



The Enplan Pension Platform

A summary of our key highlights in 2020

January 2021



While the pensions industry watches to see if the so-called 'superfund' financial consolidators will catch on, Enplan continues to thrive...despite 2020 being the most challenging of years.

Overview

The Enplan Pension Platform is a one-stop-shop operational consolidation solution for DB pension schemes. It provides robust professional governance and all the key services required for an excellent pensions experience for both members and employers. By managing over 40 schemes collectively, we allow schemes on the platform to access economies of scale, innovative services and investment buying power that they would not be able to achieve on a standalone basis. Scheme costs can often be reduced by up to 30%.

Working together with the professional trustee company, Entrust Pension Limited, Isio has developed a modern and efficient platform, which delivers access to state-of-the-art technology, professional advice and a leading independent professional trustee service.



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Enplan's 2020 highlights:



Isio became an **independent business** on 2 March 2020 with **Enplan** as a key part of its future strategic plans



We **won 80%** of competitive tenders



Over **40 schemes** are now serviced on the platform



Total client assets **passed £1billion** representing over **50% growth** over the year



Completion of the industry-first '**Multi-MUMS**' mortality study exercise for **20 clients**



Largest scheme now **£200m**



Member **SLAs were stable at 95%** over the year despite the move to full home working



2 schemes completed full buy-outs



Batch processing of **GMP equalisation** started for first **15 schemes**



Introduction of **structured LDI** to boost portfolio efficiency



Cost effective **ESG solutions** delivered across portfolio

Innovation

Collective, collaborative and continuous: Enplan is built around innovation



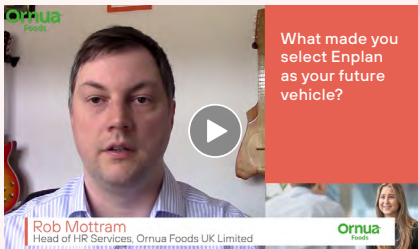
We believe our governance structure is unique in the market. Our approach allows **collective** decision-making across schemes, a **collaborative** approach to funding and investment decisions and is supported by an infrastructure which enables **continuous** governance. Gone are the days of waiting for quarterly trustee meetings to come around. Entrust and Isio run and monitor the Enplan schemes on a daily basis. This improves both decision-making efficiency and increases a scheme's chances of achieving its objectives.



Case study: Ornuua

Ornuua, the makers of Pilgrims Choice cheese, chose to join Enplan in July 2020. Ornuua were concerned about rising costs, sustainability of governance and the strategic direction of their scheme. Enplan was chosen from a range of potential governance and operational solutions as part of a competitive tender as it offered efficient solutions to all three of these challenges.

[Click here to see a 2.5 minute video from Rob Mottram of Ornuua, and Andrew Goddard, Head of Enplan at Isio.](#)



Client voice

'We're delighted we joined Enplan. We considered a range of models and providers to help us run our scheme but the Enplan model stood out as ticking every box, and the team shone through as the strongest we talked to. We've just finished our first strategy review for the scheme and the step up in service and level of thinking is noticeable. This is all delivered at a lower price than we were paying before too.' **Rob Mottram, Head of HR Services at Ornuua Foods UK Limited.**

Enplan's 2020 innovations and new services:

'Multi-MUMS'

During the first half of the year we completed an industry-first 'Multi-MUMS' exercise. Medically Underwritten Mortality Studies allow a greater level of detail in understanding a scheme's likely mortality experience. However, they are normally the preserve of larger schemes due to the costs of undertaking such exercises. We worked with underwriting experts from Morgan Ash to carry out a bulk exercise across 20 schemes on the platform. This reduced the cost of the exercise for each scheme to a fraction of the equivalent standalone fees. Each scheme then received a bespoke report, providing detailed insight into the health experience of its membership. These results are now being used to help set more accurate valuation mortality assumptions.

GMP Equalisation

GMP equalisation is a significant and costly issue for most DB schemes. We have used our consolidation model to help clients limit the costs of these exercises. At the start of the year we agreed a number of principles between the Isio actuarial team and Entrust to be applied to GMP equalisation across the portfolio. We grouped clients into batches of schemes with similar characteristics so we could undertake the required calculation work in bulk using a specialist team set up to focus on the exercise for Enplan schemes. The first batch of 15 schemes is nearing completion with costs per scheme a fraction of their standalone price.

ESG Investment

The powerful advantage of a common trustee was especially highlighted in 2020 when we were able to agree investment beliefs and apply them in a cost-efficient manner to multiple schemes in one go. Sponsors were able to input into the investment arrangements, with some schemes now looking to employ ESG focused funds as part of their overall investment strategy.

