

reba

**REWARD &
EMPLOYEE
BENEFITS
ASSOCIATION**

**Maximising analytics to turn DC on its
head and get members saving**

ANNE HARRIS, ScottishPower

PAUL WATERS, Hymans Robertson



#REBAInnovation



6,500 UK staff
DB (closed to new members open
to accrual) and DC schemes

DC Scheme

2,500 members

- Rapidly growing

Objectives

- Better engage with staff
- Encourage them to save more for retirement
- Take advantage of contribution-matching structure
- Improve understanding of scheme



2500 members
and growing

Guided Outcomes (GO™)



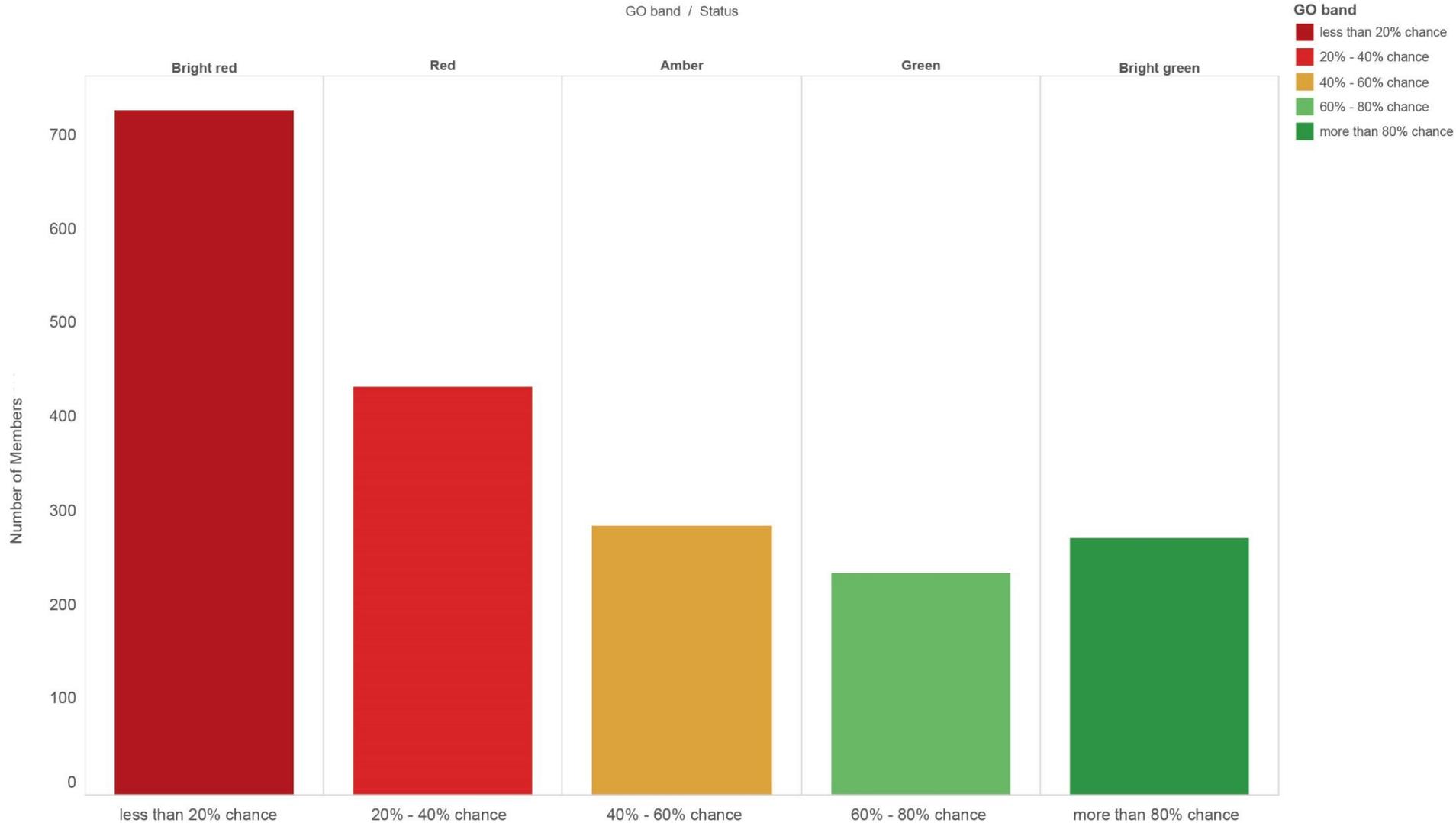
Principles

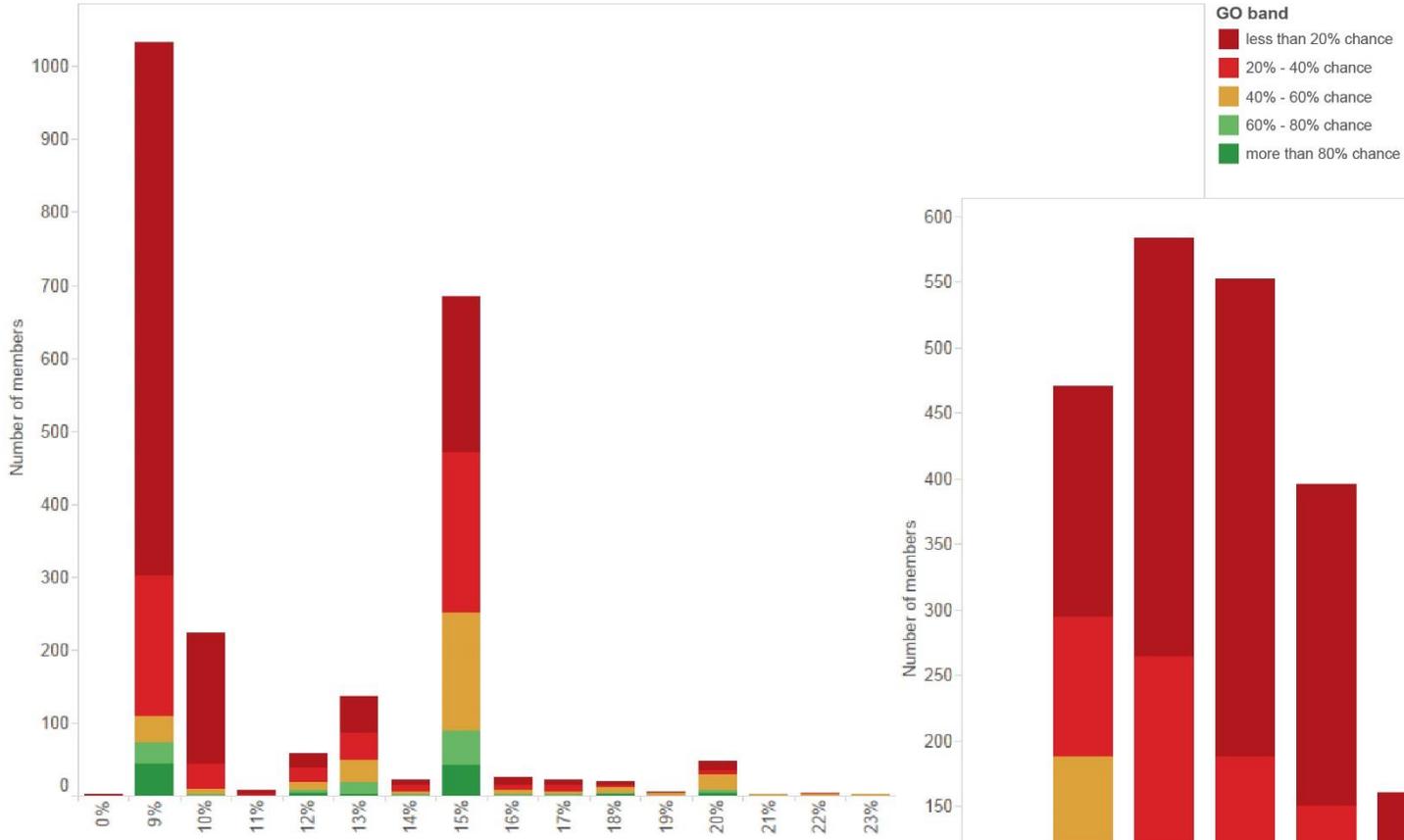
- 3 out of 4 DC members will not have a comfortable retirement
- Engage members and give them direction

