



Retirement Solutions

# Annual Review 2019/20



# About TPT

TPT is one of the leading workplace pension funds in the UK, and the largest not-for-profit Master Trust in the consolidation market, offering both defined benefit (DB) and defined contribution (DC) schemes.

We have no shareholders and are run purely for the benefit of our members. Any surplus is reinvested back into the business. This way of working, and our combined size and strength – now with £13 billion of assets under management – allows us to achieve economies of scale that create positive results for our members and employers.



74 YEARS' EXPERIENCE



381,000 + MEMBERS



£13BN OF ASSETS UNDER MANAGEMENT



SERVING OVER 2,600 EMPLOYERS



AUTHORISED DC MASTER TRUST



COMMITTED TO RESPONSIBLE INVESTMENT

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Our priority is supporting our members and employers by providing excellent service and value.

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# A word from our Chair



It's hard to compare the last year to others, as it has been so heavily dominated by COVID-19. Its arrival in the UK, followed by the start of the first lockdown on 23 March 2020, has undoubtedly challenged every organisation.

I'm very pleased to report that TPT continued to perform well throughout 2019/20. I have seen the teams adapt to completely new circumstances, often regardless of their own, so that they can deliver the service our customers have come to expect. Key projects have progressed and service levels have remained high. I know that TPT has continued to meet its mission of 'making membership worthwhile'.

**"2019 was a landmark year with TPT successfully gaining authorisation from The Pensions Regulator (TPR) to operate as a DC Master Trust".**

## Governance

TPT started the year with a significant new status, as one of The Pensions Regulator's (TPR's) authorised DC Master Trusts. TPT demonstrated, through a rigorous assessment process, that it has the systems and processes in place to provide a valuable service to its members, in particular that it:

- is financially sustainable;
- is being run by the right people;
- is being managed and governed using the right standard of systems and processes; and
- has contingency plans in place should anything go wrong.

TPT is one of only 36 schemes to have received authorisation. We're providing TPR with the information it needs and, to ensure that we continue to meet ongoing requirements, we'll complete our first supervisory return later in 2021.

Like many DB pension schemes, TPT is also preparing to equalise guaranteed minimum pensions (GMP) following 2018's High Court ruling. The Trustee is reviewing the impact of the ruling and we will share more details of our proposed approach with employers as soon as we can.

Similarly, the Trustee will be assessing the market position and impact of the Retail Prices Index (RPI) reform on the funding position of our schemes. TPT submitted a response to the consultation, which closed in August 2020, and has outlined the potential impacts to employers.

We also expect to learn more about the new DB funding code, following delays due to the pandemic and Brexit. It is clear that TPR is seeking to improve risk management by trustees, and increase resilience in the industry. As TPT is already applying many of TPR's best practice approaches, we are well placed to support employers and protect members' benefits under the new regime.



## Member engagement

TPT's member base, and the proportion of DC members within it, has grown exponentially as a result of auto-enrolment and the increasing appeal of DC to employers. While DC pensions allow members to be more involved in the way their savings are managed, it also requires more from us as a provider. We have an obligation and a desire to support our members so that they make informed decisions, with the aim of providing them with the income they need in later life.

In response to this, TPT launched a three-year DC member engagement programme in 2019/20. DC members now have a new, mobile-friendly website that supports them at different life stages, and enhanced materials that make the pension planning process simpler and more appealing. The programme is on track and you can find out more on page 20.

TPT's DB members have benefited from continued investment in their self-serve hub, DB Online. They can now request more information online, and receive certain documents such as benefit statements and retirement quotes, within seconds. It has been redesigned to make it easier to navigate, and – for members who prefer a more traditional approach – our successful call coaching has been rolled out to more teams so that the service better meets the needs of our members. Find out more on page 20 and 21.

## COVID-19

The pandemic may last for some time, but we know from our experience to date that our teams have the flexibility and commitment to maintain 'business as usual' and plan for the future.

TPT's diverse investment portfolio protected assets from the worst financial extremes and the team, working with its underlying investment managers, was able to spot opportunities for further growth. Monthly satisfaction scores have improved and we've met our regulatory requirements. Our HR team has enabled a smooth move into remote working and introduced numerous initiatives to keep teams close and support staff wellbeing.

In addition to this, the covenant and employer-facing teams have carried out important work to continually monitor the impact of the pandemic on employer finances and their ability to support their pension schemes. This activity has been crucial in assessing the security of member benefits.

## Trustee Board

There has been no change in membership of the Trustee Board during 2019/20. The Board remains nine-strong, with three employer-, three member- and three co-opted directors.

We have found that the move to video meetings has allowed the Board to have shorter, more frequent discussions about certain topics, often resulting in quicker decisions. While we're looking forward to the return of face-to-face meetings, we hope that the added ability to communicate virtually when needed will benefit our members and employers.

## Responsible investment

Responsible investment has always been at the forefront of our investment principles, and is a priority for TPT's Trustee Board. We appreciate the growing role that it will play in the behaviour of financial markets and, in recent years, have engaged in activities to manage its risks and opportunities. We have chosen to engage with communities such as the Paris Aligned Investment Initiative and Climate Action 100+, and to report in line with requirements set by the Task Force on Climate-related Financial Disclosures (TCFD).

Most recently, we have made the significant commitment of achieving a net zero emission portfolio by 2050, as part of the Paris Aligned Asset Owners Group. This aligns us with the government's net zero emissions goal and, alongside other major global asset owners, we will be helping to drive the transition to a low carbon economy.

The steps we have taken, and our experience in this area, stand TPT in good stead to respond to future member, industry and government requirements. As the focus on managing climate change risk and investing in climate solutions continues to grow, we look forward to hearing about further developments from Pensions Minister Guy Opperman and at COP26.

## Looking ahead

I'd like to thank everyone at TPT, and the rest of the Trustee Board, for enabling us to respond to the pandemic in the way we have. Having achieved our plans and shown our resilience over the last year, we are in a strong position to respond to new regulatory requirements, and our members' changing needs, in 2020/21.

**Joanna Matthews**

Chair of the Trustee Board

# Chief Executive's letter



TPT is one of the UK's leading providers of workplace pensions. We now serve over 381,000 members and 2,600 employers, and have assets under management of £13 billion.

Our priority is supporting our members and employers and, when the pandemic hit, our immediate focus was to keep providing a high quality service and real value for money. I'm very pleased to report that, despite the many challenges we faced, our customer satisfaction and performance scores show that we managed to maintain our very high standards. In addition to this, we have been busy building for the future, investing in new tools and improving our digital portals to give customers greater control over how and when they choose to access their information.

"TPT has set the blueprint for the industry, and led the way in DB consolidation. It has demonstrated high levels of investment in both technology and people, resulting in high member and employer satisfaction."

**Judges at the Professional Pensions UK Pensions Awards 2020**

## Supporting customers

The majority of our pension administrators moved to remote working shortly before we entered the first lockdown. Despite adapting to a new way of working, our customer satisfaction scores and service level agreements for the year were maintained or improved.

We continued to act on member feedback, paying particular attention to our online services and the need to meet member expectations in this area. We've made online benefit statements available to every member with an online account, launched a full, dedicated website to support DC members and will shortly offer an animated video benefit statement.

For employers, we've introduced new software to help with recovery plan setting and de-risking plans, underpinning scheme funding and enhancing reporting. Employers also now have access to a new portal where they can view key scheme information such as membership details, investment reports and – through further development – a record of our communications to them.

## Investments

2019/20 undoubtedly created investment challenges across the industry, including heavy sell offs across all markets at the beginning of the pandemic, but we have seen markets largely recover to pre-pandemic levels and, in some cases, go on to reach new highs.

In DB, the team worked carefully to maintain our hedging of liability risk – and help to protect members' benefits against long-term moves in interest rates and inflation. The work done to diversify our investment portfolio meant that its overall funding position was well protected.

In DC, performance of both equities and bonds was hit hard at the start of the pandemic, but both asset classes have since recovered to pre-pandemic levels. Despite the upheaval, our target date fund (TDF) and ethical target date fund (ETDF) performance remains ahead of its long-term return objectives.

