

# Workers Pension Trust

AAF 05/20 Report

Governance controls for master trusts report  
1 April 2020 - 31 December 2020



**Workers Pension Trust**  
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BT9 6SX

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***If you are receiving this report in your capacity as a prospective new client (i.e. post 31 December 2020) of WPT then your attention is drawn to the Disclaimer letter at the back of this report (Appendix 2) and the Service Auditor's Assurance Report therein.***

# 1. Introduction

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Workers Pension Trust Limited ('the Trustee') is pleased to present its fifth annual AAF controls report which details the governance control activities relating to Workers Pension Trust ('WPT', 'the Scheme') that were in place and operating throughout the period from 1 April 2020 to 31 December 2020.

## Background to WPT

WPT is a master trust – a multi-employer workplace pension scheme, which is open to all businesses in the United Kingdom. The Scheme is based in Belfast, Northern Ireland and is widely regarded as the local, flexible, simple solution for auto-enrolment.

WPT is not-for-profit, operating for the benefit of its members. Membership of the Scheme has grown rapidly since it was established in 2012. There are now over 5,200 employers using the Scheme across a wide range of sectors, representing 110,000 members. In 2018, WPT accepted a transfer of 16,800 members from Enhance Construction Pension Scheme NI. Combined assets under managements is more than £293m.<sup>1</sup>

In August 2019, WPT received master trust authorisation from the Pensions Regulator (TPR). Authorisation is granted only to those master trusts who obtain the highest level of governance. Master trusts who failed to achieve the standard have been forced to close. The process of applying for and receiving authorisation, as well as ongoing supervision from the Pensions Regulator, provides assurance that WPT meets rigorous governance standards.

The Trustee has a duty to operate WPT in the best interest of its members. This includes planning ahead of a crisis like the COVID-19 pandemic which emerged in March 2020. As a result of its comprehensive business continuity plans, the Trustee was well prepared, and WPT has remained fully operational, continuing to provide excellent customer service.

## AAF 05/20 Report

This AAF 05/20 report provides information and assurance on the operation of the governance control activities relating to WPT. The report demonstrates the continued effectiveness of the design and operation of the internal controls structure of WPT.

This report has been prepared in accordance with the framework provided by the Audit and Assurance Faculty of the Institute of Chartered Accountants in England and Wales, entitled Assurance Reporting on Master Trusts (ICAEW technical release TECH 05/20 AAF). The report incorporates the updated control objectives reviewed by the ICAEW with the Pensions Regulator to reflect the post authorisation master trust supervisory systems and controls environment. The previous 27 control objectives have been revised into 32 control objectives, which are outlined in section 5 of this report.

The Scheme's service auditor (reporting accountant), Assure UK, has independently assessed WPT against the control objectives relating to the AAF 05/20 master trust assurance framework. Their report confirms that the control objectives set out in the AAF guidance were met throughout the period from 1 April 2020 to 31 December 2020, with no exceptions noted.

*Carole Ryden*

**Carole Ryden**

Chair of Workers Pension Trust Limited  
26 March 2021

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<sup>1</sup> Information correct as at 31 December 2020 and may be subject to change.

## 2. Statement by the Trustee of WPT

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As Trustee of WPT, we are responsible for the identification of control objectives relating to the governance of the Scheme and for establishing governance control activities, including oversight of systems and processes that provide reasonable assurance that the control objectives are achieved. Those control objectives are derived from standards of governance set out in the Pensions Regulator's DC code of practice and DC guides. The Governance of WPT is currently undergoing a full review which will include reviewing all processes and procedures. The initial focus will be on reviewing objectives 7-10 outlined in section 5 of this report.

In carrying out these responsibilities we have regard not only to the interest of employers who have entrusted their employees' DC contributions to the master trust, (or are considering doing so) and members of the master trust, but also to the needs of the Pensions Regulator. The Pensions Regulator may use this report to help determine whether certain governance procedures, including oversight of systems and processes relevant to master trust supervisory requirements, have been met and have been subjected to independent scrutiny.

We have evaluated the fairness of the description and the design suitability and effectiveness of the Scheme's governance control activities, having regard to ICAEW's TECH 05/20 AAF and the control objectives set out therein as described in section 6 of this report.

We set out in this report a description of the relevant governance control activities including oversight of systems and processes established by the Trustee of WPT, together with the related control objectives which operated during the period 1 April 2020 to 31 December 2020 and confirm that:

- a) The report describes fairly the governance control activities established by the Trustee that relate to the control objectives referred to above, which were in place throughout the period from 1 April 2020 to 31 December 2020;
- b) The governance control activities described in section 6 of this report were suitably designed throughout the period from 1 April 2020 to 31 December 2020, such that there is reasonable assurance that the specified control objectives would be achieved if the described governance control activities were complied with satisfactorily; and
- c) The governance control activities described in section 6 of this report were operating with sufficient effectiveness to provide reasonable assurance that the related control objectives were achieved throughout the period 1 April 2020 to 31 December 2020.

Signed on behalf of Workers Pension Trust Ltd

*Carole Ryden*

**Carole Ryden**  
Chair of Workers Pension Trust Limited  
26 March 2021

### 3. Report by the Service Auditor

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#### **Independent service auditor's assurance report on the governance control activities established by Workers Pension Trust Limited ('the Trustee') relating to the Scheme.**

##### **Use of report**

Our report, subject to the permitted disclosures set out below, is made solely for the use of Workers Pension Trust Limited ('the Trustee') and is solely for the purpose of reporting on the control activities of the Scheme, in accordance with our terms of engagement letter dated 8 October 2020 and attached in the appendix to this report.

Our work has been undertaken so that we might report to the Trustee those matters that we have agreed to state to the Trustee in our report and for no other purpose.

We permit the disclosure of our report in full, only to verify to the recipient that a report by the service auditor reporting accountants has been commissioned by the Trustee and issued in connection with the control activities of the Scheme, without assuming or accepting any responsibility or liability to the recipient on our part.

To the fullest extent permitted by law, we do not and will not accept or assume responsibility to anyone other than the Trustee as a body for our work, for our report or for the opinions we have formed.

##### **Scope**

We have been engaged to report on the Trustee's description of its governance control activities in relation to the Scheme throughout the period from 1 April 2020 to 31 December 2020, and on the suitability of the design and operating effectiveness of those governance control activities stated in the description.

##### **Trustee responsibilities**

The Trustee responsibilities and statement are set out in section 2 of the report. The control objectives stated in the description include those control objectives set out in TECH 05/20 that are considered relevant by the Trustee.

##### **Our responsibilities**

Our responsibility is to form an independent opinion, based on the work carried out in relation to the governance control activities established by the Trustee of the Scheme, as described in section 6 of the report and report this to the Trustee. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and with ICAEW TECH 05/20 which requires, among other things, that we comply with ethical and other professional requirements.

We plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the description is fairly presented and the governance control activities were suitably designed and operating effectively. The criteria against which the governance control activities were evaluated were the control objectives developed for master trusts as set out within ICAEW TECH 05/20 and identified by the Trustee as control objectives to be applied for the purpose of effective governance.

Our work involved performing procedures to obtain evidence about the presentation of the Trustee's description of the governance control activities, including oversight of systems and processes, and the design and operational effectiveness of those governance control activities. Our procedures include assessing the risks that the description is not fairly presented, and that the governance control activities were not suitably designed or operating effectively. Our procedures also included

testing the operating effectiveness of those governance control activities that we considered necessary to obtain reasonable assurance that the control objectives stated in the description were achieved. An assurance engagement of this type also included evaluating the overall presentation of the description and suitability of the control objectives stated therein.

### **Our independence and quality control**

We have complied with the independence and other ethical requirements of the 'Code of Ethics for Professional Accountants' issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Inherent limitations**

The Trustee's description of governance control activities, including oversight of systems and processes, was prepared to meet the common needs of a broad range of users. Therefore they may not include every aspect of the governance control activities that may be relevant to each participating employer or member of the Scheme. Also, because of their nature, governance control activities may not prevent or detect and correct all errors or omissions in performing governance activities.

Our opinion is based on historical information. The projection of any evaluation of the fairness of the presentation of the description, or opinion about the suitability of the design or operating effectiveness of the governance control activities and systems and processes to future periods, would be inappropriate.