Employer needs

- Potential issues can arise from a workforce that cannot afford to retire

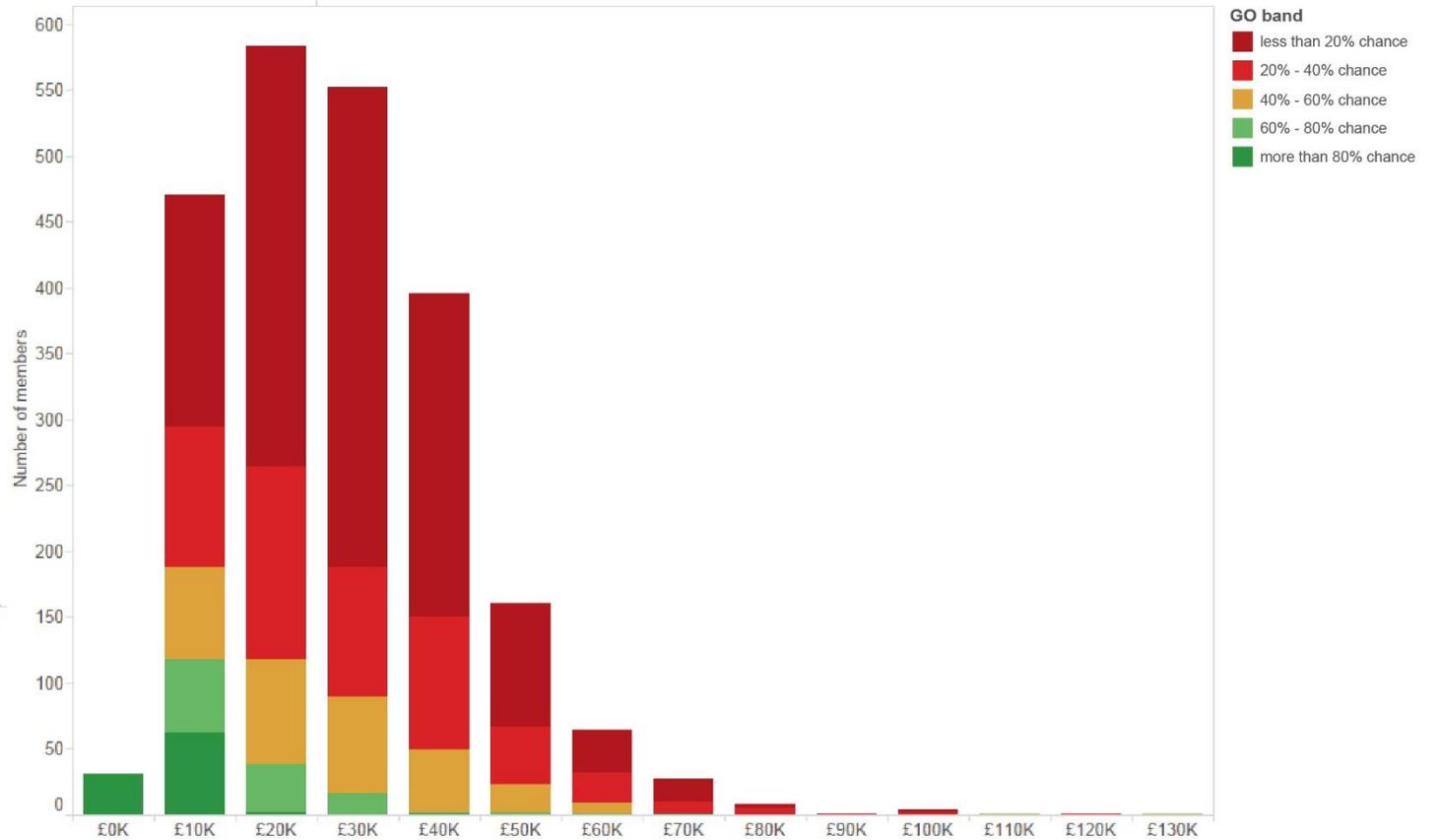
Data analytics to inform HR strategy





Results by contribution

Results by salary band



GO at ScottishPower

Communication Programme



INTRODUCING GUIDED OUTCOMES® (GO™)

LEAFLET FOR MEMBERS OF THE IBERDROLA GROUP (UK) STAKEHOLDER PENSION PLAN ('THE PLAN')

WHAT'S IN THIS PACK?

As well as this leaflet you'll find:

- Your GO statement
- Feedback form
- GO rules

This leaflet explains what GO is and how it works. Please read it carefully.

The terms of the service GO will provide to you are set out in the GO rules document included with this leaflet.



