages. The benefit modeller not only shows results for your normal retirement age, but can give you a view of the payments you could expect if you choose to take early or late retirement. You may also have the option to exchange part of your compensation for a one-off lump sum. If you have this option, the modeller allows you to select a percentage of your compensation to be converted to a lump sum, and to see the impact on your monthly payments.

If you've already retired, the website allows you to view your payslips and P60s.



Before you log out of the website, you'll have an opportunity to complete our customer satisfaction survey. We listen to all the feedback that you leave us and use it to improve the member website. Our ambition is to provide you with a simple-to-navigate site that makes your retirement easy to manage and enjoy.

Member Services in Numbers



2017 Compensation Increases

The amount of compensation we pay and how we increase it is set by law. For 2017 the increases we paid in January were set at 0.3 per cent.

Once in payment, the part of your compensation that is derived from pensionable service on or after 6 April 1997 is likely to increase annually.

The annual increase is set in line with the Consumer Prices Index (CPI) over a fixed period. In the year to May 2016 the CPI rose by 0.3 per cent, and this is the figure we are required to use.

You'll have had a proportionate increase if you've been receiving compensation from us for less than 12 months. All eligible members will have already received their 2017 increase.

Who are Target Professional Services?

Target Professional Services help us fulfil our legal obligations to maintain accurate data about our members.

We are committed to keeping all PPF members informed

about their compensation and to paying the right people at the right time. That's why we work with Target Professional Services to make sure the data we hold is accurate and up to date. Target is a private company which specialise in finding and verifying personal details on behalf of pension schemes. We provide Target with certain information so they can perform searches as we have a legal obligation to check that the details we have are correct and current.



Target has a legally binding contract with us which states that they cannot share any data we provide to them. The important information collected by Target is for no other purpose than to pass on to the PPF.

If you receive a letter from Target asking you to confirm your details, don't feel you need to contact us first, please respond as quickly as possible using Target's contact details so that we can make sure you still receive your payments and correspondence from us. As a last resort we may need to suspend payments if we receive no response. Target has a dedicated free phone number to deal with PPF related enquiries. You can call them on 0800 988 1255 or visit www.targetprofessional.co.uk.

Even though we go to great lengths to find the people we need to pay, it is still your responsibility to keep us updated if you change your address. Registering on our member website and making any updates to your personal details online is the easiest way to make sure we have the correct details for you.

Useful Contacts

Department for Work and Pensions

For information about welfare and pensions policy visit www.dwp.gov.uk

Citizens Advice

Offering free and impartial advice to people. To find contact details for your region visit www.citizensadvice.org.uk

The Pensions Advisory Service

For free and impartial guidance about pensions call 0300 123 1047 or visit www.pensionsadvisoryservice.org.uk

HMRC

For questions about your tax code, please contact HMRC on 0300 200 3300 or write to: Pay As You Earn, PO Box 1970, Liverpool L75 1WX

Want to find out more?

The full Annual Report and Accounts for 2015/16 is available on our website at www.pensionprotectionfund.org.uk



We're online!


If you've enjoyed this issue of Member Focus then register at www.ppfmembers.co.uk/PPF to view online copies of all previous issues. We welcome feedback about how you'd like to receive this newsletter in the future, so please have your say using our online survey.

Keep in touch

If you have any questions about this newsletter or your PPF compensation, please get in touch.

 **Visit our website:** www.ppfmembers.org.uk/PPF

 **Email us:** ppfmembers@ppf.gsi.gov.uk

 **Call us:** 0330 123 2222

 **Write to us:** Pension Protection Fund, PO Box 254, Wymondham, NR18 8DN