### **Opinion**

In our opinion, in all material respects:

- (i) sections 5 and 6 of the Trustee's report fairly presents the governance control activities established by the Trustee that relate to the control objectives referred to above, which were in place throughout the period from 1 April 2020 to 31 December 2020; and
- (ii) the governance control activities established by the Trustee, described in section 6 of the Trustee's report, were suitably designed to provide reasonable, but not absolute, assurance that the specified control objectives would have been achieved if the described governance control activities operated effectively throughout the period from 1 April 2020 to 31 December 2020; and
- (iii) the governance control activities established by the Trustee that were tested were operating with sufficient effectiveness to provide reasonable, but not absolute, assurance that the related control activities were achieved throughout the period from 1 April 2020 to 31 December 2020.



**Assure UK**  
Chartered Accountants  
London  
26 March 2021



## 4. Business Overview and Control Environment

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### Organisation overview

WPT was founded by Construction First Limited (CFL), a not-for-profit organisation, in 2012.

CFL is a wholly owned subsidiary of Construction Holiday Pay Scheme Limited (CHPS), a not-for-profit organisation limited by guarantee, established in 1945 for the provision of holiday pay and welfare benefits to the construction industry. The organisation has been providing financial benefits to its members for over 75 years and has more than 38 years' experience in delivering pension schemes. Income from the organisation is used for the benefit of Scheme members through lower charges, enhanced benefits, and improved services.

WPT is set up under trust law to ensure that members' retirement savings are protected. The Scheme is run by a corporate Trustee, Workers Pension Trust Limited, which is responsible for the governance of all aspects of the Scheme. The function of the Trustee is to ensure that the Scheme is run in the best interest of its members.

The Trustee has regular meetings to oversee the management and governance of the Scheme, including the oversight of investments, administration and systems and processes relevant to master trust supervisory requirements. The Trustee has the relevant knowledge and understanding of pensions matters to properly run the Scheme. Further information can be found in Section 5 of the [Chair's Statement](#).

### Trustee of WPT

The Trustee is made up of the following individuals:



**Carole Ryden**  
**Trustee Director representing Capital Cranfield**  
**Appointed on 13 May 2019 (Chair from 1 October 2020)**

Carole is a professional Trustee and a Fellow of the Institute and Faculty of Actuaries. In her 25-year career she has gained extensive experience and knowledge, spanning the areas of pension product development, actuarial consultancy, investments, governance, risk management and project management. Carole has worked with both large and small pension scheme boards.



**Ciaran Brolly**  
**Member Nominated Trustee Director**  
**Appointed on 1 July 2018 (Deputy Chair from 1 October 2020)**

Ciaran has over 40 years' experience of trade union involvement. Since 2008, Ciaran has worked as a Project Manager for Unite the Union. He is a Board Member of the Construction Industry Training Board (CITB) NI and is Chair of the Board of Governors of St Brigid's College Derry. Ciaran has been Head of Department in a Further Education College and a Board Member of the NI Consumer Council, NI Housing Executive and member of their Audit Committee.

Ciaran was a Trustee Director of Enhance Construction Pension Scheme NI from 2018 to 2020 and was involved in the restructuring of Enhance and the bulk transfer of members' benefits to WPT.





**Tony Reynolds**  
**Trustee Director**  
**Appointed on 12 June 2012**

Tony has many years' experience running pension schemes and previously chaired a private company pension scheme for 20 years. Tony was also the Chair of WPT from 2015 to 2020. Tony was a Trustee Director of Enhance Construction Pension Scheme NI from 2008 to 2020 and Construction Benefits Scheme from 1975 to 2010. He was involved in the restructuring of Enhance and the bulk transfer of members' benefits to WPT.

Tony was awarded an OBE in 1998 and is a Fellow of both the Chartered Institute of Building and the Chartered Management Institute.



**John Armstrong**  
**Trustee Director**  
**Appointed on 12 June 2012**

John has 9 years' experience in the insurance sector and has 8 years' experience in the sale and marketing of personal, group personal and executive pensions. John holds the Chartered Insurance Institute Financial Planning Certificate and is a Fellow of the Institution of Civil Engineers and a member of the Institute of Directors.

John was a Trustee Director of Enhance Construction Pension Scheme NI from 2008 to 2020 and Construction Benefits Scheme from 2008 to 2010. John was involved in the restructuring of Enhance and the bulk transfer of members' benefits to WPT. John is the Chair of Construction First Ltd (CFL), the in-house administrator of WPT, and the Chair of Construction Holiday Pay Scheme Ltd., the parent company of CFL which has over 35 years' experience administering pension schemes.

Three new Trustee Directors were appointed during the period covered by this AAF report as follows:

**Shauna Mitchell**  
**Member Nominated Trustee**  
**Appointed on 1 June 2020**

Shauna has over 20 years' experience working as a HR professional and is currently a HR Director at Frylite Limited, from which Shauna has gained governance and employment law experience.

Shauna has experience in handling employee queries in relation to their pension contributions, annual statements, and upcoming retirements. She has experience working with pension advisers and building positive working relationships.

Previously, Shauna worked as a HR manager with Herdmans Limited, and from 1998 to 2002, she was a Trustee of the employee pension scheme.

**David Andrews**  
**Member Nominated Trustee Director**  
**Appointed on 1 June 2020**

David has over 30 years' experience in accounting and payroll, managing the payroll and pension provision for a large organisation. David has experience and a working knowledge of both DB and DC pension administration.

As Chief Information Officer for a large organisation, David also has experience in data policy setting and governance of data protection issues including GDPR.



**Margaret Maynes**  
**Trustee Director**  
**Appointed on 1 October 2020**

Margaret has over 35 years' experience in pension administration and governance and was the Company Secretary of WPT and Enhance Construction Pension Scheme NI.

Margaret has experience in developing and monitoring pension investment strategies, managing service providers, reviewing communication plans, and reviewing company budgets, accounts, and financial control systems.

Margaret has been a Director of Construction First Ltd and Construction Holiday Pay Scheme Ltd since 2008. Construction Holiday Pay Scheme Ltd has over 35 years' experience administering pension schemes.

## **Bodies and Sub-Committees**

The Trustee benefits from the support of the following bodies and subcommittees to assist in the efficient day-to-day running of the Scheme:

### Scheme Administrators:

WPT is jointly administered by CFL and Mercer. CFL is responsible for the day-to-day operation of the Scheme, including communication with employers and members and processing contributions. CFL is accredited to the ISO 9001:2015 standard for quality management systems and adheres to the '5S' standard, which focuses on an efficient and effective working environment. Mercer maintains member records, invests contributions received from CFL and makes benefit payments on behalf of members. Mercer is the largest private sector administrator in the UK. Mercer undergoes an annual assessment via their AAF 01/06 / AAF 01/20 Report which includes a review of their internal controls.

### Scheme Strategist:

The Scheme Strategist comprises of a group of individuals who are responsible for making business and strategic decisions about how the Scheme is run.

### Scheme Funder:

CFL is the Scheme Funder and provides funds to enable the Scheme to continue to run in the event that it cannot meet its running costs. Both WPT and CFL have reserve funding in place to protect members' savings in the unlikely event of the Scheme having to close.

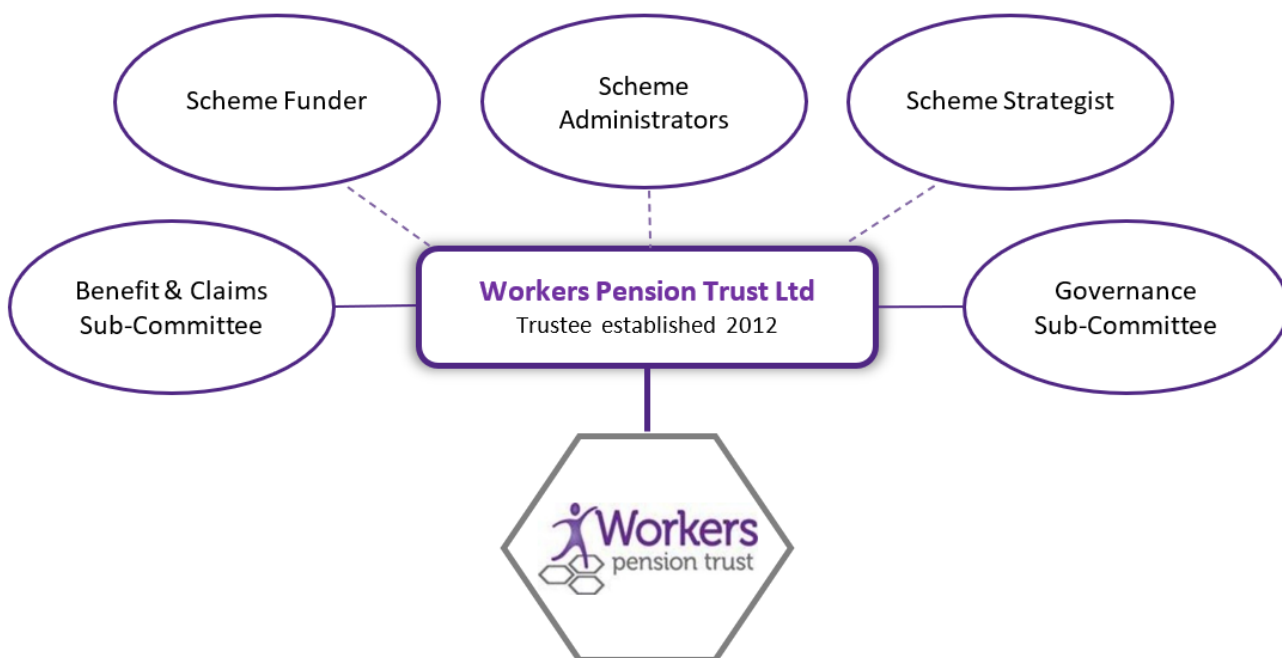
### Governance Sub-Committee:

The Governance Sub-Committee reviews Scheme documentation and advises the Trustee on matters relating to the governance of the Scheme.

