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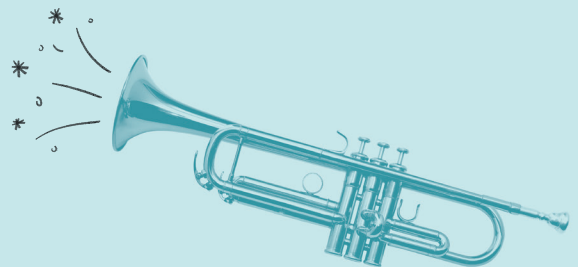
Meet the Standard Annual Statement

Clear. Compliant. And on just 2 sides of A4.

In October, the pensions minister, Guy Opperman, launched the Standard Annual Statement at the PLSA conference.

The statement gives every DC provider an easy way to present the information that scheme members need to make better decisions. And it gives members the clarity they're calling for.

The core team that worked on this statement was Karen Mumgaard and Francois Barker of Eversheds Sutherland, Janette Weir of Ignition House, Quietroom, and Ruston Smith. Here it is, and how we hope it will help.



People aren't asking for flashy comms - they want clear, consistent, usable comms

Some schemes are creating amazing comms. But members need consistency, so they can compare their various schemes side by side. The Standard Annual Statement can be that common denominator.

As an industry, we need a solution that helps schemes work together

Not by saying, 'This is the excellence that we should aspire to,' but by establishing a good, consistent way of doing things that every scheme can achieve, and every member recognises and trusts.

Soon, all statements could look like this

Turn the page to see the statement.

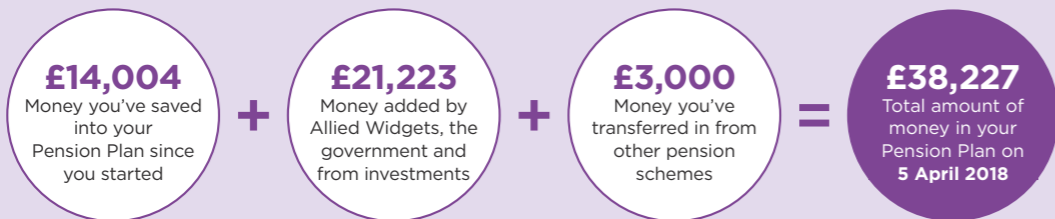
Your Allied Widgets Pension Plan Annual Statement

Your name Jo Bloggs
 Your membership number 01234 567890
 Your address 1 Smith Street, Smithtown, Smithshire, SM1 2SM
 Statement date 3 May 2018

Your Annual Statement shows you three things:

1. How much money you already have in your Pension Plan
2. How much money you could have on your 67th birthday (8 March 2040) – when you told us you plan to retire
3. What you could do to give yourself more money

1. How much money you already have in your Pension Plan



Last Year

Total amount of money in your Pension Plan on 5 April 2017 £ 30,595

This Year

	Money out	Money in
You have saved into your Plan	£ 1,249	£ 1,249
Allied Widgets has added	£ 1,561	£ 1,561
The government has added – through tax relief	£ 312	£ 312
After charges, the value of the investments in your Plan has gone up	£ 1,510	£ 1,510
You've transferred money in from another pension scheme	£ 3,000	£ 3,000

Total amount of money in your Pension Plan on 5 April 2018 £ 38,227

If you'd asked us to transfer your money to another pension scheme on 5 April 2018, we would have transferred £ 38,136

Find out about the costs and charges that apply to the Allied Widgets Pension Plan, whether we think they're good value for money, and how they might affect the value of your Plan over time at AlliedWidgetpension.co.uk/costs

If you visit the website, you can also find out:

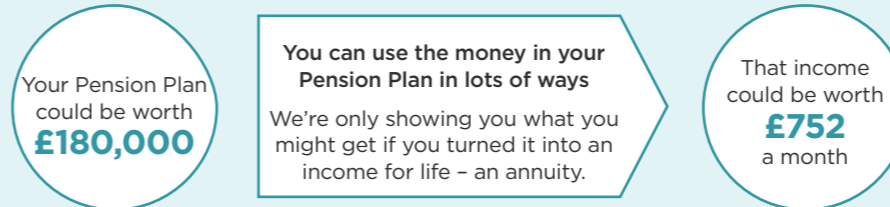
- How money goes in and out of your Pension Plan – AlliedWidgetpension.co.uk/myaccount
- How to transfer money in from another pension scheme – AlliedWidgetpension.co.uk/transfers
- How we invest your money if you don't choose the investments – AlliedWidgetpension.co.uk/investments
- How the pooled funds that your money is invested in work – AlliedWidgetpension.co.uk/pooledfunds

87% of members would be 'likely' or 'very likely' to read this document if it came by post

Survey of 1,000 DC members by researchers Ignition House

76% of members who **did not read** the last pension statement they received said they'd be 'likely' or 'very likely' to read this one
 Ignition House survey

2. How much money you could have on your 67th birthday (8 March 2040) – when you told us you plan to retire



Why do we talk about what your Pension Plan and income could be 'worth'? The answer is – because of inflation. We've shown you what we think the money in your Plan might buy you when you're 67. We think it will buy you what £180,000 would buy you today. We think you could turn it into an income that would be like having a monthly income of about £752 today.