2020 membership  
381,759

1946 membership  
3,033

"This unprecedented transparency and control will bring more ease and accuracy to financial year-end reporting and forecasting."

**Judges for the European Pensions Awards 2020.**

## Business strategy

### Consolidation

Our position as a DB consolidator was acknowledged with Professional Pensions' 'DB Master Trust and Consolidator of the Year' Award in 2020 and, while the pace of consolidation slowed during the pandemic, it remains a key focus and opportunity for TPT.

As many businesses emerge from the pandemic, there will be an even greater need for employers to dedicate time to business recovery and reduce scheme costs. Consolidation offers businesses the opportunity to significantly reduce their costs and make more efficient use of their time. It can also put them in a better position to improve funding whilst strengthening scheme governance – both advantages highlighted by TPR and the DWP.

### New services

To help employers make elements of their pension scheme easier to manage, we've continued to develop new services. Our DB accounting service has received positive feedback from employers within the Social Housing Pension Scheme (SHPS) and Scottish Housing Associations' Pension Scheme (SHAPS), and our online DB accounting tool received the Pension Fund Innovation Award at the European Pensions Awards in late 2020.

Given this positive response, we have expanded our accounting services for standalone employers. These employers will be able to choose to request extra insight including quarterly movement reports, interim forecasts and sensitivities information.

### Defined contribution

Our continued investment in our DC product has given members a much-improved suite of communications and online tools. This is an important step to encourage members to take control of their savings and plan more effectively for the future. We hope that the new website, in particular, will provide a comprehensive hub of information for employers to share with their employees should they need support.

Alongside this work, we've also started to build on the insight we continually gather from our members and employers. We'll not only respond to their monthly satisfaction levels and service requests, but look more closely at our member demographics, so that we can be sure we're providing a service that's tailored to a range of needs and circumstances.

## Our team and the community

Our success over the last year wouldn't have been possible without the people within our business. Across the organisation our people have responded heroically to the challenges they have faced. They have adapted to new ways of working and kept

customer experience their top priority, dealing with a multitude of issues and concerns while at the same time maintaining service and satisfaction levels.

We were pleased this year to retain the Investors in People (IIP) Gold status. To achieve this for ten years running is a fantastic achievement and shows our commitment to delivering for our employers and members. Find out more on page 22.

During the pandemic we have also made a concerted effort to keep supporting our local community. We have used small, local businesses where we can, and have continued to donate to causes that matter to our colleagues, such as Simon on the Streets and Forget Me Not Children's Hospice.

## Looking ahead

The need for businesses to invest responsibly is now very clear. It's likely that we will face additional responsibilities, relating to climate change in particular, in the near future. As a business that has always considered responsible investment and proactively engaged in relevant activities, we will be ready to respond to the outcome of major upcoming events such as COP26 in late 2021. You can find out more about our current and future approach to responsible investment on page 14.

We're preparing to launch a PPF levy service in 2021, helping DB employers to more easily manage and, where possible, reduce their scheme's PPF Levy. The service will estimate the levy in advance, allowing us to model and identify ways to reduce employer costs.

We are also preparing for guaranteed minimum pension (GMP) equalisation and working with some of our employers to understand their needs in this area. Our vision is to continually enhance our services and offer more to our employers in one place. By combining their insight with further guidance from HM Revenue and Customs, we'll be ready to build on the level of support we currently provide to our employers.

We celebrate our 75th birthday in 2020/21. In that time, we've grown to become a leading workplace pension provider, continually investing and reinvesting for the benefit of our members and employers. Having been established for social workers and the third sector in 1946, TPT now caters for a much broader audience of employers and serves a larger, more varied base of members. It's a privilege to be trusted to deliver a service that continually meets their needs, and we look forward to celebrating – when we can – with the people who help us to do this.

We always welcome feedback. If you have any comments or suggestions that will help us to provide you with a better service, please send them to [mike-ramsey@tpt.org.uk](mailto:mike-ramsey@tpt.org.uk)

**Mike Ramsey**, Chief Executive, TPT Retirement Solutions

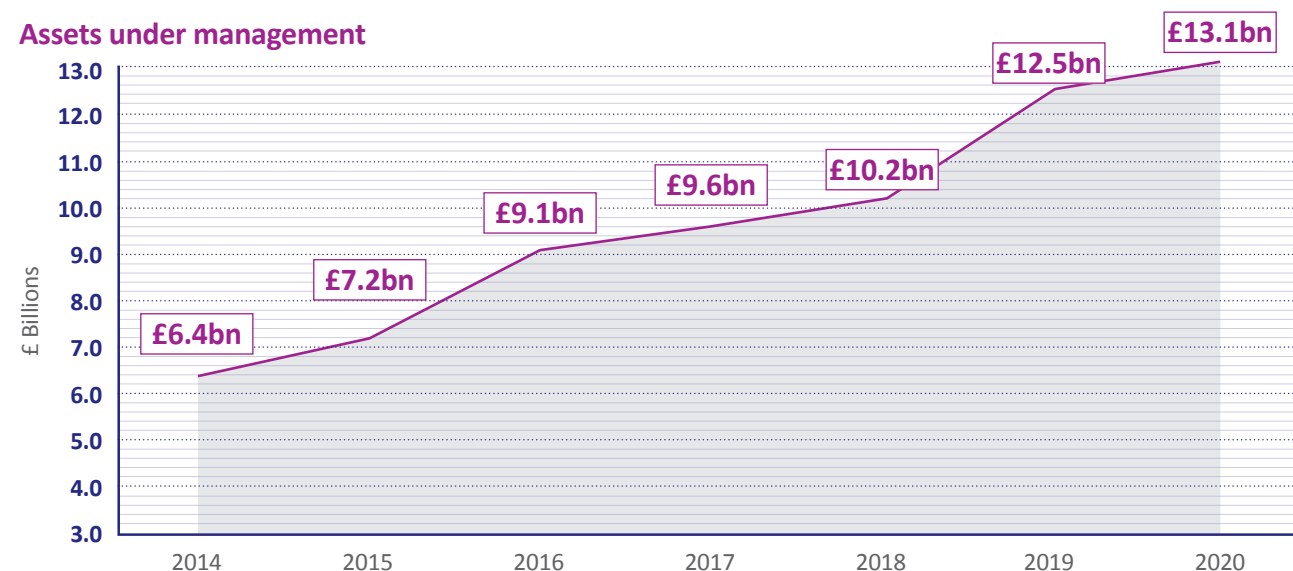


# Financial statements

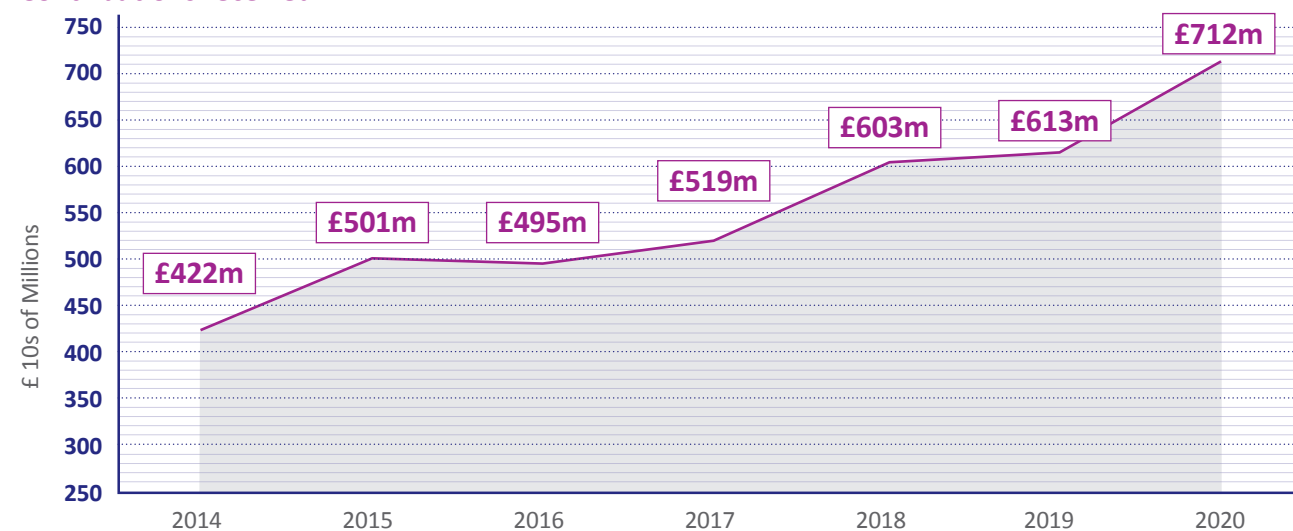
Our performance under the recent market conditions makes 2019/20 another strong year for TPT.

