

# Member Focus

Our annual look at the performance of  
The Pension Protection Fund



September 2017

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

It's now over 12 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 more than £28 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 past 18 months. 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 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. As at 31 March 2017,

the PPF's funding ratio had increased to 121.6 per cent. 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 it's 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.

Lastly, after eight hugely successful years with the PPF Alan Rubenstein, our Chief Executive, has decided to seek a fresh challenge and will be leaving in 2018. The Board is extremely grateful to Alan for his excellent leadership of the PPF over the last eight years and wishes him every success in the next phase of his career. As a result of his achievements as Chief Executive, the PPF is in a strong position, well placed to continue to protect the millions of people in the UK who belong to defined benefit pension schemes.

We hope you enjoy reading this issue of Member Focus.

**Sara Protheroe**, Chief Customer Officer

**234,444**  
our total  
membership\*

**97.4%**  
PPF customer  
satisfaction  
score\*

**62**  
schemes  
transferred  
to us last year

\*Figures from July 2017

# “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.

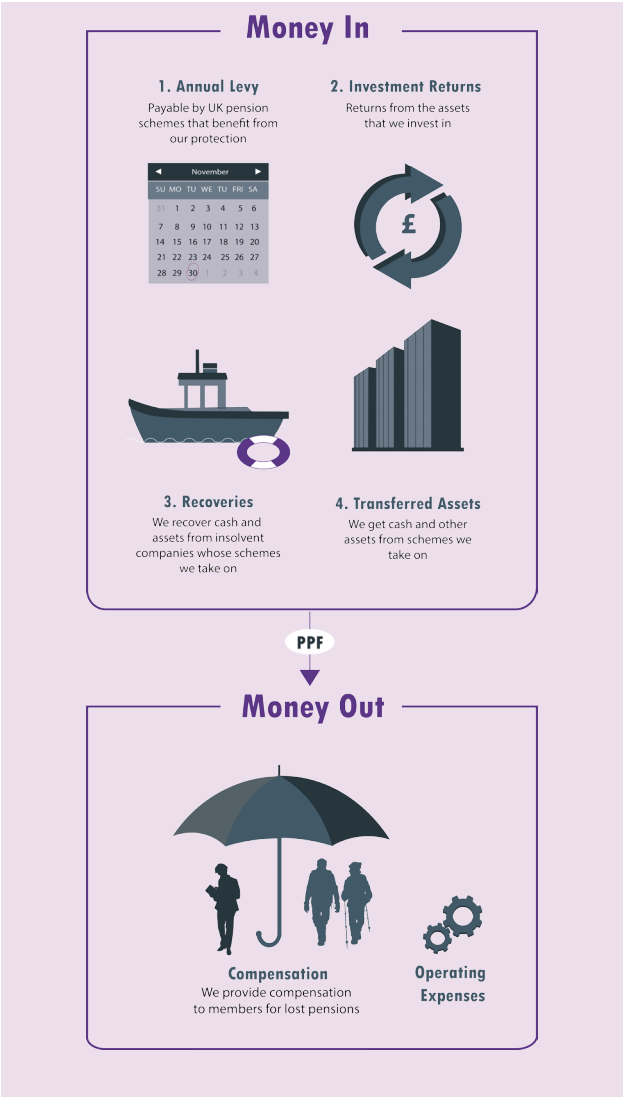


Having worked in the pension industry for nearly 30 years, I was really happy when the right role for me came up at the PPF – it was my dream job in so many different ways and I was delighted to be appointed. Before the PPF was created, people who worked for companies like Mirror Group Newspapers could have lost everything. We’re here to make sure that never happens again and people receive at least 90 per cent of the pension they would have received had their employer not gone bust (subject to an upper limit known as the compensation cap).

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. I am so very proud to be a part of that!

# How the PPF is funded

Below are the four ways we get the money we need to pay compensation to our members.



## Introducing our Executive Committee

Our Executive Committee is responsible for running the PPF and ensures we fulfil our strategic objectives.



**Sara Protheroe**  
Sara is the **Chief Customer Officer**. She was one of the original team of three people setting up the PPF. She oversees the customer service we provide, including the payment of members’ compensation.



**Hans den Boer**  
Hans is the **Chief Risk Officer**. His role is to make sure we understand the risks we face and are managing them where possible. His team uses financial modelling to look into the future and seek to understand our financial position in the decades to come.



**Katherine Easter**  
Katherine is the **Chief People Officer**. She makes sure the PPF can attract and retain the right people. She also has responsibility for the Corporate Affairs team, which ensures that people inside and outside the PPF are kept well informed.