### Benefit & Claims Sub-Committee:

The Benefit & Claims Sub-committee reviews and approves death benefit claims on behalf of the Trustee.

The Trustee remains accountable for all Scheme functions but can delegate certain work to various bodies and sub-committees. The Scheme's current governance model is shown below:



## Control Environment

### Risk Management and Internal Control

CFL and WPT understand the importance of protecting the interests of members and compliance with industry and statutory requirements.

ISO 9001:2015 certification ensures that staff recognise the importance of procedures and a consistent approach to data handling to ensure consistent delivery of a high quality service. Regular internal auditing against ISO 9001:2015 requirements ensures that all staff are aware of the objectives and responsibilities associated with procedures and controls. ISO 9001:2015 goes beyond administration procedures and includes an analysis of the Political, Economic, Social, Technological, Environmental, Legal and Marketplace (PESTELM) factors impacting WPT. The standard also includes a SWOT analysis and an Opportunities Register.

The Trustee seeks to obtain formal feedback from members and their employers about the quality of the services provided to them and this information is used to adapt internal controls as necessary.

CFL and WPT have a variety of accounting and internal controls designed to prevent and detect fraud. These include restricted access to pension systems and databases; segregation of duties between pension administration and finance staff; investment and payment authorisation levels; monthly independently reviewed bank reconciliations; monitoring of contribution receipts; reconciliation of pension system investment records with investment management holdings; data update and amendment controls and review of transfers out regarding potential pension liberation fraud. Fraud risk mitigation and associated controls are also considered as part of internal audit reviews.

The scope of the Risk Register was extensively widened during 2019-2020 to accommodate TPR's authorisation requirements.

Regular review of the Risk Register by the internal management team, the Governance Sub Committee, the Trustee Board, the Scheme Strategist, and Scheme Funder, aims to identify the need for any changes to procedures and controls.

CFL and WPT continue to liaise with the Pensions Regulator to discuss the administrative and governance aspects of the Scheme.

### **Complementary Control operated by Participating Employers**

It is not feasible for the control objectives relating to pension services to be achieved solely by CFL. For employers to rely on the controls reported at Section 6, each employer is required to evaluate its own internal controls to determine whether:

- member data and contributions are provided as instructed and on a complete, accurate and timely basis;
- changes to individuals authorised to instruct CFL are communicated in writing and on a timely basis;
- security controls to protect member data are in place;
- records are maintained to demonstrate attempts to trace members who are identified as having an incorrect address; and
- contingency plans have been developed to ensure that information can be consistently communicated to CFL in the event of a system error or other disruption.

### **Communications**

- The Trustee has a documented Communications Policy & Plan to meet the needs of its members.
- The Trustee's policy is that communications are accurate, clear, helpful and relevant to the members and employers. Communications are in plain English, avoid the use of jargon and standardised where possible.
- The Trustee provides Scheme members with the information they need to help them plan for their retirement. Communications are tailored, where appropriate, to different groups such as deferred members and those approaching retirement.
- An annual Communication Plan is agreed by the Trustee. The plan is reviewed quarterly by the Scheme Secretary and annually by the Trustee.

## 5. Summary of Control Objectives

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### VALUE FOR MEMBERS CO 1-2

#### Assessing value for members

1. A documented value for members assessment is undertaken at least annually and is formally approved by the Trustee.

#### Management of costs and charges

2. The Trustee ensures disclosure of information to members of transaction costs and charges is complete and accurate and has been disclosed in accordance with regulatory guidelines.

### INVESTMENT GOVERNANCE CO 3-6

3. A documented review of the suitability of the default arrangement(s) and range and risk profile of other investment options is undertaken and approved by the Trustee.
4. The Trustee undertakes a documented review of the Statement of Investment Principles. This review includes consideration of investment objectives and policies for the default arrangement(s) and all other investment options.
5. The Trustee ensures that the Statement of Investment Principles is made publicly available.
6. The performance of all investment options (including the default arrangement(s)) is reviewed and monitored against the investment objectives set out in the Statement of Investment Principles. This review is documented and approved by the Trustee.

### THE TRUSTEE BOARD CO 7-10

7. New Trustee Directors are recruited and appointed in accordance with a documented procedure approved by the Trustee.
8. The fitness and propriety of Trustee Directors is assessed prior to appointment and reviewed annually thereafter in accordance with a documented policy. This review is documented and approved by the Trustee.
9. Collective skills and competencies of the Trustee as a whole are reviewed on an annual basis. This review is documented and approved by the Trustee.
10. Trustee levels of knowledge and understanding are managed and maintained in accordance with an annual training and development plan approved by the Trustee.

### FINANCIAL SUSTAINABILITY AND COMPLIANCE CO 11-14

11. A documented review of financial sustainability (including access to resources to cover running costs and financial reserves in the event of a triggering event) is undertaken by the Trustee within required timescales.
12. A documented review of the Business Plan is undertaken by the Trustee within required timescales.
13. A documented Continuity Strategy is maintained and reviewed by the Trustee.
14. A documented procedure is maintained and approved by the Trustee for reporting Significant Events and Triggering Events to the Regulator within required timescales.

### SCHEME MANAGEMENT SKILLS CO 15-19

15. An annual business schedule/plan is maintained and reviewed by the Trustee.
16. Conflicts of interest are subject to ongoing monitoring and are identified, recorded in a conflict register and managed in accordance with a defined policy which is regularly reviewed by the Trustee.

17. Documented due diligence is undertaken by the Trustee prior to the appointment of all service providers, including fitness and propriety. Selection criteria is maintained by the Trustee to support service provider selection and decision making.
18. Roles and responsibilities of all advisers and service providers are documented and the performance and quality of their service is subject to documented reviews by the Trustee against documented performance criteria.
19. The Trustee maintains a risk management framework to identify, evaluate, manage and monitor scheme risks.

## **TRUSTEE OVERSIGHT OF IT SYSTEMS AND ADMINISTRATION PROCESSES CO 20-28**

20. The Trustee monitors and reviews IT systems.
21. The capacity to take on new business is assessed, approved and regularly monitored by the Trustee.
22. Signed administration agreements are in place with service providers and include provisions for the rectification of maladministration. The agreements are approved by the Trustee.
23. The Trustee has arrangements in place for ensuring that core financial transactions (including decumulation related transactions) are processed promptly.
24. The Trustee has arrangements in place for ensuring that core financial transactions (including decumulation related transactions) are processed accurately and that payments are authorised and suitably controlled.
25. The Trustee ensures that member retirement options selected are processed and managed in accordance with documented procedures.
26. The Trustee ensures that transaction errors are identified and rectified in accordance with a documented procedure.
27. The Trustee ensures that late and inaccurate contributions are pursued and resolved in accordance with documented procedures. Late contributions are reported to the Trustee.
28. The Trustee ensures that contributions are invested and allocated in accordance with member instructions or the requirements of the default arrangement.

## **DATA QUALITY CO 29**

29. The Trustee ensures member data is complete and accurate and is subject to regular data evaluation.

## **COMMUNICATION AND REPORTING CO 30-32**

30. The Trustee maintains a documented member communications plan which is regularly reviewed.
31. Arrangements are in place for ensuring that the quality and accuracy of member communications are assessed by the Trustee.
32. The Trustee has established a process for reporting member feedback (including issues raised by members) and complaints to the Trustee, including resolution procedures. Member feedback and issues are logged and reviewed by the Trustee.