- Combined assets under management continued to grow, increasing by 4.3% to £13.1bn.
- Contributions receivable increased by 16.1%, rising to £712.9m.
- DC contributions increased by £42.5m (15.2%), due to the increases in auto enrolment rates being reflected for a full 12 months, compared to only six months in 2018/19.
- DB contributions have also increased by £56.6m (16.9%), mainly due to an increase in deficit contribution receipts.
- Two new schemes, the National Counties Building Society Pension Scheme and Seabourne Pension Scheme, transferred to TPT.
- Within benefits payable, the pensions payable increased by 7.2% from £192.5m to £206.3m.

## Assets under management



## Contributions received



## Movements in the fund as at 30 September 2020

	Defined Benefit Schemes (£m)	Defined Contribution Schemes (£m)	Total 2020 (£m)	Total 2019 (£m)
Employer Contributions	373.7	212.3	586.0	489.8
Employee Contributions	17.3	109.6	126.9	124.0
<b>Total Contributions</b>	<b>391.0</b>	<b>321.9</b>	<b>712.9</b>	<b>613.8</b>
Transfers In	38.2	8.0	46.1	291.3
Other Income	7.8	7.2	15.0	12.0
	<b>436.9</b>	<b>337.1</b>	<b>774.0</b>	<b>917.1</b>
Benefits Paid or Payable	(263.9)	(29.9)	(293.8)	(274.4)
Payments to and on account of leavers	(0.8)	(2.1)	(2.9)	(3.9)
Transfers out to Other Schemes	(273.3)	(71.9)	(345.2)	(153.1)
Other Payments	(5.2)	-	(5.2)	(4.7)
Administrative Expenses	(22.4)	(5.1)	(27.5)	(22.3)
	<b>(565.6)</b>	<b>(109.0)</b>	<b>(674.6)</b>	<b>(458.4)</b>
<b>Net Member related movements</b>	<b>(128.7)</b>	<b>228.1</b>	<b>99.4</b>	<b>458.6</b>
<b>Net Returns on Investments</b>				
Investment Income	154.9	8.4	163.3	165.0
Change In Market Value of Investments	301.9	23.1	325.0	1,783.6
Investment Management Expenses	(46.9)	(3.4)	(50.3)	(51.1)
	<b>409.8</b>	<b>28.1</b>	<b>437.9</b>	<b>1,897.4</b>
<b>Net Increase In the Fund</b>	<b>281.1</b>	<b>256.2</b>	<b>537.3</b>	<b>2,356.1</b>
Opening Net Assets	11,032.4	1,552.7	12,585.1	10,229.0
<b>Closing Net Assets</b>	<b>11,313.5</b>	<b>1,808.9</b>	<b>13,122.4</b>	<b>12,585.1</b>

## Net assets of the Fund as at 30 September 2020

	Defined Benefit Schemes (£m)	Defined Contribution Schemes (£m)	Expenses Reserve Account (£m)	Total 2020 (£m)	Total 2019 (£m)
<b>Investment Assets</b>					
Equities	1,080.9	-	0.3	1,081.2	926.8
Bonds	1,159.2	-	-	1,159.2	757.7
Property	167.2	-	-	167.2	177.9
Pooled Investment Vehicles	8,324.2	1,779.9	-	10,104.1	9,917.1
Qualifying Investment Funds	19.4	-	-	19.4	33.8
Derivatives	23.1	-	-	23.1	15.7
Insurance Policies	216.7	-	-	216.7	226.1
AVC Investments	1.4	-	-	1.4	1.4
Cash	264.5	-	-	264.5	181.5
Other Investment Balances	32.5	-	-	32.5	137.6
<b>Total Net Investments</b>	<b>11,223.5</b>	<b>1,779.9</b>	<b>0.3</b>	<b>13,003.7</b>	<b>12,351.0</b>
Fixed Assets	7.8	-	-	7.8	8.1
Current Assets	83.6	32.3	22.0	137.9	255.5
Current Liabilities	(23.7)	(3.3)	-	(27.0)	(29.6)
<b>Total Net Assets</b>	<b>11,291.2</b>	<b>1,808.9</b>	<b>22.3</b>	<b>13,122.4</b>	<b>12,585.1</b>

# Investments

TPT’s aim is to provide best-in-class, cost-efficient investments for our members and employers.

To make this possible now, and in preparation for the future, we:

- have a clear governance framework;
- work to a set investment strategy;
- utilise dynamic asset allocation through leading investment managers;
- provide transparent reporting to all stakeholders.

Our investment strategy is delivered by TPT’s Investment Management Team, supported by its investment managers and TPT’s Investment Committee (IC). Together, they manage over £13bn in DB and DC assets.

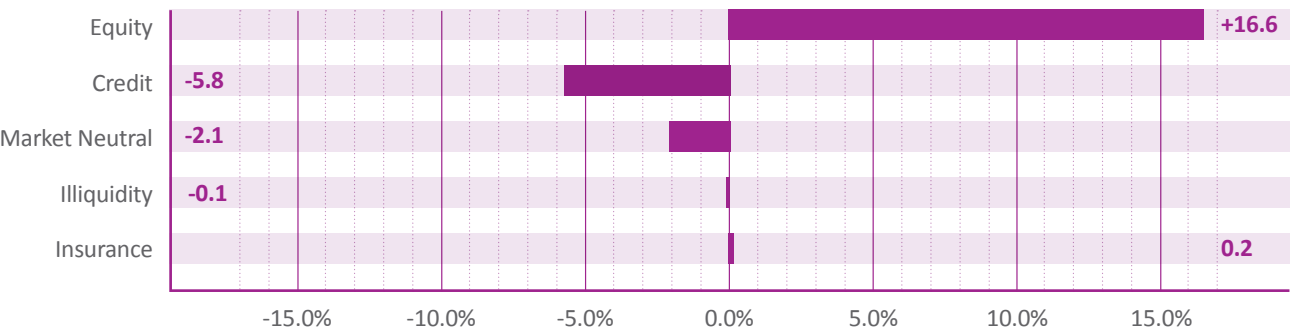
## The investment landscape

Overall, TPT’s growth assets have performed well over the last 10 years. The notable events of the last year, including the comparatively high valuations of most asset classes and the heavy sell off at the start of the pandemic, undoubtedly resulted in short-term challenges. But we have seen markets largely recover their pre-pandemic levels and, in some cases, go on to reach new highs.

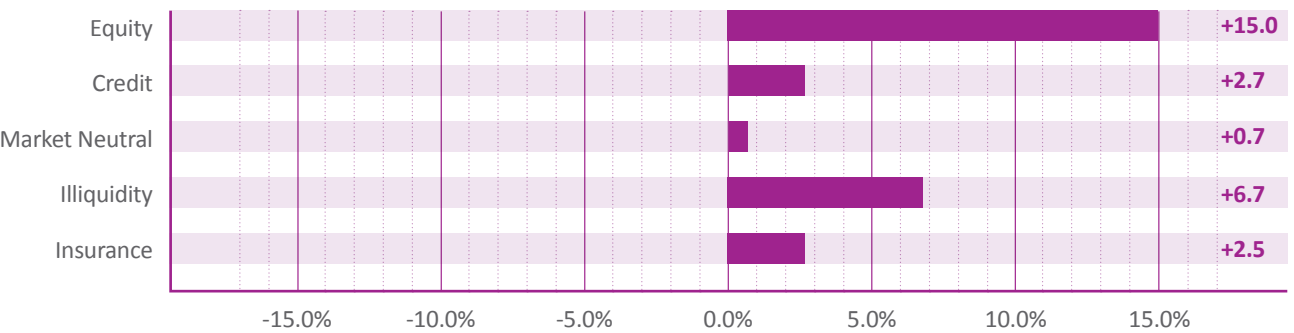
Our strategy, of diversifying our growth asset exposure across several sources of return, has allowed the growth assets to deliver over and above their long-term return objectives with a low level of risk.