**Alan Rubenstein**  
Alan Rubenstein is the PPF’s **Chief Executive**. He is in charge of the day-to-day running of the PPF. He oversees the development, direction and management of the organisation.



**Andrew McKinnon**  
Andy is the **Chief Financial Officer**. Having responsibility for the PPF’s finances, he makes sure we use our resources effectively. He oversees many of the important functions, like IT, which keep the PPF on track.



**Barry Kenneth**  
Barry is the **Chief Investment Officer**. He is responsible for setting our investment strategy and investing our assets in line with it. This is to make sure we have enough money to pay compensation to members for as long as needed.



**David Taylor**  
David is the PPF’s **General Counsel**. He looks after strategy and policy, oversees the PPF levy and has ultimate responsibility for the PPF’s legal affairs.

# “We want our members to have the very best customer experience”

## Award Winners

As the PPF grows, we continue to take steps to make sure our customer experience grows with us. **Contact Centre Manager Trevor Davis** describes our recent achievements:



“We’re delighted to say that the PPF took home the award for Best Customer Experience at the UK Customer Satisfaction Awards in March. We are particularly proud of this recognition of the service we’ve worked hard to provide since bringing member services in-house in 2015.” The award recognises the hard work of those involved in making our aspirations to deliver exceptional customer service a reality every day.



Part of our success is owed to the intensive training our contact centre staff receive before they take their first phone call. “Their knowledge and ability to provide retirement illustrations and forecasts over the phone, sets us apart from a lot of other organisations where the contact centre may only be able to do very basic information changes.” says Trevor.



**The smiling faces of our Contact Centre Team with manager Trevor Davis.**

## 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.”

## Trevor’s Helpful Tips

**Following these six tips from Trevor will help us provide you with the best service possible and save you time too!**

- ✔ It is important that we have the correct contact details to communicate with you, that’s why we’ll ask you for an up-to-date phone number and email address next time you call us.
- ✔ When you write to us, it’s important to include key information about yourself in your letter or email (full name, address, date of birth and National Insurance number) because we’ll need to confirm who we’re dealing with before we can move your enquiry forward.
- ✔ When you call us, we’ll need the same key information to identify you. Having this to hand will allow us to help you more quickly.
- ✔ The PPF receives instructions from HMRC, which sets tax codes for each individual. These codes 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. You can find contact details on the back cover of this newsletter.
- ✔ Monday and Friday are our busiest days on the phones. Try calling mid-week after 10am if you can.
- ✔ When there is something important that we want to communicate to you, 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.

If you’d like further information on our privacy policy please visit:

**[www.ppfmembers.org.uk/PrivacyPolicy](http://www.ppfmembers.org.uk/PrivacyPolicy)**



## Meet the faces behind the scenes

**Samantha**  
Admin Team

**Angela**  
Payments Team

**Dan**  
Admin Team

**Carl**  
Transfers Team

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

We look after members by answering general enquiries 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 your team...

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?

The Pension Protection Fund is truly unique and everyone puts 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.

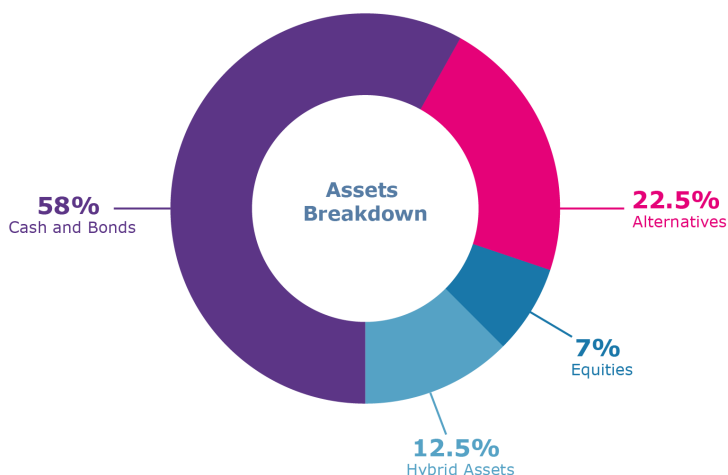
## Security in a Changing World

The past year has, once again, demonstrated the benefits of holding a large diversified portfolio. As we watch and read about momentous events in the world around us it is easy to feel uncertain about the future. However, our objective is to make sure 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 and we've grown our assets to £28.7 billion. Over the past three years our returns have exceeded the amount required to pay compensation by 3.3 per cent 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.