## 6. Control Objectives and Control Activities

### VALUE FOR MEMBERS CO 1-2

<b>Area and Objective 1</b>	
A documented value for members assessment is undertaken at least annually and is formally approved by the Trustee.	
<b>Control Activity</b>	<b>Assure UK testing</b>
<p>1.1 The approach to conducting a VFM assessment is considered in advance with standard headings approved by the Trustee.</p> <p>The report covers the following aspects:</p> <ul style="list-style-type: none"> <li>• How we run the Scheme (governance)</li> <li>• How we meet members' needs (design)</li> <li>• How we grow and protect your money (investments)</li> <li>• How we operate (administration)</li> <li>• How we keep in touch with members (communication)</li> <li>• How we keep running costs low (charges)</li> <li>• We welcome your views</li> </ul>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the December 2019 VFM assessment that the approach covered the following aspects:</p> <ul style="list-style-type: none"> <li>• How we run the Scheme (governance)</li> <li>• How we meet members' needs (design)</li> <li>• How we grow and protect your money (investments)</li> <li>• How we operate (administration)</li> <li>• How we keep in touch with members (communication)</li> <li>• How we keep running costs low (charges)</li> <li>• We welcome your reviews.</li> </ul>
<p>1.2 A Value for Members (VfM) summary is included in the Chair's Statement published in the signed Scheme's Annual Report and Accounts.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the year ended 31 December 2019 Annual Report and Accounts that a Value for Members (VfM) summary was included in the Chair's Statement.</p>
<p>1.3 'How WPT's charges compare to other Master Trusts' is considered annually as part of the VfM assessment, if considered necessary.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the VfM assessment methodology that it included the consideration of comparing WPT's charges to other Master Trusts.</p>
<p>1.4 This process is recorded in the Trustee Resource Planner under the Value for Members section.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the process for a VfM assessment was recorded as an annual event as item 89 and to conduct the VfM assessment was recorded as an annual event as item 90 under the Value for Members section.</p>

## Area and Objective 2

The Trustee ensures disclosure of information to members of transaction costs and charges is complete and accurate and has been disclosed in accordance with regulatory guidelines.

Control Activity	Assure UK testing
<p>2.1 All relevant information on member costs and charges is made available on the Scheme website <a href="http://www.workerspensiontrust.co.uk">www.workerspensiontrust.co.uk</a> within the Member Resources area of the WPT website, via the Scheme Booklet, and is described with examples of the member contribution charge and annual management charge. The Chair's Statement detailing charges is also available in the Member Resources area of the WPT website.</p> <p>Annual Benefit Statements are checked to confirm that they include all the relevant information regarding costs and charges.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Member Resources area within the Scheme website that the Scheme Booklet and Chair's Statement are available for members to access and holds all relevant information on member costs and charges.</p> <p>Confirmed by inspection of the Scheme Booklet that it included examples of the member contribution charge and annual management charge.</p> <p>Confirmed by inspection of a Member Annual Benefit Statement that it included costs and charges.</p>
<p>2.2 The Scheme complies with the charges cap as required from April 2015.</p> <p>For WPT members the contribution charge is 1.8% and the AMC is 0.3%.</p> <p>For WPT-E members the AMC is 0.75%. In April 2019, the AMC for WPTE members in the default investment strategy was reduced to 0.7375%. This was because the Sterling Liquidity Fund had an additional charge of 0.0125% which had not previously been adequately communicated by Legal &amp; General. The reduced AMC for these members ensured charges remained within the 0.75% cap.</p> <p>Compliance with the charge cap is confirmed in the Scheme Return to the Pensions Regulator.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of sample documentation relating to control checking and reporting for WPT that 1.8% contribution charging, and 0.3% AMC charging was applied during the period.</p> <p>Confirmed by inspection of sample documentation relating to control checking and reporting for WPT-E members that 0.75% AMC charging or less was applied during the period.</p> <p>Confirmed by inspection of the Scheme Booklet that the Scheme complies with the charges cap as required from April 2015.</p> <p>Confirmed by inspection of the Scheme Booklet that for WPT members the contribution charge was 1.8% and the AMC was 0.3%.</p> <p>Confirmed by inspection of the Scheme Booklet that for WPTE members the AMC was 0.75% and in April 2019 was reduced to 0.7375% if WPTE members were in the default investment strategy, because the Sterling Liquidity Fund had an additional charge of 0.0125%.</p> <p>Confirmed by inspection of the Scheme Return that compliance with the charge cap was found.</p>
<p>2.3 The Trustee receives an Appendix on costs and charges with the quarterly Trustee Board report.</p> <p>AMC and Administration Charges are included in the Mercer AAF 02/07 Report.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly Trustee Board Reports that the Trustee received 'Appendix 1 LGIM on fund charges' on relating to costs and charges for review.</p> <p>Confirmed by inspection of the Third Party Administrator (TPA) AAF 02/07 Report that</p>



	under control objective 6.2 it included AMC and Administration Charges. There were no exceptions noted.
<p>2.4 The Pensions Regulator's Annual Scheme Return is recorded under the Scheme Return section in the Trustee Resource Planner.</p> <p>A review of the Communication Policy &amp; Plan is recorded as an annual event under the Communication section in the Trustee Resource Planner.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that the submission of the Pensions Regulator's Annual Scheme Return was recorded as an annual event as item 101 under the Scheme Return section.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Communication Policy &amp; Plan was recorded as an annual event as item 67 under the Communication section.</p>

## INVESTMENT GOVERNANCE CO 3-6

<p><b>Area and Objective 3</b></p> <p>A documented review of the suitability of the default arrangement(s) and range and risk profile of other investment options is undertaken and approved by the Trustee.</p>	
<p>3.1 The Trustee reviews the suitability of the Scheme investment objectives and investment strategy as part of its Trustee meeting activity. Where required a formal review of the default fund, the default fund lifestyle strategy and other investment options takes place. The Trustee receives professional advice from their Investment Consultant when conducting the review.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Implementation Plan for the investment strategy review which outlines the investment objectives and investment strategy for the Scheme.</p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that a review of the 'Revised SIP' (default strategy), default fund lifestyle strategy and other investment options was conducted during the period.</p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that a new Investment Consultant was appointed during the period, which allowed the Trustee to receive professional advice during the investment objectives and strategy review.</p>

<p><b>Area and Objective 4</b></p> <p>The Trustee undertakes a documented review of the Statement of Investment Principles. This review includes consideration of investment objectives and policies for the default arrangement(s) and all other investment options.</p>	
<p>4.1 A written Statement of Investment Principles (SIP) is prepared and maintained by the Trustee. In preparing the SIP, the Trustee has obtained and considered professional written advice from the investment consultant.</p> <p>The Trustee reviews the SIP at least every three years to ensure its ongoing suitability and following any significant change in investment policy or to comply with regulatory requirements.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Statement of Investment Principles (SIP) that it was prepared and maintained by the Trustee, and whilst preparing the SIP, the Trustee obtained and considered professional written advice from the investment consultant.</p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that a review of the SIP was conducted during the period, which ensured its</p>

<p>Any changes to the SIP are based on advice from the Trustee's Investment Consultant.</p>	<p>ongoing suitability and followed any significant change in investment policy or to comply with regulatory requirements.</p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that the investment consultant summarised any changes made to the SIP after the review was conducted during the period.</p>
<p>4.2 The SIP outlines the principles governing the investment policy of the Scheme and the activities undertaken by the Trustee to ensure the effective implementation of these principles.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the SIP that it outlined the principles governing the investment policy of the Scheme, and the activities undertaken by the Trustee to ensure the effective implementation of the investment principles.</p>
<p>4.3 Any change to the investment strategy or SIP have been reported to the Pensions Regulator within the required timescales via a Significant Events Form.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Master Trust authorisation significant event notification form that the change to the Statement of Investment Principles was reported to the Pensions Regulator on the same day as the event occurred.</p>
<p>4.4 The review of the investment strategy is recorded as an annual event under the Investment section in the Trustee Resource Planner.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the investment strategy was recorded as an annual event as item 44 under the Investment section.</p>
<p>4.5 A review of the investment management performance reports is recorded as a quarterly event under the Investment section in the Trustee Resource Planner.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the investment management performance reports was recorded as a quarterly event as items 39 and 40 under the Investment section.</p>
<p>4.6 A review of fund manager internal control reports is recorded as an annual event under the Managing Service Providers section in the Trustee Resource Planner.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of fund manager internal control reports was recorded as an annual event as item 86 under the Managing Service Providers section.</p>
<p>4.7 A review of the SIP is recorded as annual event under the Investment section in the Trustee Resource Planner.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Statement of Investment Principles was recorded as an annual event as item 45 under the Investment section.</p>

**Area and Objective 5**

The Trustee ensures that the Statement of Investment Principles is made publicly available.