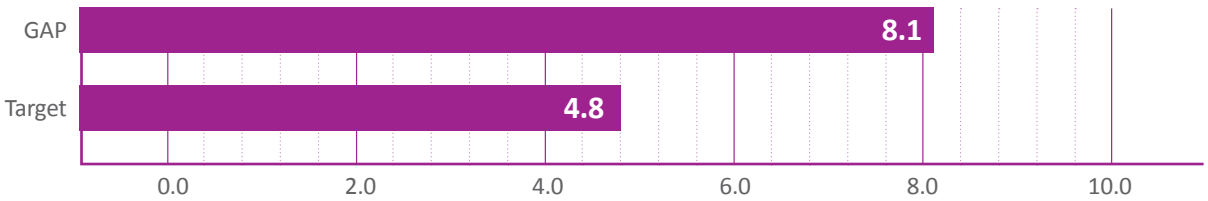
## One year sub-portfolio returns



## Five year sub-portfolio returns (pa)



## Five year Growth Asset Portfolio returns (pa) vs. target



# Investments

## Defined benefit

The start of the pandemic prompted sell-offs across all markets, with the S&P500 index of US shares down by as much as 30%. Although bond yields have remained low, resulting in high liability values, periods of volatility have caused occasional steep rises in government bond yields. This meant that we had to manage our collateral position carefully to maintain our hedging of liability risk- a crucial element of protecting member benefits against moves in long-term interest rates and inflation.

Our diverse portfolio protected us from some of the worst extremes, with different strategies performing well at different times during the initial sell-off and subsequent recovery. Some strategies were largely flat during the first quarter of 2020, which helped to mitigate the drawdowns seen in the listed equity market. This protected the value of the overall investment portfolio, and ultimately the value of members' assets.

Our ongoing diversification work also meant that we could focus on the investment opportunities – some of which lasted a matter of months as governments and central banks stepped in to protect jobs and provide liquidity to the markets. We saw that, as credit instruments sold off, the 'spread' (or excess return over government bonds) widened materially. At the time, we had little exposure to these assets due to concerns about high valuations, however, this presented us with an opportunity to invest in them at attractive spread levels.

## Defined contribution

The pandemic hit the performance of both equities and risk assets hard in early 2020. Although inflation has remained subdued so far, risk assets have since recovered. The performance of the standard and ethical target date funds (TDFs) since inception (February 2013) remains above their long-term objectives of CPI plus an appropriate outperformance factor, unique to the target retirement date.

TPT's self-select property fund (managed by Legal and General Investment Management) was suspended between March and October 2020, alongside most similar funds, given the challenges managers faced with respect to valuing the properties within the funds.

We also continued to integrate environmental, social and governance (ESG) factors into the TDF investment process. In order to better apply ESG tilts and screens, we moved several funds into custom mandates that enable direct application of our ESG policies. This also facilitated the adjustment of hedging for overseas assets.

## Long-term funding targets

TPT has a long-term funding target in place for each DB scheme, in line with TPR's DB funding and investment guidance. Over time, the targets aim to reduce the reliance on sponsor covenant and, once they are achieved, the scheme is expected to have a low risk 'self-sufficient' strategy – one which reduces the risk of a deficit emerging and ensures that the scheme can deliver member benefits in full as they fall due.

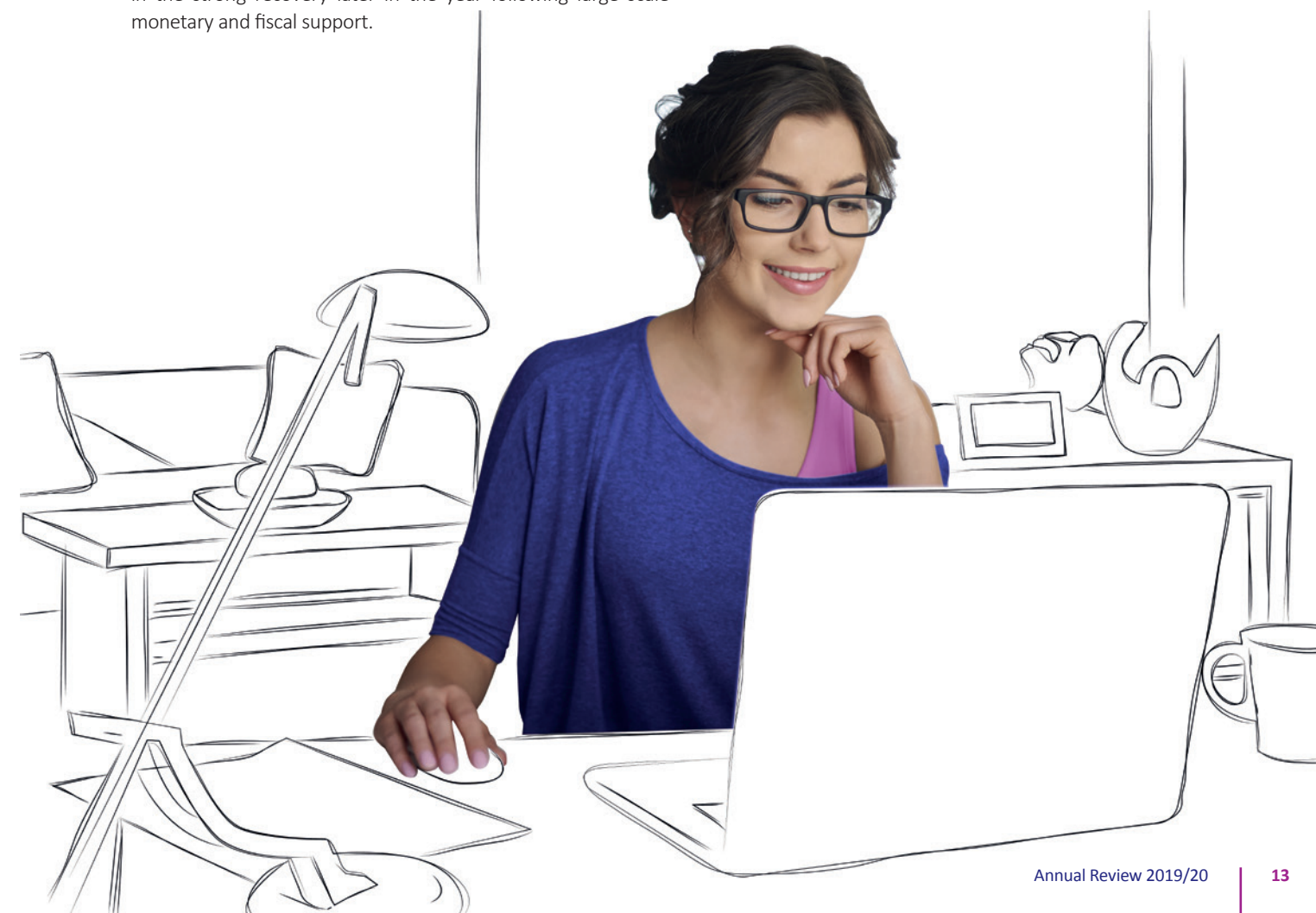
We continually monitor and review our approach to these targets, in light of any new guidance.

## Growth assets

The Growth Asset Portfolio has delivered a good outcome over five years, standing 3.3% per annum ahead of the target net of all fees, and was delivered with a low level of risk. A return of 4.3% over the year to 30 September 2020 comes as a result of diversification within the portfolio which provided protection against large falls in asset values during the height of the crisis seen in the first part of the year, and allowed us to participate in the strong recovery later in the year following large scale monetary and fiscal support.