We worked these figures out on 5 April 2018. Lots can happen between then and when you use your money. So to work these figures out, we had to make some assumptions. We assumed that:

- you and Allied Widgets keep putting the same percentage of your salary into your Plan every year
- your investments grow by an average of 6% a year
- when you turn your Plan into an income, you don't take a lump sum, you don't want your income to go up each year to help it keep up with inflation, and you don't want an income for anyone else after you die

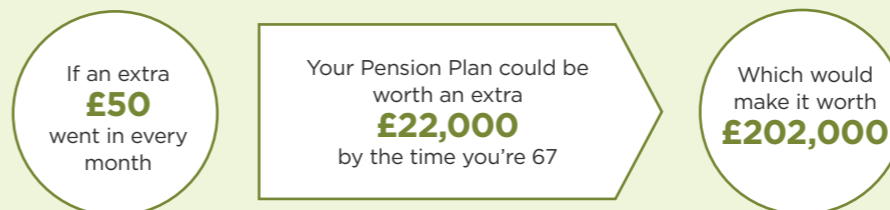
We also made some other assumptions – for example, about the types of investment you have, how inflation affects what your Plan is worth, and how you turn your Plan into an income in 2040. What actually happens may be different from what we've assumed. So these figures don't come with a guarantee. We can't promise this is the actual amount of money you, or anyone else who benefits from your Plan, will get. You could get more or less than this amount. These figures are a guide to help you plan.

Find out about the assumptions we use at AlliedWidgetpension.co.uk/assumptions

3. What you could do to give yourself more money

Before you do anything, it's worth thinking about how much money you're likely to need when you retire. You'll find information to help you do this at [URL for Retirement Income Targets]. And remember, you may get an income from other places – for example, most people get the State Pension.

Save more money into your Pension Plan – So it's worth more when you come to use it.



Give your money more time to grow – You don't have to use your money when you're 67. Leaving it to grow for longer could mean you have more money when you do use it.

Increase the amount you save or change when you plan to retire at AlliedWidgetpension.co.uk/myaccount

Find out more about your Pension Plan and how you can use your money

If you want to know more about your Plan, visit AlliedWidgetpension.co.uk. You can also get help from Pension Wise, a free service from the government. Call them on 0800 138 3944 or visit pensionwise.gov.uk.

This Statement points you to information on our website. If you visit the website, you'll be shown how to get the information you need. If you can't access the website, or would like some of this information in writing, get in touch, and we'll post it to you.

email us – info@AlliedWidgetpension.co.uk

phone us – 01234 567 890

write to us – Allied Widgets Pensions

1 Widget Street
 Widgetville
 WW1 1WW

Here's how it works

The statement:

- uses clear, colour-coded sections
- uses language people understand
- emphasises what you've put in and what you've got in total, rather than what's happened in the last year
- shows people what to do next and how to find out more
- turns even smallprint into reassuring messages

Here's what scheme members think

Research consultants Ignition House tested the statement with 1,000 DC members. Here's what they found:

- People said it was well laid out, simple to understand and signposted them clearly to the information they needed. The most common words and phrases people used to describe the statement were 'easy to read', 'clear', 'straightforward', 'friendly' and 'informative'.
- The statement's length makes it feel manageable. Most people read and understood it in 2 minutes. Even the slowest readers could read it in less than 5.
- People like the idea of a common standard. Many, even including younger members, already had several pensions. The consistent layout and language helped them find important information quickly and make comparisons.

Download the Standard Annual Statement at bit.ly/StandardAnnualStatement

Quietroom is a team of writers, trainers and strategists

We'll help you be clear, vivid and real – so your story makes sense, your ideas come to life and your message sticks. Our work has tripled sales, halved complaints and once saved a bank £500m it expected to lose.

We're here to make issues like money more meaningful to more people

Our approach to pensions communication is about talking in a way that encourages more people to join the conversation – so everyone can make better decisions about their future.

We work with **schemes, providers, master trusts, asset managers, benefits consultants, employers, government, regulatory bodies, public bodies and non-profits.**

Here's an A-Z of who we've worked with recently

The ABI, the Accenture Pension Scheme, Aon Hewitt, the Association of Member Nominated Trustees, Atkins, Aviva, the BHS Pension Scheme, the British Airways Pension Scheme, the British Steel Pension Scheme, the Department for Work and Pensions, the FCA, First Actuarial, HMRC, the HSBC Pension Scheme, the Invensys Pension Scheme, the Investment Association, JLT, the John Lewis Partnership Pension Plan, KPMG, the Kodak Pension Plan, Legal & General, LGIM, the Lloyds Banking Group Pension Schemes, LV=, NOW:Pensions, the Pension Protection Fund, the Pensions Advisory Service, the Pensions Regulator, The People's Pension, the PLSA, Prudential, Redington, the Royal Mail Pension Plan, RPMI Railpen, Scottish Widows, Standard Aberdeen, Unilever and Whitbread.

Sign up to Quietroom Quarterly

It's our not-at-all-quarterly email containing mind-expanding tips, tricks and techniques to make your communication more clear, vivid and real.

Sign up at quietroom.co.uk

Invite us over to your place to share ideas

We've recently given talks on how trustees can talk about responsible investment, how pension schemes should handle a crisis, and what technology companies can teach us about talking like humans. If you're interested in hearing more on subjects like these, or on the annual statement, or on a fresh topic, get in touch and we'll pop over. It doesn't have to be a big event. There doesn't even need to be a brown bag.

We'd love to hear from you

Email us at hello@quietroom.co.uk or give us a ring on **020 7970 6011**