5.1 The latest version of the Statement of Investment Principles (SIP), is publicly available in the Members' section of the WPT website.

**Inspection.**

Confirmed by inspection of the Scheme website that the Statement of Investment Principles is publicly available within the Members' section.

**Area and Objective 6**

The performance of all investment options (including the default arrangement(s)) is reviewed and monitored against the investment objectives set out in the Statement of Investment Principles. This review is documented and approved by the Trustee.

6.1 The Trustee reviews the performance of investment funds against benchmarks/target returns at each quarterly Trustee meeting using the fund managers' quarterly investment reports. Fund performance is documented in the Trustee meeting agendas and minutes. Commentary is received from fund managers and the investment consultant as deemed appropriate. The investment consultant monitors the performance of the Trust's investment managers against their benchmarks and advises the Trustee of any significant developments relating to investment managers or funds managed.

**Inspection.**

Confirmed by inspection of a sample of quarterly fund managers' investment reports that they included benchmarks/target returns.

Confirmed by inspection of a sample of quarterly Trustee meeting minutes that a review of the performance of investment funds against benchmarks/target returns was conducted by the Trustee.

Confirmed by inspection of the investment consultants quarterly monitoring report that commentary was received as appropriate and monitored the performance of the Trust's investment managers against their benchmarks. It advised the Trustee of any significant developments relating to investment managers or funds managed.

6.2 The Trustee reviews the performance of the default lifestyle strategy at least annually at a meeting which is documented in the Trustee meeting agendas and minutes.

**Inspection.**

Confirmed by inspection of a sample of quarterly Trustee meeting minutes that a review of the performance of the default lifestyle strategy was conducted during the reporting period.

6.3 A review of the investment management performance reports is recorded as a quarterly event under the Investment section in the Trustee Resource Planner.

**Inspection.**

Confirmed by inspection of the Trustee Resource Planner that a review of the investment management performance reports was recorded as a quarterly event as items 39 and 40 under the Investment section.

6.4 A review of fund manager's internal control reports is recorded as an annual event under the Managing Service Providers section in the Trustee Resource Planner.

**Inspection.**

Confirmed by inspection of the Trustee Resource Planner that a review of the fund manager's internal control report was recorded as an annual event as item 86 under the Managing Service Providers section.

6.5 A review of investment strategy and the SIP are recorded as annual events under the

**Inspection.**

Investment section in the Trustee Resource Planner.	Confirmed by inspection of the Trustee Resource Planner that a review of the investment strategy and the SIP were recorded as annual events as items 44 and 45 under the Investment section.
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## THE TRUSTEE BOARD CO 7-10

### Area and Objective 7

New Trustee Directors are recruited and appointed in accordance with a documented procedure approved by the Trustee.

7.1 The Policy for Appointing Trustee Directors and the Chair outlines the process for the recruitment and appointment of new Trustee Directors and is reviewed annually by the Trustee. Prior to their appointment, any new Trustee Director is required to complete a declaration confirming their fitness and propriety and to complete an Individual Fit and Proper Form and a basic level criminal record check. New Trustee Directors undergo comprehensive induction training and are also required to complete TPR's Trustee Toolkit.

#### Inspection.

Confirmed by inspection of the Policy for Appointing Trustee Directors and the Chair that it outlined the process for the recruitment and appointment of new Trustee Directors.

Confirmed by inspection of the Trustee Resource Planner that a review of the Policy for Appointing Trustee Directors and the Chair was recorded as an annual event but was conducted out of the period.

Confirmed by inspection of the new Trustee Directors during the period that prior to their appointment, they completed a fitness and propriety declaration, an Individual Fit and Proper Form and a basic level criminal record check.

Confirmed by inspection of the appointment of new Trustee Directors during the period that they underwent comprehensive induction training and completed TPR's Trustee Toolkit.

### Area and Objective 8

The fitness and propriety of Trustee Directors is assessed prior to appointment and reviewed annually thereafter in accordance with a documented policy. This review is documented and approved by the Trustee.

8.1 The Trustee reviews the Trustee Statement and Declaration of Fitness and Propriety annually, and each individual Trustee Director signs a Declaration of Fitness and Propriety which takes into account paragraphs 71-89 of TPR's Code of Practice No.15: Authorisation and Supervision of Master Trusts. These declarations are reviewed by the Chair and signed off.

#### Inspection.

Confirmed by inspection of the Trustee Resource Planner that a review of the Statement and Declaration of Fitness and Propriety was recorded as an annual event as item 21 under the Fit and Proper section.

Confirmed by inspection of the Trustee Resource Planner that the action for Trustee Directors to sign and for the Chair to review Statements and Declarations of Fitness and Propriety was recorded as an annual event as item 22 under the Fit and Proper section.

	<p>Confirmed by inspection of the relevant Trustee meeting minutes that a review of the Fit and Proper documentation was conducted annually.</p> <p>Confirmed by inspection of Declaration of Fitness and Propriety forms that they were completed by individual Trustee Directors annually and took into accounts paras 71-89 of TPR's Code of Practice No 15: Authorisation and Supervision of Master Trusts.</p>
<p>8.2 Individual Fit and Proper forms are reviewed and updated by each individual Trustee annually.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Director's Individual Fit and Proper forms that they were reviewed and updated annually.</p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that a review of the Individual Fit and Proper forms was conducted.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Individual Fit and Proper forms was completed as an annual event as item 20 under the Fit and Proper section.</p>
<p>8.3 All fit and proper reviews are scheduled as annual events under the Fit and Proper section in the Trustee Resource Planner.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Individual Fit and Proper Forms was recorded as an annual event as item 20 under the Fit and Proper section.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Statement and Declaration of Fitness and Propriety was recorded as an annual event as item 21 under the Fit and Proper section.</p> <p>Confirmed by inspection of the Trustee Resource Planner that the action for Trustee Directors to sign and for the Chair to review Statements and Declarations of Fitness and Propriety was recorded as an annual event as item 22 under the Fit and Proper section.</p>

<p><b>Area and Objective 9</b></p>	
<p>Collective skills and competencies of the Trustee as a whole are reviewed on an annual basis. This review is documented and approved by the Trustee.</p>	
<p>9.1 The Policy for Appointing Trustee Directors and the Chair outlines the methodology for identifying and monitoring the overall competence of the Trustee. A skills and knowledge audit is conducted annually, addressing the continuing knowledge and understanding of the Trustee and its Directors.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Policy for Appointing Trustee Directors and the Chair that it outlined the methodology for identifying and monitoring the overall competence of the Trustee.</p> <p>Confirmed by inspection of the Trustee Training Needs Analysis Questionnaire that a skills and</p>

	<p>knowledge audit was conducted annually and addressed the continuing knowledge and understanding of the Trustee and its Directors.</p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that a review of the Trustee Training Needs Analysis Questionnaire and Skills Matrix was completed.</p> <p>Confirmed by inspection of the Trustee Resource Planner that the completion of the Trustee Training Needs Analysis Questionnaire, Skills Matrix and Board Evaluation was recorded as an annual event as item 28 under the Fit and Proper section.</p>
<p>9.2 The Trustee Directors use a Skills Matrix as an opportunity to discuss whether the optimal mix of skills, expertise and experience is available on the Trustee Board, and if the balance of skills and experience is spread across the group (not concentrated in only one or two individuals). This is used to inform the annual training plan and Trustee Board appointments.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Skills Matrix that the Trustee Directors used the document as an opportunity to discuss whether the optimal mix of skills, expertise and experience was available on the Trustee Board, and if the balance of skills and experience was spread across the group.</p> <p>Confirmed by inspection of the Trustee Training Plan that the completed Trustee Skills Matrix formed the basis of the training plan which was updated annually.</p>
<p>9.3 The Trustee Directors self-assess their knowledge through a Training Needs Analysis Questionnaire which highlights any training gaps and informs the annual training plan.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Training Needs Analysis Questionnaire that Trustee Directors self-assessed their knowledge and this is used to identified any training gaps.</p> <p>Confirmed by inspection of the Trustee Training Plan that any gaps identified upon completion of the Trustee Training Needs Analysis Questionnaire formed part of the annual training provided to the Trustee.</p>
<p>9.4 The Trustee Directors evaluate how effectively the Board is structured and how effectively it operates in relation to Scheme governance using the Board Evaluation Questionnaire which is completed annually.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that an evaluation of how effectively the Board was structured and operated in relation to Scheme governance was conducted.</p> <p>Confirmed by inspection of the Trustee Resource Planner that the completion of the Trustee Training Needs Analysis Questionnaire, Skills Matrix and Board Evaluation was recorded as an annual event as item 28 under the Fit and Proper section.</p> <p><b>Enquiry.</b></p> <p>Confirmed by enquiry that the Board Evaluation Questionnaire would be completed in June</p>