## Matching-Plus Portfolio

The Matching-Plus Portfolio (MPP) was created in 2019 to provide an investment solution for schemes as their funding level improves, with a greater focus on delivering returns from contractual income. Initially seeded with mandates from the Growth Asset Portfolio, we have increased the diversification within the MPP, adding liquidity to provide a source of collateral for the Liability Driven Investment programme while maintaining a focus on high grade income bearing assets. This portfolio assists in mapping the income payments of the underlying assets to benefit payments, often referred to as cashflow-driven investing.





# Responsible investment

Responsible investment has always been a key consideration in the work we do, and we have taken steps over a number of years to make sure its risks and opportunities are carefully managed. It is embedded within our investment principles and, as its role in the behaviour of financial markets grows, we continue to engage in relevant activities.

Our recent focus in this area has included:

- the transition of our DB investment in a traditional market capitalisation based passive equity fund to a Low Carbon Transition fund, which we believe will help mitigate the exposure to those companies most at risk from the transition to a low carbon economy;
- the introduction of a dedicated allocation to renewable infrastructure, which is aligned with our view that climate change represents a material risk to the investment portfolio, but also presents opportunities for new investments in climate solutions.

## Governance

Our [Statement of Investment Principles \(SIP\)](#) outlines the policies and principles that are considered when we make investment decisions. It sets out TPT's policy on the implementation of its investment strategy, risk and return factors as well as environmental, social and governance (ESG) considerations. In particular, it references TPT's Climate Change Policy as a strategic part of its approach.

The SIP is approved by the Trustee each year, and whenever there is a significant change in investment policy or regulation. The Trustee delegates review of the SIP (and default investment strategies) to the Investment Committee and receives a report on these activities each year.

We have reviewed and made some minor changes to the SIP during 2019/20, to ensure that it meets regulations that came about due to the government's implementation of the Shareholders Rights Directive II.

A further regulatory requirement that we have been preparing for is the production of an annual Implementation Statement. Within this, TPT will demonstrate the way the Trustee has implemented its SIP, and that the activities of TPT's investment managers are consistent with the Trustee's policies. In preparation for production, we have been engaging with our investment managers to better understand their voting and engagement practices. The large volume of votes cast during the first half of 2020, with over 30,000 resolutions voted on in our passive equity portfolio alone over the year, demonstrates the impact of our managers' votes, and the importance of ensuring that they reflect the Trustee's beliefs.

## Strategy

TPT is committed to responsible investment, and outlines its ESG activities in one single document - the Responsible Investment Framework. This makes it easier for members to identify the framework that governs our ESG activities, and how this feeds into the management of their investment portfolio.

In addition to this, our Ethical Investment Framework explains how we manage funds for sponsors and members who want their investment activity to take account of additional ethical or moral preferences.

As a large proportion (96%) of our DC members are invested in our default target date funds (TDFs), we take a broader approach to responsible investment. Every member has the option to invest in an ethical TDF (ETDF), and neither our standard nor ethical TDFs are invested in weapons.

ETDFs incorporate the policy outlined in our Ethical Investment Framework. They invest in equity funds which track the FTSE4Good and MSCI Socially Responsible Investment (SRI) indices, and have an allocation to corporate bonds (which are ethically screened) and UK government bonds. The IC regularly reviews the ETDF investment strategy and looks for further diversification opportunities as alternative strategies become available at appropriate costs.

## Working with others

TPT actively engages with policy makers and the wider investment community to collaborate on issues regarding responsible investment.

We are proud to be an inaugural member of the Occupational Pensions Stewardship Council, and remain a steering group member of the Paris Aligned Investment Initiative, led by [The Institutional Investors Group on Climate Change \(IIGCC\)](#). Here, we work with other global asset owners and investment managers to help determine ways in which investors can align their portfolio with the goals of the Paris Agreement. Most recently, TPT has become a member of the Paris Aligned Asset Owners Group. This group, which manages a total \$1.9tn of assets, has committed to reducing the carbon intensity of its pension investments by 50% by 2030, and becoming net zero by 2050. As part of the group, we will be helping to support the growth of climate solutions and moving us closer to a net zero economy.

We have also chosen to report in line with requirements set by the [Task Force on Climate-related Financial Disclosures \(TCFD\)](#). The TCFD was initially set up to develop voluntary, consistent climate-related financial risk disclosures for use by companies, banks and investors, enabling greater understanding of climate risks and helping to fund the transition to a more stable and sustainable economy.

## Coming up

### Defined benefit

As it becomes mandatory for certain schemes, including TPT, to report in line with TCFD requirements from 1 October 2021, we'll be refining our approach to make sure that it meets all of the regulatory requirements.

We'll be further considering our approach to emissions in light of discussions at 2021's COP26, where countries and world leaders will monitor progress against commitments made under the Paris Agreement with a view to limiting global warming to well below 2°C.

### Defined contribution

As part of our ESG research agenda, we'll be considering the use of more sustainable investment approaches, like those that align with the UN's sustainable development goals.

We'll also continue to monitor the success of the low carbon equity allocation we introduced in 2019, and expect to gradually increase its weight as regulatory, political and social pressures drive the transition to a low carbon economy.

So that we can demonstrate the impact of ESG actions like this, we're improving our reporting in this area and expect to share a wider range of metrics with members and employers in 2021.



# Customer service

“The online system is the way to go. It is a great improvement.”

TPT member

“A very good service, very customer focused. Anything I ask gets sorted and actioned, and in good plain English as well.”

TPT member

We’re pleased to report that, despite the challenges posed by the pandemic, our service continued to run normally throughout 2019/20. The independent satisfaction surveys that many of our members and employers completed tell us that the standard of our work has improved.

The results of our surveys, and your input, are crucial in helping us to understand what we’re doing well and what we can improve. They’re shared throughout our business every month, including the administration teams who deliver the bulk of our frontline services, through to members of our Trustee Board.

### Employer satisfaction

Year ended 30 September 2020

84%



2019 = 82%

### Member satisfaction

Year ended 30 September 2020

87%



2019 = 87%

### Customer satisfaction metrics

The surveys are designed to help us understand how customers perceive our service, covering the following aspects:

- |  |  |
|--|--|
| • Knowing who to contact               | • Explaining processes and what will happen next |
| • Taking ownership of requests         | • The speed of service                           |
| • Understanding requirements and needs | • Clarity of the information TPT provides        |
| • Our ability to answer questions      | • Keeping customers informed                     |

### You asked us, we did it...

Over 8,500 members have completed one of our monthly satisfaction surveys since we started running them in 2016. We’re very grateful for your feedback and have made the following changes in response, many of which focus on the speed of our service.

#### Named contacts

Employers have previously told us that having a named contact within the business would help them to reach the right person, and resolve any issues quickly. We have now provided these contact details to every employer, and have updated our ‘call recipe’ so that our support teams provide members with their name and phone number should they have any further queries.

#### Phone call coaching

We saw an improvement in satisfaction scores following our team’s comprehensive call coaching in 2018/19 so, this year, we extended it out to more of our administration teams. This further investment will ensure that members and employers receive a consistently high level of service that follows our ‘call recipe’, and feel confident that their request is being owned by the team.

#### Self-service tools

It’s important to us that, should a member need a quick answer to a simple query, they have ways to find it themselves. This puts them in control and, in turn, we’re able to focus on more complex or time-consuming queries. We’ve recently made benefit statements available to all members who have set up an online account, and made it easier for them to find the relevant information.

#### Simplified communications

The creation of clearer member communications that use simpler language is a long-term focus for us and the wider industry. You can find out how we’ve continued to simplify our communications and ease understanding for members and employers on pages 18 to 21.

#### Valuation software

The valuation process is very complex and it can often take several months to share the results with employers. To help speed up and simplify the actuarial process, we’ve developed the software we use to monitor each scheme’s funding level and assess the progress of any recovery plan or de-risking flight path. This allows us to share information with our employers faster than ever before.