Performance

A bespoke offering now managing over £1bn of assets



Enplan has continued to grow in a number of important ways: we have focused on increasing the reach, impact, efficiency and range of our services and are very pleased with our results.



Client voice

'Enplan is an effective solution for building societies at a time when the industry is focused on improving governance and creating efficiencies... We are confident that Isio's track record of innovation over the past ten years and focus on journey planning will deliver the best value for our members going forward.'

Richard Ellison, Chief Financial Officer at The Cumberland Building Society.

Enplan's performance highlights in 2020 include:

- New clients joining the platform added £250m to the assets managed within Enplan and have taken our total asset size to over £1bn.
- We won 80% of the formal tender processes we were invited to.
- Our largest scheme, formed from the merger of two sections of an existing industry-wide multi-employer scheme, that received its balancing transfer payment in 2020 taking it to around £200m in size.

Collaborative and efficient onboarding

On joining Enplan, all schemes receive an initial investment review which is then repeated annually. When setting strategies, Isio and Entrust work collaboratively with each employer, implementing strategies that focus on setting the right balance between risk and return in the most efficient way. Our platform approach to investing allows us to do this very efficiently. We typically see fund manager cost reductions which vary but can often be 25 basis points per year (equivalent to a £100k saving on a £40m scheme), with no loss of expected return.

Bespoke tailoring

We are proud of our bespoke approach to each scheme, which reflects the widely differing circumstances of our employer base. As an example, during 2020, we expanded the number of organisations on the platform with capital adequacy requirements and developed tailored approaches for their pension schemes. Some of these organisations' strategies were amongst the first to employ credit-linked LDI funds, not only hedging liability risk but also adding a source of return. This can improve the sponsor's balance sheet in a capital efficient way.

Looking to the future

Enplan is not intended as a final destination for schemes. We strive to help clients complete their pensions journeys. Two schemes on the platform completed the full buy-out of their liabilities in 2020 and are currently in the final stages of wind up. Both of these schemes required an innovative approach from our actuarial teams (dealing with Guaranteed Annuity Rates and complex pension increase structures that were difficult to insure) in order to secure deals with no need for further cash from the respective employers.

Service

Isio has developed a market-leading service platform through which we deliver high-quality advice and services to all Enplan schemes



In **response to Covid-19**, Enplan was supported by the reliable foundations of Isio and Entrust as businesses. We acted fast for our clients:

Our Covid-19 checklist

Actionable business continuity plan	✓
Continuous governance	✓
Access to real time scheme information	✓
Quick decision-making	✓
Investment strategy robustness	✓



Client voice

'Following a competitive tender process, we appointed Enplan for the clear benefits we saw in their ability to simplify the operation of our DB pension scheme and bring it in line with our strategic objectives more widely. The additional upside we found is their continuous and professional governance... It is easy to implement, reduces management time and substantially improves governance risk by outsourcing all key pensions functions.'

Richard Ellison, Chief Financial Officer at The Cumberland Building Society.

Business continuity

The Isio service and Entrust trustee teams have stayed in very close contact throughout the pandemic. We discuss issues on a near daily basis and have established inter-company Teams groups to allow constant communication and live access to scheme information. As an illustration of how we have responded to Covid-19, the day after the UK Government's 'Stay at Home' order, we held a virtual, emergency operations meeting to review priorities and to ensure that services to the schemes on the Enplan Pension Platform were unaffected. Business continuity plans for both Entrust and Isio had already been implemented by this point and all staff were working remotely with full access to all necessary systems. This allowed us to focus on the key issues affecting schemes on the platform and, consequently, there was no discernible difference in the decision-making timescale or the outcome of actions compared to our standards in a 'normal' context.

Administration services

Within Enplan, all administration services are provided by a specialist team based in one location, so members have dedicated contacts who know their scheme well. While all members of the team have worked from home since March 2020, maintaining member service levels has remained a top priority. During 2020, average service levels have remained at 95% or above. Additionally, our next generation admin system, IntelliPen, has come into its own allowing the team to continue to work seamlessly from our fully digital platform.

Scheme investment reviews

Our rolling programme of scheme investment reviews has continued unabated. All schemes receive an annual review as part of the core service. These have continued online throughout the pandemic. During 2020, we introduced several new ideas to enhance portfolios and capture market opportunities, such as Credit-Linked LD1.

Isio Fusion

All parties, Isio, Entrust and employers are offered live access to Isio Fusion, our online actuarial and investment modelling system. This has allowed valuation and other scheme strategy discussions to continue without interruption throughout the pandemic. We use Fusion live during Teams calls with clients.





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