	2021 in accordance with the Trustee Resource Planner.
9.5 These reviews are recorded as annual events under the Fit and Proper section in the Trustee Resource Planner.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that the completion of the Trustee Training Needs Analysis Questionnaire, Skills Matrix and Board Evaluation was recorded as an annual event as item 28 under the Fit and Proper section.</p>

<b>Area and Objective 10</b>	
Trustee levels of knowledge and understanding are managed and maintained in accordance with an annual training and development plan approved by the Trustee.	
10.1 An annual training plan is compiled based on training needs identified through the Skills Matrix, Trustee Training Needs Analysis Questionnaire and Board Evaluation Questionnaire. This identifies and addresses any ongoing learning needs of Trustee Directors on an individual and collective basis. Induction training is provided for newly appointed Trustee Directors.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Skills Matrix and Trustee Training Needs Analysis Questionnaire that they were completed annually.</p> <p>Confirmed by inspection of the Skills Matrix and Trustee Training Needs Analysis Questionnaire that training were identified on an individual and collective basis.</p> <p>Confirmed by inspection of induction training documentation that it was provided to newly appointed Trustee Directors.</p> <p><b>Enquiry.</b></p> <p>Confirmed by enquiry that the Board Evaluation Questionnaire would be completed in June 2021 in accordance with the Trustee Resource Planner.</p>

**FINANCIAL SUSTAINABILITY AND COMPLIANCE CO 11-14**

<b>Area and Objective 11</b>	
A documented review of financial sustainability (including access to resources to cover running costs and financial reserves in the event of a triggering event) is undertaken by the Trustee within required timescales.	
11.1 The Trustee reviews the financial sustainability of the Scheme on an ongoing basis. This includes: <ul style="list-style-type: none"> <li>i. reviewing the financial reserving by the Scheme Funder to ensure it remains appropriate to support the year-to-date performance of the Scheme;</li> <li>ii. any necessary changes to financial reserves;</li> <li>iii. updates on the Scheme Funders financial position; and</li> <li>iv. consideration of material changes to the Business Plan.</li> </ul>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly Trustee meeting minutes that a review of the Strategist Quarterly Report was conducted during the period.</p> <p>Confirmed by inspection of the Strategist Quarterly Report that it included:</p> <ul style="list-style-type: none"> <li>i. a review of the financial reserving by the Scheme Funder ensuring it remained appropriate to support the year-to-date performance of the Scheme;</li> <li>ii. any necessary changes to financial reserves;</li> </ul>



	<p>iii. updates on the Scheme Funders financial position; and</p> <p>iv. consideration of material changes to the Business Plan.</p>
<p>11.2 The review of financial reserving is included in the Trustee Resource Planner as an annual event under the Financial Sustainability section.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Triggering Event Costs Agreement was recorded as an annual event as item 8 under the Financial Sustainability section.</p>
<p>11.3 The Scheme Strategist reviews the financial sustainability of the Scheme on a quarterly basis including financial reserves and financial performance against forecasts in the Business Plan.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly Trustee meeting minutes that a review of the Scheme Strategist Report was conducted.</p> <p>Confirmed by inspection of a sample of Strategist meeting minutes that a review of the financial sustainability of the Scheme was conducted quarterly. The review included financial reserves and financial performance against forecasts in the Business Plan.</p>
<p>11.4 The financial sustainability of the Scheme is monitored through the risk register quarterly.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of risks identified within the risk register that the financial sustainability of the Scheme was monitored quarterly.</p>

### Area and Objective 12

A documented review of the Business Plan is undertaken by the Trustee within required timescales.

<p>12.1 The WPT Business Plan is reviewed and updated annually by the Scheme Strategist. The Trustee and Scheme Funder reviews and approves the Business Plan annually. Discussions, considerations and any required changes are documented and recorded.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the WPT Business Plan that it was in place and reviewed annually.</p> <p>Confirmed by inspection of the Scheme Strategist meeting minutes that the WPT Business Plan was reviewed and approved annually.</p> <p>Confirmed by inspection of the WPT Business Plan that there was a summary of key changes.</p> <p>Confirmed by inspection of email documentation that a review of the WPT Business Plan was conducted by the Trustee and Scheme Funder.</p>
<p>12.2 Any revisions to the Business Plan are issued to the Pensions Regulator within the required timescale.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of email documentation that revisions made to the Business Plan were issued to the Pensions Regulator.</p>

<p>12.3 The Trustee receives a quarterly update on the delivery of the Business Plan, including progress against key targets from the Scheme Strategist. The Scheme Strategist have a procedure in place which documents the process for monitoring and managing risks to the delivery of the Business Plan, which is reviewed annually.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of Trustee meeting minutes that updates on the delivery of the Business Plan, including progress against key targets from the Scheme Strategist was presented to the Trustee quarterly.</p> <p>Confirmed by inspection of email documentation that the Scheme Strategist had a procedure in place which documented the process for monitoring and managing risks to the delivery of the Business Plan, and that an annual review was performed.</p>
<p>12.4 The review of the Business Plan is included as an annual event under the Financial Sustainability section in the Trustee Resource Planner. Risks relating to the delivery of the Business Plan are recorded in the risk register and are reviewed quarterly.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Business Plan was recorded as an annual event as item 7 under the Financial Sustainability section.</p> <p>Confirmed by inspection of the risk register that it included Business Plan risks.</p> <p>Confirmed by inspection of a sample of Trustee meeting minutes that the risk register was reviewed quarterly.</p>

<p><b>Area and Objective 13</b> A documented Continuity Strategy is maintained and reviewed by the Trustee.</p>	
<p>13.1 The WPT Continuity Strategy is reviewed and updated annually by the Scheme Strategist. The Trustee and Scheme Funder reviews and approves the Continuity Strategy annually. Discussions, considerations, and any required changes are documented and recorded.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of email documentation that the WPT Continuity Strategy was recorded and updated annually by the Scheme Strategist and approved by the Trustee and Scheme Funder.</p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that the Continuity Strategy was discussed and sent to the Pensions Regulator detailing any changes.</p>
<p>13.2 Any revisions to the Continuity Strategy are issued to the Pensions Regulator within the required timescale.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Continuity Strategy and email documentation that revisions were issued to the Pensions Regulator.</p>
<p>13.3 The review of the Continuity Strategy is included as an annual event in the Trustee Resource Planner under the Continuity Strategy section. Triggering Events relating to the Continuity Strategy are recorded in the risk register and are reviewed quarterly.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Continuity Strategy was recorded as an annual event as item 11 under the Continuity Strategy section.</p> <p>Confirmed by inspection of the Trustee Resource Planner that the monitoring of Triggering Events was recorded as a quarterly</p>

	<p>event as item 112 under the Supervisory section.</p> <p>Confirmed by inspection of the risk register that Triggering Events which related to the Continuity Strategy were recorded.</p> <p>Confirmed by inspection of a sample of Trustee meeting minutes that the risk register was reviewed quarterly.</p>
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<p><b>Area and Objective 14</b> A documented procedure is maintained and approved by the Trustee for reporting Significant Events and Triggering Events to the Regulator within required timescales.</p>	
<p>14.1 There is a documented procedure for reporting Significant Events and Triggering Events to the Pensions Regulator within required timescales. This procedure is reviewed annually by the Trustee and is recorded as an annual event in the Trustee Resource Planner under the Supervision section.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Significant Event Notification procedure that it outlined the required timescales that notifications should be sent to the Pensions Regulator.</p> <p>Confirmed by inspection of email documentation that the Significant Event Notification procedure was reviewed annually.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the procedure for reporting Significant Events and Triggering Events to the Pensions Regulator was recorded as an annual event as item 110 under the Supervision section.</p>
<p>14.2 Significant Events are a standard item on Trustee agendas.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of WPT Trustee Board agendas that the Governance Report was a standard agenda item.</p> <p>Confirmed by inspection of a sample of Trustee meeting minutes that a review of the Governance Report was conducted which included Significant Events for the quarter.</p>
<p>14.3 During the reporting period, all Significant Events were reported to the Pensions Regulator within the required timescales.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of Significant Events which occurred during the reporting period that they were reported to the Pensions Regulator within the required timescales.</p>