### Dedicated onboarding team

As we take on new schemes, we are committed to providing every member and employer with the same high-quality service. To do this, we have created a dedicated team to onboard new employers and make sure that their members are fully-informed.

Find out more about improvements planned for 2020/21 on pages 19 and 21.

### What’s coming?

#### Named contact

Following feedback from our employers, we will be providing each of them with a named contact, on hand to help with any issues. This will be in the form of a virtual business card that can be uploaded easily to their contacts database. In the meantime, our ‘contact us’ pages will be regularly updated to ensure that they can access support quickly and easily.

#### Simplified communications

The use of complex phrases and lingo is a recognised issue across the pensions industry, and is something employers and members have raised with us. We fully understand that pension terms can be difficult to make sense of, so pledge to continually improve our help and support areas, including our online jargon buster. We are also actively working to simplify the communications that we deliver so they are more direct and easier to understand.

34,000+

Members are signed up to DB Online

50,000+

Members have activated their (DC) Retirement Savings Account

# Supporting our employers

Overall employer satisfaction has increased to

8.29%

from 7.92% in August 2019

Employers rate our communication and support

8.15%

from 7.92% in August 2019

9/10

Employer satisfaction scores increased

(August 2020 vs. August 2019)

**Our engagement with employers in 2019/20 focused on assisting with any pension scheme challenges arising from the pandemic, providing support as and when needed so that they could focus on running their organisations.**

While maintaining our regular activity, we also worked with our employers to assess the potential financial implications of COVID-19 and provide regular updates on funding levels so that they remained confident in the security and management of their pension scheme.

### Communication

We've continued to improve our employer communications to clearly signpost key topics and any essential actions, so were pleased to receive improved scores for our written communications, in particular those on valuations, and investment strategy, in our 2020 Annual Employer Survey. Thank you to all employers who responded to it.

During lockdown, our quarterly multi-employer scheme updates for SHPS, SHAPS and the Growth Plan proved an effective way to communicate a range of updates for employers to read at their convenience. We will be introducing similar biannual updates for our other multi-employer schemes (ISPS, SVSPS, CARE and NICPS) throughout 2021.

Alongside planned communications, we also shared an increased level of funding and investment information throughout the year.

### Employer Portal

We also started the rollout of TPT's Employer Portal, which will be accessible by all employers by mid-2021. The Portal will enhance the way we communicate with employers, and make it easier for them to manage their scheme from one area using a single login.

### New ways of working

While we haven't been able to see employers face-to-face since March 2020, like many others, we've held virtual meetings with employers and Employer Committees, and have also held a number of virtual member presentations. Internally, we've introduced daily bulletin meetings to keep our lines of communication flowing and, due to their success, will continue these in the long-term.

### DC member support

Almost half (47%) of our DC-only employers who responded to the 2020 Annual Employer Survey said that the provision of member support remains the area that adds most value to their scheme. TPT's ongoing member engagement programme will play a key role in improving member access to information and support, and we are encouraging employers to help by sharing member email addresses as part of their regular data and contribution processing. Find out more on page 21.

### Coming up

We continue to work to improve our service to employers. In 2020/21, our focus will be the:

- introduction of Annual Scheme Reviews for our single employer schemes – which summarise key funding, investment and administration updates for the previous year;
- launch and further development of the Employer Portal;
- increased use of virtual employer forums to make them more accessible to all;
- introduction of biannual update emails for multi-employer schemes (ISPS, SVSPS, CARE and NICPS); and
- promotion of the benefits of TPT's Pension Scheme for the Education Sector (PSES) to independent schools looking for alternatives to the Teachers' Pension Scheme, due to rising contributions.



# Delivering for members

The number of members we serve grew once again during 2019/20, up 6% to 381,759.

2020 membership	2019 membership	2018 membership
381,759	359,432	293,827

This continued growth remains a welcome sign of trust in our service. We want members to be confident in the support we can provide, and that we can help them to achieve their goals. Our increasing member numbers are also a positive sign that more people are thinking about their pension, and that auto-enrolment is encouraging others to consider their future finances.

With this growth comes a need for us to continually engage with members and help them to understand their options. As a result, our member activity during 2019/20 has been focused on communication and engagement.

## DC member engagement

The aim of our three-year DC member engagement programme, now entering its second year, is to help members optimise their pension pots, better understand the level of income their savings will provide and make more informed decisions about their pension.

A project team spanning several areas of our business has so far made major improvements to some of our most important communications, in order to create a more memorable and engaging member experience. We've:

- launched a mobile-first website ([members.tpt.org.uk](https://members.tpt.org.uk)) split into four key stages – save, grow, plan and spend;
- simplified key member communications, like annual benefit statements; and
- made members' online Retirement Savings Accounts more visually appealing and easier to use.

## DB member engagement

Our members increasingly expect to be able to manage their pension online, so we've continued to invest in and improve the capabilities of our dedicated portal, DB Online. For example, they can now request and receive key documents, like retirement quotes and benefit statements, within seconds. We're promoting these benefits within our written and email communications, to encourage sign ups, as well as our more traditional contact methods for members who prefer to call or write.

## Keeping in touch

A particular focus this year has been building our member email database, ensuring that we have their current, personal email address so that we can stay in touch regardless of their work circumstances. Their increased use of online portals will help us to do this, but we'll also be enlisting the help of our employers to check and update their member records in 2020/21.

To make sure that our written communications reach members as planned, for example if they've moved house, we've also started using an address tracing service to flag and follow up on changes of address.

And when members call us, our new phone system – which helped us to support members during the pandemic – has improved audio navigation options to help them reach the relevant team more quickly.

## Scam alerts

Our member communications regularly include warnings about pension scams. These warnings have been shared more widely during the pandemic, in line with best practice guidelines from TPR.

## Coming up

During 2020/21, the DC member engagement programme will introduce:

- personalised videos to guide active members through their annual benefit statement;
- online educational videos to help members understand their pension;
- an enhanced new joiner programme to encourage Retirement Savings Account activations;
- clearer communications, including rewritten and redesigned operational letters; and
- 'Contact TPT' - a simple way to send us questions or requests online.

DC members will also be invited to take part in quarterly surveys, to give their thoughts on our current and future initiatives.

We'll also be extending our call coaching to other teams around the business so that every member and employer who contacts us experiences the same high standard of service.





# Our people



**We take investment in our people very seriously, and pride ourselves on having a very highly skilled and dedicated team. While the last year has undoubtedly tested us all, our business culture and values have shone through, enabling us to continue to deliver a high quality service to our members and employers.**

## Relationships

Our ongoing success during the pandemic is testament to the agility and passion of our people and the strong working relationships across our teams. We have implemented new ways of working and teams have pulled together, remaining solutions-focused for the benefit of our members and employers.

These strong connections are reinforced by TPT's values, which all colleagues demonstrate daily in their roles. To ensure that these connections remain and create a sense of belonging in our existing team, and those new to TPT, we have run a number of remote initiatives throughout the year, including:

- a 14-day Mini Moves challenge, encouraging colleagues to team up and earn points for looking after their mental wellbeing and physical health;
- an increased number of business updates by video or informal drop-in sessions; and
- a varied 'lunch and learn' schedule, including sessions on drawing, financial management, yoga and climate change.

## Flexible working

To further support colleagues and accommodate changes in their home lives during the pandemic, we have adapted our ways of working. Adjusted working hours and extra support has been provided to help colleagues balance the demands of their roles and home lives.

For the few roles that had to be performed in the office, our team members' safety was our priority. We quickly ensured that our office environment was COVID-secure, adhering to all health and safety guidance, which has included measures such as restricted access, testing, temperature checks and regular cleaning and hygiene measures. We continue to review these provisions and make updates in line with government advice.

## People and community

Investors in People is a highly regarded measure of continuous improvement and employee recognition. We were delighted to retain the gold award for the tenth year running in September 2020.

The assessment process encourages honest feedback about the way we work, requiring a staff survey and detailed conversations between the assessor and individual colleagues about how it feels to work for TPT.

