

AMNT Members Survey 2016

Current Overview

No. of Members = 649 (40% increase in yr)

Pension Schemes represented = 480

Pension schemes in value = £637bn

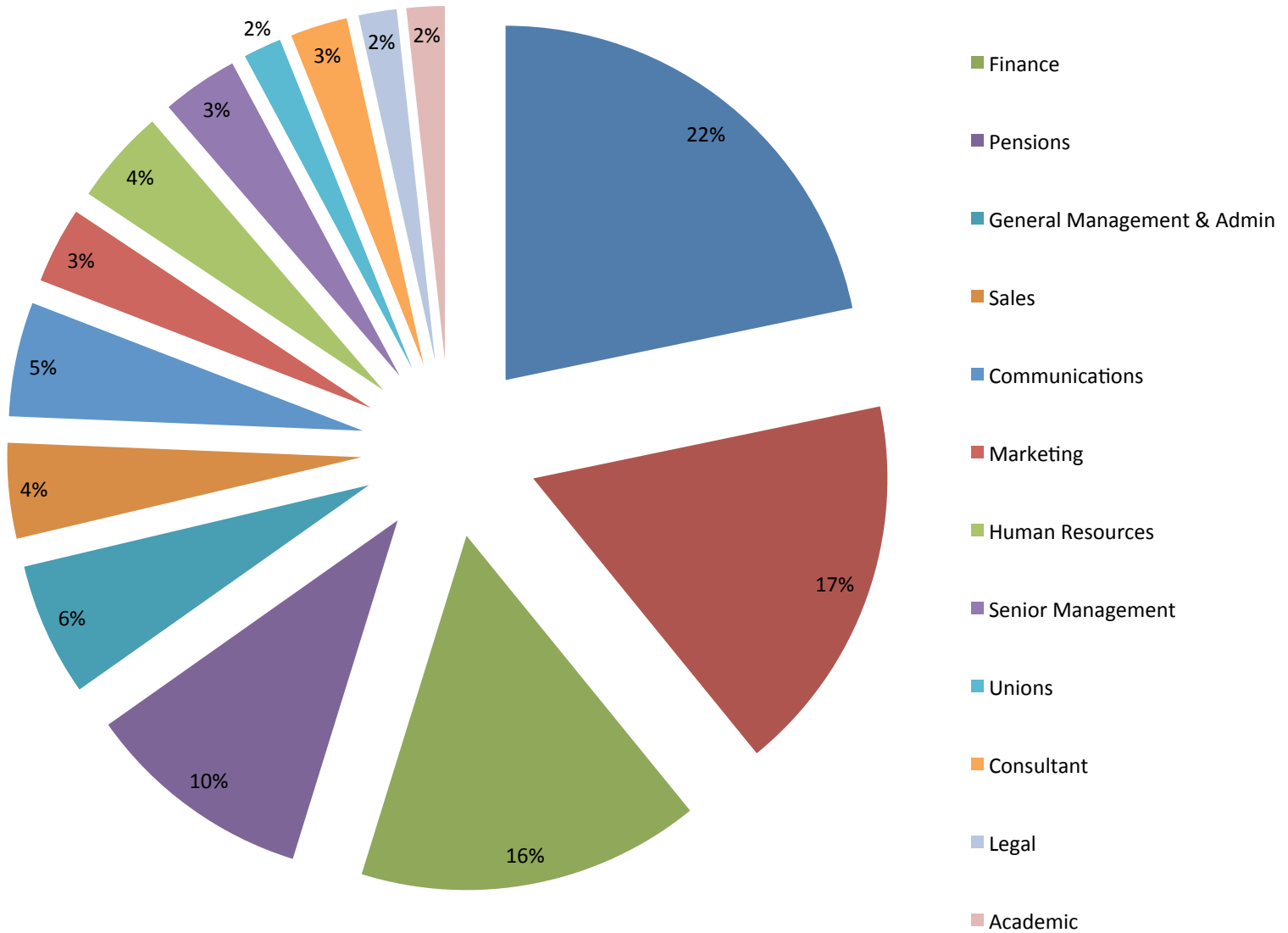
Respondents to Survey = 119

Representing £113.5bn

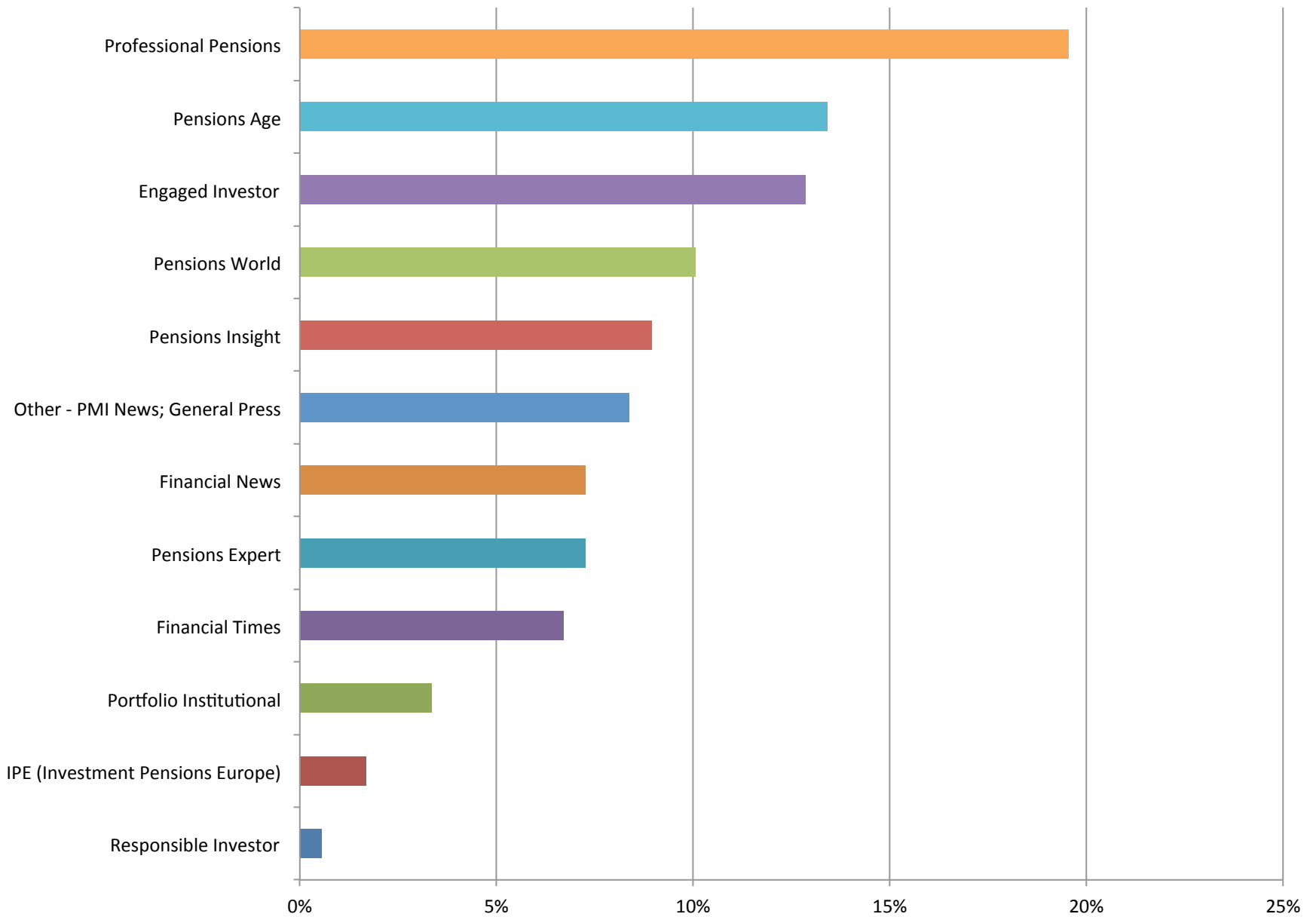
A Typical AMNT Member

- Male (81%), 55+ (68%)
- Full-time working (52%)
- Elected MNT (60%)
- av. 8 years (range 0 – 32years)
- Not paid (68%)
- Training priority = holding advisors to account (32%) and investments (32%)
- 1 of 3 MNT's, 7 Trustee Board, 1 Independent Chair
- In regards to social media - LinkedIn (27%);
- However, the social media considered most beneficial = none (28%), then PMI (22%)
- Prefers to read Professional Pensions (Hardcopy = 20%)