## SCHEME MANAGEMENT SKILLS CO 15-19

<b>Area and Objective 15</b>	
An annual business schedule/plan is maintained and reviewed by the Trustee.	
15.1 The Trustee maintains a procedure for Managing the Trustee Board which includes frequency of Trustee meetings and standing agenda items.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the procedure for Managing the Trustee Board that it was maintained and included the frequency of Trustee meetings and standing agenda items.</p> <p>Confirmed by inspection of a sample of quarterly Trustee meeting agendas that they included the standard agenda items from the procedure for Managing the Trustee Board.</p>
15.2 The Trustee meets at least quarterly to discuss key issues affecting the Scheme. This is documented in Trustee meeting agendas and minutes. There is a Scheme Secretary in place to assist with Scheme management.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of Trustee meeting minutes and agendas that they were held at least quarterly and discussed key issues which affected the Scheme.</p> <p>Confirmed by inspection of the Trustee Resource Planner that Trustee meeting dates was recorded as a quarterly event as item 4 under the Trustee meeting section.</p> <p>Confirmed by inspection of the Trustee Resource Planner that the Scheme Secretary assisted with the Scheme management which could be seen by the setting of dates for meetings. This was recorded as an annual event as item 5 under the Trustee meeting section.</p>
15.3 The Governance Sub Committee (GSC) meets quarterly to discuss aspects of governance in greater detail and reports to the Trustee.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly Governance Sub Committee meeting minutes that they discussed aspects of governance which was reported to the Trustee.</p> <p>Confirmed by inspection of the Trustee Resource Planner that the Governance Sub Committee meeting dates were recorded as a quarterly event as item 2 under the Trustee meeting section.</p>
15.4 The Trustee maintains a Trustee Resource Planner which schedules key operations throughout the year in order to allocate adequate resources to effectively govern the Scheme.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that it was maintained by the Trustee and scheduled key operations throughout the year in order to allocate adequate resources to effectively govern the Scheme.</p>
15.5 The Trustee Resource Planner includes 100 plus items covering key documents, procedures, policies and processes relating to the following areas which are reviewed by the Trustee:	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that it included over 100 plus items covering key documents, procedures,</p>

<ul style="list-style-type: none"> <li>• Financial Sustainability</li> <li>• Continuity Strategy</li> <li>• Fit and Proper</li> <li>• Systems and Processes</li> <li>• Supervision</li> </ul>	<p>policies and processes which related to the following areas:</p> <ul style="list-style-type: none"> <li>• Financial Sustainability</li> <li>• Continuity Strategy</li> <li>• Fit and Proper</li> <li>• Systems and Processes</li> <li>• Supervision</li> </ul> <p>These were reviewed by the Trustee.</p>
<p>15.6 The Trustee approves the Trustee Resource Planner prepared by the Scheme Secretary.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that it was prepared by the Scheme Secretary, which scheduled key operations throughout the year, allocating adequate resources to effectively govern the Scheme.</p> <p>Confirmed by inspection of quarterly Trustee meeting minutes that the Trustee Resource Planner was approved by the Trustee annually and reviewed quarterly.</p>
<p>15.7 The Trustee reviews the Trustee Resource Planner each quarter. This is documented in the plan.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of Trustee meeting minutes that the Trustee Resource Planner was reviewed quarterly.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Trustee Resource Planner was recorded as a quarterly event as item 116.</p>

<p><b>Area and Objective 16</b></p> <p>Conflicts of interest are subject to ongoing monitoring and are identified, recorded in a conflict register and managed in accordance with a defined policy, which is regularly reviewed by the Trustee.</p>	
<p>16.1 The Trustee has a written Conflicts of Interest Policy which sets out the process for identifying, monitoring, and managing conflicts of interest.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Conflicts of Interest Policy that it set out the process for identifying, monitoring, and managing conflicts of interest.</p>
<p>16.2 Conflicts of Interest is a standard item on Trustee meeting agendas. Any conflicts are recorded in the Conflicts of Interest Register. Trustee Directors are required to review and update their Register of Interest Forms quarterly.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of Trustee meeting minutes that Conflicts of Interest was a standard agenda item.</p> <p>Confirmed by inspection of the Conflicts of Interest Register which recorded all conflicts and was updated quarterly.</p>
<p>16.3 Conflicts of Interest is monitored through the risk register quarterly.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly risk registers that Conflicts of Interest was monitored.</p>

	<p>Confirmed by inspection of a sample of Trustee meeting minutes that a review of the risk register was conducted annually.</p> <p>Confirmed by inspection of the Trustee Resource Planner that the monitoring of the risk register was recorded as a quarterly event as item 32 under the Systems and Processes section.</p>
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<p><b>Area and Objective 17</b></p> <p>Documented due diligence is undertaken by the Trustee prior to the appointment of all service providers, including fitness and propriety. Selection criteria is maintained by the Trustee to support service provider selection and decision making.</p>	
<p>17.1 The Procedure for Appointing, Managing and Monitoring Service Providers confirms the due diligence applied as part of the pre-appointment process in relation to service providers. The procedure is reviewed annually as part of the Trustee's governance of the Scheme and ISO certification renewal.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Appointing, Managing and Monitoring Service Providers procedure that it confirmed the due diligence applied as part of the pre-appointment process in relation to service providers.</p> <p>Confirmed by inspection of the ISO 9001:2015 certification that the Procedure for Appointing, Management and Monitoring Service Providers was reviewed as part of the renewal.</p>
<p>17.2 Responsibility for due diligence is documented as part of the Roles Agreement, which outlines the responsibilities of the Trustee, Scheme Funder (CFL) and the Scheme Strategist.</p> <p>The Roles Agreement is reviewed and signed by the relevant parties annually.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Roles Agreement that it documented the responsibility for due diligence and outlined the responsibilities of the Trustee, Scheme Funder (CFL) and the Scheme Strategist. It was reviewed and signed by the relevant parties annually.</p>
<p>17.3 The Trustee maintains a Fitness and Propriety Policy which includes a Declaration of Fitness and Propriety which is submitted annually for review by the Chair of the Trustee.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Fitness and Propriety Statement that it included the Declaration of Fitness and Propriety and was reviewed annually.</p> <p>Confirmed by inspection of a sample of individual Trustee Director's Declaration of Fitness and Propriety forms that these were completed and submitted annually to the Chair of the Trustee for review.</p>
<p>17.4 The SIP covers the responsibilities of the Trustee, Investment Adviser, Investment Managers, Administrator and Custodian.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the SIP that it covered the responsibilities of the Trustee, Investment Adviser, Investment Managers, Administrator and Custodian.</p>
<p>17.5 The Scheme's Administration Manual identifies which areas of administration are managed by CFL and the TPA.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Scheme's Administration Manual that it identified which</p>

	<p>areas of administration were managed by CFL and the TPA.</p>
<p>17.6 Service Level Agreements with each key adviser/service provider details the duties and delegated responsibilities of the Trustee.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Service Providers and Agreements Schedule that it lists the Service Level Agreements with each key adviser/service provider.</p> <p>Confirmed by inspection of a sample of Service Providers written agreements that they detailed the duties and delegated responsibilities of the Trustee.</p>
<p>17.7 A review of service providers and advisers is conducted at least annually.</p> <p>There is a Procedure for Appointing, Managing and Monitoring Service Providers and Advisers which confirms that the Trustee considers a market review of service providers every 3 to 5 years taking account of risks, practical issues and costs to members.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of Trustee meeting minutes that a review of the service providers and advisers was conducted annually.</p> <p>Confirmed by inspection of the Procedure for Appointing, Monitoring and Review Service Providers and Advisers that it stated the Trustee considered a market review to be conducted of service providers every 3 to 5 years whilst considering risks, practical difficulties and costs to members.</p>
<p>17.8 The Trustee receives annual internal controls reports from Investment Managers and the TPA which are reviewed in detail by the Governance Sub Committee.</p> <p>The Trustee receives a quarterly Board report which includes administration governance reports from CFL and the TPA over the quarter.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the relevant Governance Sub Committee meeting minutes that the Trustee conducted an annual review of the internal controls reports received from Investment Managers and the TPA.</p> <p>Confirmed by inspection for a sample of quarterly Trustee meeting minutes that they received administration governance reports from CFL and the TPA which were reviewed quarterly.</p>
<p>17.9 The Trustee assesses and performs qualitative reviews of the performance of the pensions consultant and investment consultant.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the L&amp;G AAF 01/06 internal controls report was recorded as an annual event as item 86 under the Managing Service Providers section.</p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that a review of the LGIM AAF 01/06 report was conducted.</p> <p>Confirmed by inspection of the L&amp;G AAF 01/06 internal controls report that it was produced annually.</p> <p>Confirmed by inspection of Trustee scorecard and the ISO document 'Appointing, Managing and Monitoring Service Providers, Advisers and Suppliers' that during the period quality reviews of consultants of WPT were carried out.</p>