The survey results confirmed that colleagues feel TPT is a great place to work, that they're passionate about the business and proud to be part of the team.

Our scores were particularly high when it came to staff living the organisation's values and behaviours, and quality of performance.

**“Your passion and pride came across loud and clear”**

**Investors in People assessor**

While the pandemic has limited the ways we can get out and support our local community, we have continued to take charity nominations from our colleagues and donate the proceeds of monthly events. We have also chosen to use small, local businesses to provide on-site catering and the contents of our much-loved and creative staff 'work from home' packages. We want our local businesses to be there when we return to the office.

Our impact on the wider community and environment has been more positive as a result of increased home working. Printing costs, paper use and business mileage have fallen significantly and, as lockdown eases, we plan to adopt new ways of working that will prolong these benefits.

**38% reduction in business mileage**  
(2019/20 vs 2018/19)

## Innovation

Innovation is one of our core business values, and has really come through during the last 12 months. To support colleagues, we have focused on mental health and mindfulness. People managers have attended mental health awareness sessions, alongside a series of virtual workshops for colleagues. Regular feedback helps us to tailor future initiatives that support employee wellbeing and ensure that there is a long-term benefit to the business and its employees. We know balance and the freedom to be creative brings innovation.

### How are you, really?

Working from home has given us all a broader view of our colleagues' lives, and our managers in particular have needed to support their teams, develop new ways of working and adapt communication methods. To enhance business communications and ensure our leaders have visibility of any issues, a weekly wellbeing scorecard now tracks factors such as health, wellbeing and morale. We act on what our teams tell us.

## Learning and development

The continuation of essential activities, like colleague development, has been crucial for us in maintaining both service levels and morale. We invest heavily in career development and, despite 'lockdown', all of our colleagues have completed training courses. These range from leadership development and project management to call skills, effective presentations and cyber security, and we have supported a number of IT and technical pensions qualifications.

We are proud to have continued our recruitment activities and are delighted to have offered roles at all levels, including a number to local graduates. We kept our word and modernised our induction processes to ensure recruiting and welcoming new team members continued.

We ask for regular feedback on the new starter experience so that we can make continual improvements and provide a consistent and positive experience. We have learnt and innovated this year and it has strengthened the TPT team.

## Leadership

We continually invest in the development of our leaders so that our business can remain agile and responsive. It is also key that we have a balance of skills and expertise at board level, to ensure that we continue to provide a full corporate trustee service that members and employers can rely on.

Our focus most recently has been on building high performing, customer-centric teams that can deliver through challenges, such as the pandemic.

## Coming up

- The iIP survey told us that colleagues would like more of a say in our teamwork initiatives, so we'll be creating a new Employee Engagement Group. The group, made up of employees throughout the business, will help to engage others and ensure that our thinking becomes increasingly diverse.
- We'll be picking our community activities back up as soon as government guidelines allow, supporting work in key areas such as diversity and inclusion, getting out into the community and supporting local higher education facilities.



### COMMITTED

We are engaged.  
We keep to promises and meet our customers' expectations.  
We are persistent in our pursuit of success.



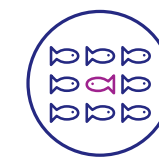
### COST EFFECTIVE

We always look for good use of resources.  
We budget fairly and robustly.  
We act competitively.



### CUSTOMER FOCUSED

We offer a very high level of service.  
We listen to and learn from our customers.  
We are friendly, approachable, supportive, understanding and responsive.



### INNOVATIVE

We challenge current processes or traditional methods.  
We act proactively and creatively.  
We encourage and accept new ideas.



### INCLUSIVE

We establish partnerships with customers.  
We embrace diversity in all that we do.  
We work towards one goal and one vision.



### INTEGRITY

We consider the interests of others and respect their views.  
We are fair in all of our dealings.  
We offer the option of ethical investments.

# How we run TPT

TPT provides a full corporate trustee service. The Trustee Board is responsible for all aspects of running an occupational pension scheme, such as administration, investment and governance, giving comfort to employers and members that the scheme is being well managed.

## Who's who at TPT

There are nine directors of the Trustee - three nominated by employers, three nominated by members and three co-opted by the nominated directors. Every director and non-executive is selected based on the balance of their skills and expertise, and ultimately their ability to support TPT.

## The Trustee Board



**Joanna Matthews**, Chair of the Trustee Board

As a professional independent trustee and lawyer by training, Joanna has extensive experience of chairing large and high-profile pension schemes. She is currently Chair of the Royal Mail Pension Plan, the Electricity Supply Pension Scheme, the Siemens Benefit Scheme, the Vodafone Group Pension Scheme and the Civil Aviation Authority Pension Scheme, as well as a Director of Capital Cranfield. Joanna brings a wealth of expertise in areas including funding and investment strategy and regulatory and stakeholder engagement.



**David Robertson**, Co-opted Director and Chair of the Management Oversight Board

David spent his early career at accountancy practice Coopers & Lybrand, before moving into a range of Finance Director and Managing Director roles, where he managed occupational DB and DC pension schemes. He currently provides management consulting services to businesses in a range of sectors and, before becoming Chair of the Management Oversight Board, had served on the Board's Audit, Risk and Compliance Committee and been a member of the Board Governance Working Group, since 2014.



**Mike Ramsey**, Chief Executive

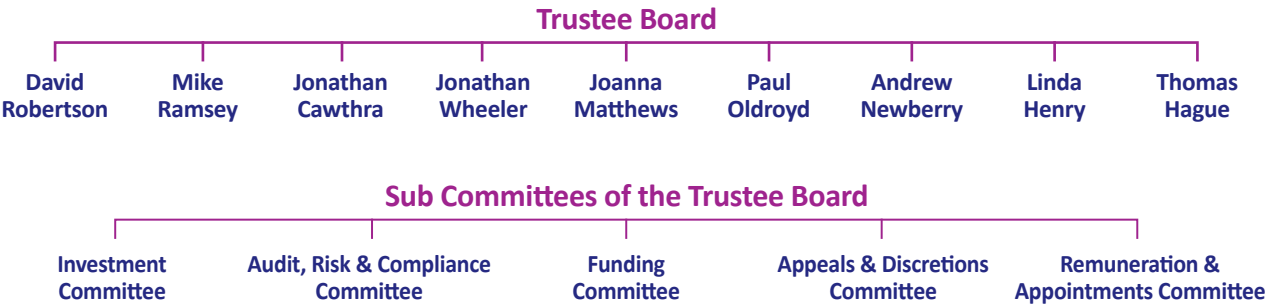
Mike joined TPT in 2014, bringing with him significant financial services experience from leadership roles in companies such as AXA, AEGON, American Express and Barbon Insurance Group. He was also a Non-Executive Director of the Jubilee Group, where he was on the Audit and Risk Committee, and Chair of the Investment Committee. He is the main link between the Trustee Board and TPT's Executive Board.



**Jonathan Cawthra**, Employer- Nominated Director

Until his recent retirement, Jonathan was a member of the Executive Committee of Clarion Housing Group, which is the largest housing association in England and has a turnover of almost £850m. Jonathan had been a director of Clarion, and its pre-merger predecessor organisations, since 2006.

The Trustee Board is supported by the Management Oversight Board, which oversees the day-to-day running of the business, and five sub-committees of the Trustee Board.



**Jonathan Wheeler**, Employer-Nominated Director

Jonathan spent a large part of his career in the Royal Air Force, where he led its recruiting function and infrastructure organisation during times of significant change. He has extensive experience of Board-level engagement, having spent 12 years on the Board of a social housing association in Oxfordshire. More recently, he has been elected to the Council of the Forces' Pensions Society, where he also sits on the Strategic and Finance Committee.



**Paul Oldroyd**, Employer-Nominated Director

Paul started his career in audit and management accounting, before joining one of the UK's largest affordable housing and care providers – The Guinness Partnership. He has extensive executive and non-executive experience working on Boards and Committees, including roles as Director or Secretary to the main Board, subsidiary company boards, Remuneration and Nominations Committee, and Service and Performance Committee. Paul is currently a Trustee of Tandem Group Pension Plan and Non-Executive Chair of the Audit and Risk Committee of North Devon Homes Limited.