About you

This is the information we used to create your GO statement:

First name: Sarah	Last name: Smith
Your date of birth: 1 April 1971	Your National Insurance number: AB123456C
Your pensionable salary: £34,500	Your current chosen retirement age: 65 years old (21 years until retirement, 2036)
Your pension contribution rate: £260 a month (9%)	
The Company's pension contribution rate: £290 a month (10%)	
Value of your pension account in the Iberdrola Group (UK) Stakeholder Pension Plan at 31 July 2015: £52,000	

It's your responsibility to check whether your pension savings take you over the lifetime / annual allowance limit. If you need further financial advice please contact a financial adviser – see page 4 for details.

Total target retirement income: £23,300 a year

GO estimates that's how much you'd need for an adequate standard of living* when you retire – based on your current salary of £34,500*. Turn over to find out how much you're on track to get from the Plan and how much you'd need from other sources to meet your total target retirement income.

* As defined by the Pensions Commission in 2004 and updated by the DWP in 2012.



Your GO assessment

Reaching your total target retirement income

Achieving a retirement income of £23,300 may require money from a number of sources. For example:



This information is based on the calculations made by GO, as described in more detail in the GO rules.

This Plan

GO indicates that at 65 years old (your selected retirement age in the Plan):

Your potential retirement income from this Plan is	The target retirement income you need from this Plan is	Likelihood of you meeting your target
£10,100 a year*	£12,000 a year*	Moderate

* This is calculated based on a range of between £8,300 and £16,500 that you may receive each year from the Plan. This range depends on a number of different factors such as your future salary increases, investment returns and the cost of an income in retirement. For more information about the assumptions GO uses, read the GO rules (enclosed).



Off target? GO can help

The online GO portal will suggest an approach to get you closer to your target retirement income from this Plan. This may mean:

- Increasing contributions (within certain limits); and/or
- Retiring later (within certain limits).

The portal will be available 24/7 and you'll be able to confirm the level of support (automatic or guided) you want to help get you to your target retirement income from this Plan. You can also select manual if you want to do it yourself. Note: if you choose the manual setting, GO won't notify you if you're off track for your target retirement income from this Plan in the future. You'll need to visit the portal to find out. We'll contact you again soon to give you details of how to log into the portal.



Your GO assessment as at 20/06/2016 [View change history](#)

For the Demo Pension Plan, GO indicates that

Your **potential** retirement income ?

£6,200 a year

Options available

GO comparison

Select an approach below.

Current Assessment

Demo Pension Plan

Potential retirement income from your Plan: ?

£6,200 a year
Best estimates show you're on track for between £4,200 and £9,100 a year

Retirement age: ?

Age 65
(38 years, 2053)

Contribution rate: ?

£63 a month
(3% salary)

Likelihood of reaching your target ?

Unlikely

Remain with current assessment

[Return to current assessment](#)

GO Approach

Demo Pension Plan

Potential retirement income from your Plan: ?

↑ £11,700 a year
Best estimates show you're on track for between £8,000 and £16,600 a year

Retirement age: ?

↑ Age 66
(39 years, 2054)

Contribution rate: ?

↑ £105 a month
(5% salary)

Likelihood of reaching your target ?

Likely

Continue with GO approach

[Set your own savings approach](#)

GO Stepped approach

The standard GO approach limits contribution increases to **2% limit on automatic annual increase** approach at an 11.00% contribution, select the option below:

Stepped approach is selected (default)

Select

This would be a contribution of

5% from you

Which would be £211 a month.

This would mean the likelihood of reaching the target retirement income is Moderate.

This would

11%

Which would

This would mean the likelihood of reaching the target retirement income is High.

Go back

Continue

Review control setting

Step 2 of 2

Please review this summary of the proposed changes below and accept to proceed.

Change control setting to AUTO

To get closer to your target retirement income, GO may automatically change:

- Contributions
- Retirement age

Any future changes to keep you on track will be made automatically and will not need to be confirmed by you on the portal. A notification of the changes will be made to the registered user of the portal related to your plan.

Your control setting is GUIDED

In the future, to get closer to your target retirement income GO will identify any necessary changes to:

- Contributions
- Retirement age

Any changes must be confirmed by logging back into the portal.

Please confirm your control setting

Please tick this box to agree you have read **important information** and understand them and agree to this change to your control setting.

I have read the important information and terms of use

Go back

Confirm Guided control setting

Launch results – after 1 month

1/3

log on

straight away

positive
feedback
from clients

1/10
members

increase their
scheme
contribution

Engagement one year on



20.7%

of members using GO have saved more into pension



+5.24%

The average total increase



10%

Of those making increases have more than doubled how much they save into pension

Looking to the future



Evolve Technology



Target Members

Questions