Job Function



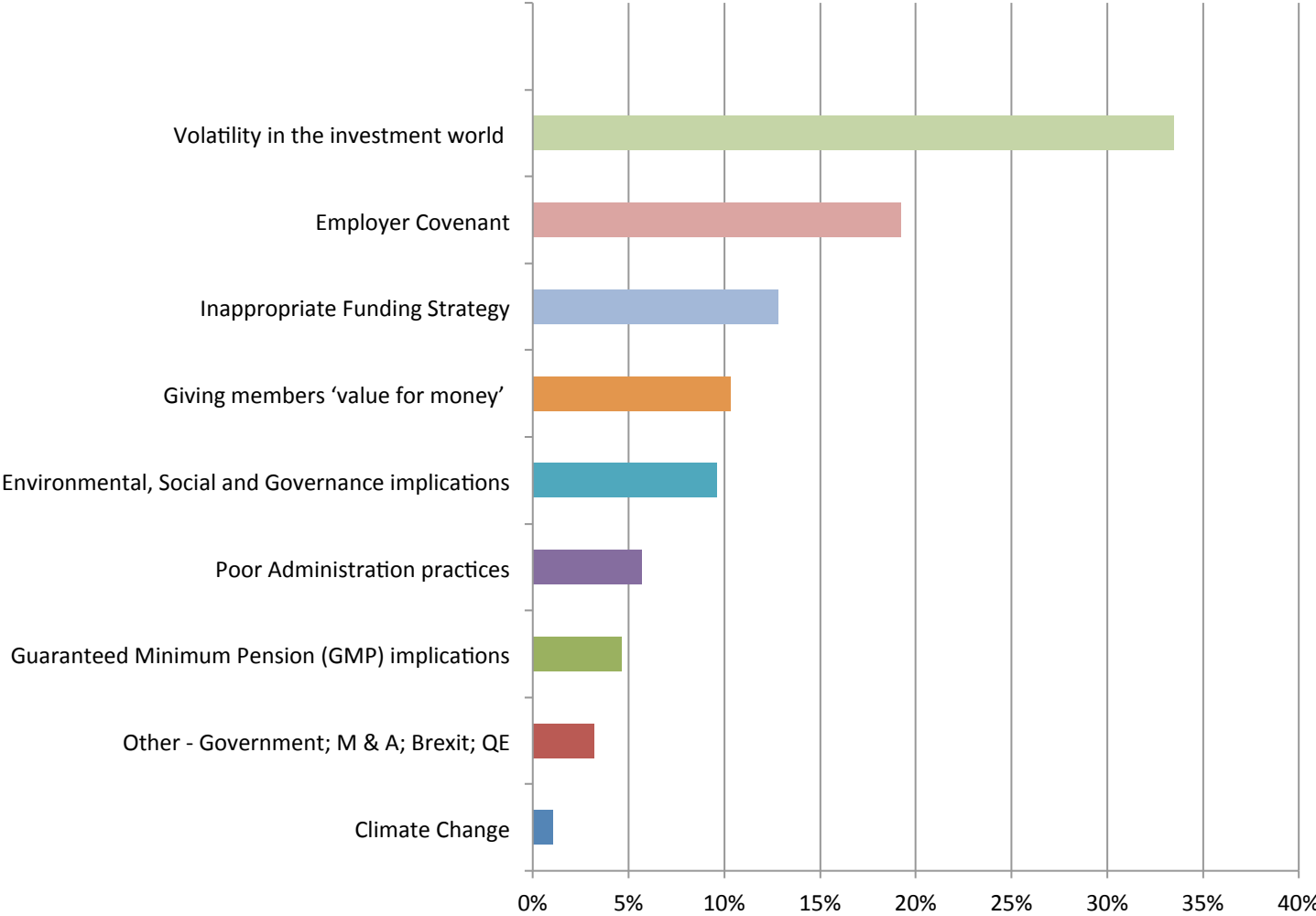
What do we read - hardcopy



A Typical AMNT Pension Scheme

- Trust Based – 88%
- 71% are DB schemes; 15% are DC schemes
- 63% are either closed or closed to new members
- Av. scheme size in members = 32,000 (excl. LGPS)
- Av. scheme size in AUM = £1.0bn
- Av. no. of Trustees per scheme = 7 (range 3 – 15)
- Av. No. of MNT's per scheme = 3
- Typical Scheme Chair = EMT (48%) NB. MNT = 6%
- Control of scheme agenda = Chair & Scheme Secretary (60%)
- Typical Funding = 90% or above (Tech.Provs) = 37%
- Typical Sponsor Covenant is Strong (47%)

Biggest risks facing schemes



Pension Freedoms

- Biggest increase in member action = requests for pension valuations (60%)
- Most popular DC retirement options = access to annuity service (30%) and take cash (25%)
- Most popular DB retirement options = to offer trivial commutations (38%) and to show transfer values (29%)
- Most important member communication = changes in system documentation (33%)
- Most effective member communication = information mailings (31%) and 'face to face' (32%)
- Key service provision for members = IFA (38%); paid for = 7%
- Most effective communication to prevent 'scams' = specific communications to members (31%)

Responsible Investments

- Scheme Boards having had discussions on ESG issues = 59%
- Scheme Boards having no explicit policies on ESG issues = 38%
- Schemes leaving share-hold voting to asset managers = 65%
- Schemes not knowing how asset managers voted = 38%
- Schemes with pooled funds = 88%
- Schemes who have not yet discussed Red Line Voting = 55%
- Schemes not having adopted any stock selection policies on the basis of ethical considerations = 78%
- Investment Consultants who have raised 'responsible investment' with Trustee Board = 45%