**Andrew Newberry**, Member-Nominated Director

A trained Chartered Accountant, Andrew was Director of Finance at Radian Group and its predecessor, The Swaythling Housing Society, for over 20 years. For the majority of his time with the group, he took ownership of pensions, and drove a six-year process to create Radian's own section in TPT, and transfer most of its SHPS assets and liabilities to the new scheme.



**Linda Henry**, Member-Nominated Director

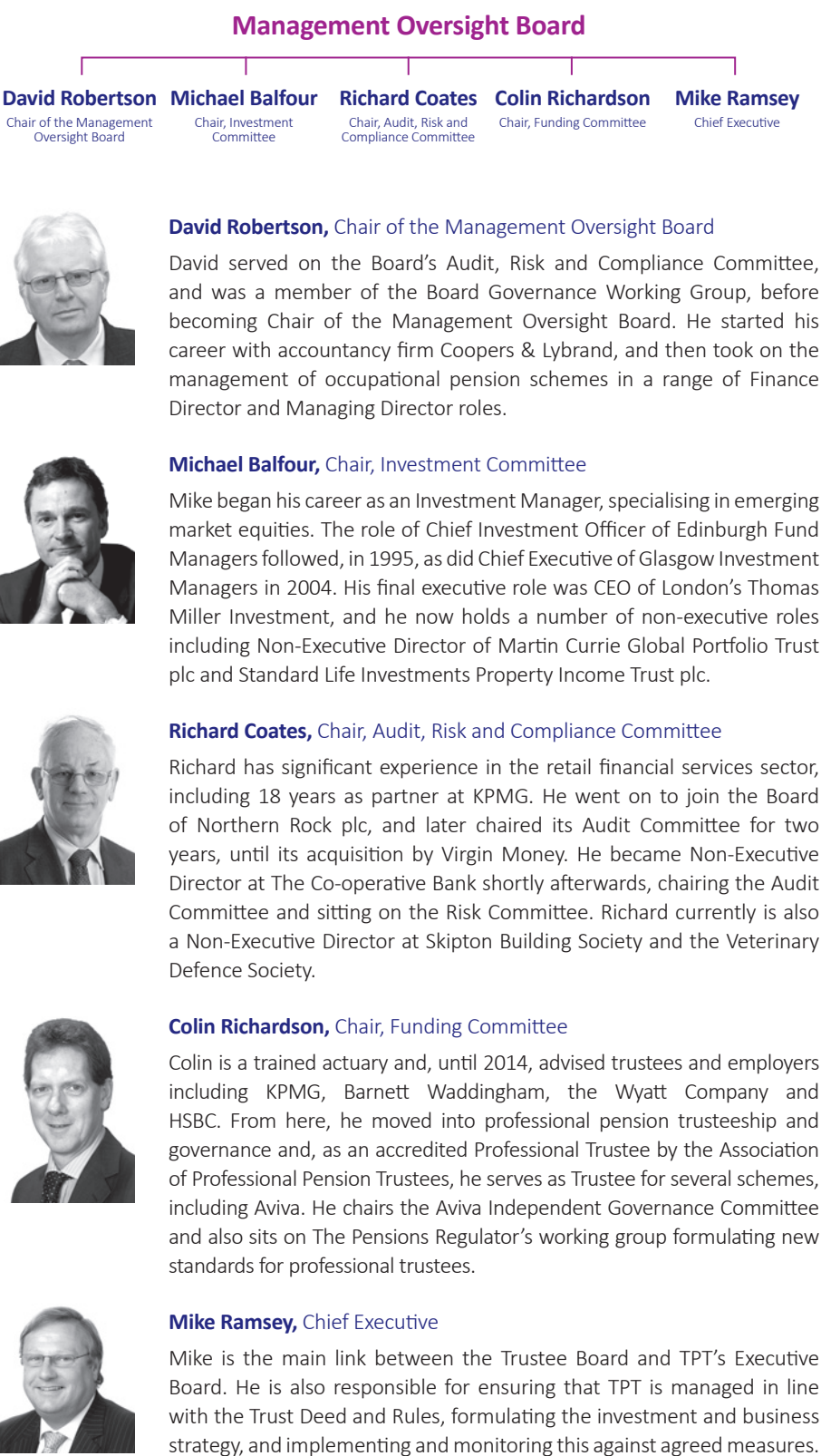
Linda is a HR professional who moved from a career in the corporate sector to not-for-profit as the Head of People & Development at Citizens UK. During her career, Linda has been an employer-nominated trustee/director of two large schemes; the Associated British Ports Group Pension Scheme (ABPGPS) and an alternate director of The Pilots National Pension Fund.



**Thomas Hague**, Member-Nominated Director

Thomas leads supply chain development for northern social housing consortia Procure Plus, helping them to provide economic and social benefits. Previously, he held global supply chain roles with NSG, and prior to that, served as a Member-Nominated Director of the £1.5bn Pilkington Superannuation Scheme for five years.

# How we run TPT



# Useful contacts

**TPT contacts**

**General enquiries**  
0113 234 5500  
[enquiries@tpt.org.uk](mailto:enquiries@tpt.org.uk)

**Employer Relationship Team**  
0113 394 2754  
[employerrelations@tpt.org.uk](mailto:employerrelations@tpt.org.uk)

**Day-to-day employer support**  
0113 394 2770  
[employersupport@tpt.org.uk](mailto:employersupport@tpt.org.uk)

**New scheme enquiries**  
0113 394 2713  
[dbcomplete@tpt.org.uk](mailto:dbcomplete@tpt.org.uk)

**Industry contacts**

**Pensions Ombudsman**  
The Pensions Ombudsman may investigate and determine any complaint or dispute over the way a pension arrangement is run.  
**[www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk) Tel: 0800 917 4487**

**Pensions Ombudsman – Early Resolution Team**  
The Early Resolution Team assists with complaints/disputes which members or beneficiaries have been unable to resolve with scheme administrators or trustees.  
**Tel: 0800 917 4487**

**The Pensions Regulator**  
The Pensions Regulator regulates the running of occupational pension arrangements and can intervene if trustees, employers or professional advisers have failed in their duties.  
**[www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk) Tel: 0345 600 1011**

**Pension Tracing Service**  
The Pension Tracing Service can help you to trace a pension(s) you have lost track of.  
**[www.gov.uk/find-pension-contact-details](http://www.gov.uk/find-pension-contact-details) Tel: 0800 731 0193**

**MoneyHelper ([moneyhelper.org](http://moneyhelper.org))** brings together the support and services of three government-backed providers:

**Pension Wise**  
Pension Wise provides pensions guidance for over 50s with a personal or workplace pension.

**The Pensions Advisory Service**  
The Pensions Advisory Service offers free and impartial guidance on workplace and personal pensions, whatever your age.

**The Money Advice Service**  
The Money Advice Service provides free money guides, tools and calculators to help improve your finances

**Protect yourself from pension scams**  
Keep your pension safe and know how to protect yourself from scammers at:  
**[thepensionsregulator.gov.uk/pension-scams](http://thepensionsregulator.gov.uk/pension-scams)**



# An award-winning service

The way TPT works and the service we provide has earned us a number of awards, recognising our administration and in-house expertise in particular.



**Professional Pensions UK  
Pensions Awards 2020**  
DB Master Trust/Consolidator of the Year  
**WINNER**

ceomonthly



**CEO Monthly Awards 2020**  
CEO of the Year – Mike Ramsey  
**WINNER**



**Global CEO Excellence  
Awards 2020**  
Best Workplace Pensions Business  
Leader (UK): Mike Ramsey **WINNER**



**British Legal Awards 2019**  
Legal Department Of The Year  
(Financial Services)  
**HIGHLY COMMENDED**



**IPE Awards 2019**  
Governance And Administration  
**HIGHLY COMMENDED**

## To find out more



0113 234 5500



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



Twitter: @TPTRetirement



LinkedIn: TPT Retirement Solutions

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

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