# Get online with our exclusive member website

One of the perks of being a PPF member is exclusive access to our secure member website. Here are five reasons why you should be logging-on.

## 1. Update your details

If you've moved house or changed your bank, the PPF member website gives you a straightforward way to update your personal details at the click of a button. Once you've registered, select 'My Details' from the top menu to see a summary of your personal information, including your former scheme. From here you can change anything you notice is missing or incorrect. Holding the correct information is crucially important for us to pay the right people the right amount at the right time.

## 2. Model your future

If you haven't retired yet, our benefit modeller tool gives you an estimate of what your compensation might look like at different retirement ages.

**“The modeller is clear and easy to use” - Colin, Bradford, PPF web user**

Using the modeller, you can see the payments you could expect to receive 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 benefit modeller allows you to select a percentage of your compensation to be converted to a lump sum, and see the impact on your monthly payments. You can also add the different scenarios you've modelled to a comparison table and print a copy or save it to your computer.

## 3. Get in touch at the click of a button

If you're pressed for time, live abroad or just prefer communicating with us outside of office hours then you'll be pleased to hear about our new secure mailbox tool. Using secure mailbox you can send us a direct message anytime and we'll get back to you within 48 hours. You'll find the secure mailbox in the 'Communications' tab in the main menu. If you're waiting for a reply, keep an eye out for an alert on the welcome page telling you there's a new message in your inbox ready to read.

## 4. Keep track of payments

If you've already retired, the PPF member website allows you to view your payslips and P60s and print these documents from home or save them as PDFs to your computer.

## 5. Give us your feedback

We understand that people don't choose to become PPF members, so we want to offer you as much choice as possible when it comes to managing your relationship with us online. Before you log-out of the website, you'll have an opportunity to complete our customer satisfaction survey. We listen to all the feedback 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.

Visit [www.ppfmembers.org.uk/ppf](http://www.ppfmembers.org.uk/ppf)

It only takes two minutes to register. Once you're registered, you can log-on anytime to keep up-to-date with your PPF compensation!

The screenshots illustrate the user interface of the PPF member website. The first screenshot shows the 'Welcome to the PPF member website' page, featuring a navigation menu with 'Home', 'My Details', 'My Choices', 'My Compensation', and 'Communications'. Below the menu is a large photo of a family and a 'Welcome to the PPF member website' message. The second screenshot shows the 'Benefit Modeller' tool, which allows users to select their retirement age and the percentage of compensation they want to convert to a lump sum. It displays the resulting annual income and lump sum amounts. The third screenshot shows the 'Communications' tab, which includes a family photo and links to download booklets such as 'Welcome to the Pension Protection Fund', 'When you retire', 'How we deal with your complaints and concerns', and 'Terminal Ill Health Benefits'.



## 2018 Compensation Increases

The amount of compensation we pay and how we increase it is set by law. The increase to be paid in January 2018 on eligible compensation is set at 2.5 per cent.

Once you start receiving payments from the PPF, the part of your compensation relating to pensionable service on or after 6 April 1997 will increase in line with inflation each year on 1 January. Payments relating to service before that date will not increase.

The increase we pay relates to the increase in the Consumer Prices Index (CPI) over the 12 months to 31 May in the previous year, up to a maximum of 2.5 per cent. As the increase in the CPI was 2.9 per cent over the 12 months to 31 May 2017, the 2018 compensation increase will be 2.5 per cent.


You'll get a proportionate increase if you have been receiving compensation from us for under 12 months. All eligible members will receive their 2018 increase in January 2018.

### Keep in touch

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

 Visit our website:  
[www.ppfmembers.org.uk/ppf](http://www.ppfmembers.org.uk/ppf)

 Email us: [ppfmembers@ppf.gsi.gov.uk](mailto:ppfmembers@ppf.gsi.gov.uk)

 Call us: 0330 123 2222

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

### Want to find out more?

The full Annual Report and Accounts for 2016/17 is available on our website at [www.pensionprotectionfund.org.uk](http://www.pensionprotectionfund.org.uk)



### We're online!

If you've enjoyed this issue of Member Focus then register at [www.ppfmembers.org.uk/ppf](http://www.ppfmembers.org.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.

## Who are Target Professional Services?

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



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 specialises 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 Target collects 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](http://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. Making any updates to your personal details online is the easiest way to make sure we have the correct details for you so please register on our member website at [www.ppfmembers.org.uk/ppf](http://www.ppfmembers.org.uk/ppf)

### Useful Contacts

#### Department for Work and Pensions

For information about welfare and pensions policy visit [www.dwp.gov.uk](http://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](http://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](http://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