AMNT & General Issues

- Why MNTs do not attend AMNT events – time or timing issues
- What would attract new MNTs – Payment (31%), Training (19%) and key benefit communications on the importance of pensions (19%)
- Days per year spent on MNT activities = 9 – 15 (42%)
- Key time commitments for MNTs – Trustee Agenda items (34%); Trustee Sub-committees (27%)
- Key developments being considered – Hedging Liabilities (56%)
- Schemes using Fiduciary Management = 38%
- Key Brexit concerns – market uncertainty (37%); deficits (20%)
- MNTs with indemnity insurance = 80%; satisfied = 79%
- Schemes having adopted ‘Robo Advice’ = 5%

Do you think that the (AMNT) should be offering different services?

- Greater focus on DC
- Helpline
- Guidance on Investment Manager fees and charges
- Campaign against mark-to-market valuation methods, which are destroying pensions.
- Offering regular Google Hangout/webex type events (to allow members to speak directly to it).
- Offer formal training Qualification, e.g. PMI Certificate
- Idiots guides and benchmarking, e.g. when appointing advisors; what questions to ask and fees

Actions to take

- Review diversity issues – more women; more under 40's
- Look to increase number of Members, including LGPS
- Take action to get Trustee Boards to use Red Line Voting
- Understand better what attracts and makes a good MNT
- Consider if pay for MNTs is something to promote?
- Work closely with tPR to develop effective trustee training
- Encourage membership to take a more active role in AMNT
- Develop and continually improve AMNT Website
- Aim to make AMNT Website the key online support tool
- Greater focus on DC issues
- Work closely with other pension bodies and sponsors
- Campaign key pension issues to raise awareness and understanding