<b>Area and Objective 18</b>	
Roles and responsibilities of all advisers and service providers are documented and the performance and quality of their service is subject to documented reviews by the Trustee against documented performance criteria.	
18.1 The roles and responsibilities of all advisers and service providers are documented in Service Level Agreements.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of Service Level Agreements with advisers and service providers that they include their roles and responsibilities.</p>
18.2 The Procedure for Appointing, Managing and Monitoring Service Providers confirms that the Trustee delegates performance monitoring to the appropriate manager.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Procedure for Appointing, Managing and Monitoring Service Providers that it includes the delegation of performance monitoring by the Trustee to the appropriate manager.</p>
18.3 Performance indicators and exceptions relating to joint administrators, CFL and the TPA are recorded quarterly and included in the Trustee Board Report. Issues identified are discussed and actions agreed and allocated to owners. Progress is discussed at teleconferences held between CFL and the TPA.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of CFL Quarterly Board reports that they outlined performance indicators and exceptions in relation to the Scheme Administrators.</p> <p>Confirmed by inspection of a sample of Trustee meeting minutes that a discussion regarding the Scheme Administrators was conducted.</p> <p>Confirmed by inspection of a sample of teleconference calls notes taken that progress relating to issues identified had been discussed throughout the period.</p>
18.4 Fund managers report on the investment performance of funds against the benchmark. Queries regarding performance are raised with the Investment Consultant.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of fund manager quarterly reports that the investment performance of funds was benchmarked.</p> <p>Confirmed by inspection of a sample of Trustee meeting minutes that a review of the investment reports was performed and any queries regarding performance were raised with the Investment Consultant and minuted.</p>
18.5 The Business Plan performance indicators are reviewed by the Scheme Strategist, Scheme Funder and Trustee on a quarterly basis. All actions relating to performance indicators are delegated to an appropriate nominated individual to ensure actions are progressed in between meetings and tracked to conclusion.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Business Plan that it was in place for the period.</p> <p>Confirmed by inspection of a sample of Trustee meeting minutes that a review of the Scheme Strategist Report, including the Business Plan, was conducted quarterly by the Scheme Strategist, Scheme Funder and Trustee quarterly.</p> <p>Confirmed by inspection of the Scheme Strategist Report that any actions relating to performance indicators were delegated to an</p>

	<p>appropriate nominated individual, ensuring actions were progressed in between meetings and tracked to conclusion.</p> <p>Confirmed by inspection of the Scheme Strategist Resource Planner that a review of the Business Plan was recorded as an annual event as item 4.</p>
<p>18.6 An annual review of Service Providers and Advisers is conducted by the relevant manager against specific criteria and a balanced scorecard. Service Providers and Advisers are notified in advance of the review and the Trustee's expectation of an overall percentage score of 80% for standards to be deemed acceptable.</p> <p>The Trustee has agreed that if a score falls below the expected standard, a follow-up meeting will be held to further discuss why this is the case and to agree what action is planned to improve standards.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee meeting minutes that a review of Service Providers and Advisers was conducted annually by the relevant manager against specific criteria and a balanced scorecard.</p> <p>Confirmed by inspection of the Service Providers review summary that it was conducted annually.</p> <p>Confirmed by inspection of the notification of the annual review results to Service Providers and Advisers which included an overall percentage score. A score of 80% was deemed acceptable.</p> <p><b>Enquiry.</b></p> <p>Confirmed by enquiry with the Scheme Manager that where a score fell below 80% upon the completion of the annual Service Providers and Advisers review, actions were put in place to improve standards to the acceptable level.</p>
<p>18.7 The results of the Service Providers and Advisers reviews are communicated at Trustee meetings and recorded in Trustee minutes. A review of Service Providers and Advisers is conducted at least annually.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee meeting minutes that a review of the results from the Service Providers and Advisers review was conducted annually.</p> <p>Confirmed by inspection of the Schedule of Service Providers and Agreements that a review was conducted annually.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of Suppliers was recorded as an annual event as item 76 under the Managing Service Providers.</p>

<b>Area and Objective 19</b>	
The Trustee maintains a risk management framework to identify, evaluate, manage and monitor Scheme risks.	
19.1 The Trustee maintains a risk management framework to identify, evaluate, manage and monitor Scheme risks. Risks are recorded in a risk register in line with TPR's Code of Practice No. 15 'Authorisation and Supervision of Master Trusts'.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the procedure for Monitoring and Reviewing the Risk Register that the Trustee maintained a risk management framework to identify, evaluate, manage and monitor Scheme risks.</p> <p>Confirmed by inspection of a sample of quarterly risk registers that they recorded all risks in line with TPR's Code of Practice No. 15 'Authorisation and Supervision of Master Trusts'.</p>
19.2 There is a documented procedure for monitoring and reviewing the risk register which is reviewed annually.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the procedure for Monitoring and Reviewing the Risk Register that it outlined the steps for monitoring and reviewing of the risk register.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the procedure for Monitoring and Reviewing the Risk Register was recorded as an annual event as item 35 under the Systems and Processes section.</p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that a review of the procedure for Monitoring and Reviewing the Risk Register was conducted and approval given.</p> <p>Confirmed by inspection of the risk register meeting minutes that a thorough review was conducted.</p>
19.3 Risks are reviewed by the Governance Sub Committee quarterly. This review includes consideration of risk rating changes, mitigation control changes, closed risks, new risks, refinement of scope of a particular risk, changes to action plans driven by the risk register and any other key changes. The Trustee reviews key risks quarterly. The Scheme Strategist, Scheme Funder and Scheme Administrator also review risks relating to their function quarterly.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of Governance Sub Committee meeting minutes that risks were reviewed quarterly. These included the consideration of risk rating changes, mitigation control changes, closed risks, new risks, refinement of scope of a particular risk, changes to action plans driven by the risk register and other key changes.</p> <p>Confirmed by inspection of a sample of quarterly risk registers that they were updated and reviewed by the Trustee.</p> <p>Confirmed by inspection of the Trustee Resource Planner that the Monitoring of the Risk Register was recorded as a quarterly event as item 32 under the Systems and Processes section.</p>

	<p>Confirmed by inspection of the CFL Resource Planner that the monitoring of the risk register was recorded as a quarterly event as item 45.</p> <p>Confirmed by inspection of the Scheme Strategist Resource Planner that the monitoring of the risk register was recorded as a quarterly event as item 17.</p>
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**TRUSTEE OVERSIGHT OF IT SYSTEMS AND ADMINISTRATION PROCESSES CO 20-28**

<p><b>Area and Objective 20</b> The Trustee monitors and reviews IT systems.</p>	
<p>20.1 Member records are held by the TPA with data and IT backups maintained as part of the TPA's data and system policies and practices. These include review of daily backups by the TPA, and a business continuity program which identifies and tests critical business functions. The TPA records are backed up to a secure data centre. At the TPA a documented escalation and communication process is in place for use during a continuity incident.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA's Statement of Recoverability that it confirmed member records were held, with data and IT backups taking place in line with the data and system policies and practices. This included a review of daily backups and a business continuity program identifying and testing critical business functions. There was a documented escalation and communication process in place for use during a continuity incident.</p>
<p>20.2 CFL and Equinity data is backed up and secured at a separate data centre.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the WPT Backup and Disaster Recovery policy that CFL data was backed up and secured at a separate data centre.</p> <p>Confirmed by inspection of the Equiniti contract and ISO 27001 certification that data was backed up and secured at a separate data centre.</p>
<p>20.3 CFL maintains an approved Business Continuity Plan (BCP) which is reviewed annually. The Disaster Recovery Plan has roles assigned and testing takes place every six to twelve months including risks being managed, and the results of the testing are reported to the Trustee. The TPA has a Business Continuity Management (BCM) Client Statement issued to clients on request confirming that it has a formal BCM Policy.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the CFL Business Continuity and Disaster Recovery Plan that it was maintained during the period.</p> <p>Confirmed by inspection of the Disaster Recovery Plan that it had roles assigned and testing took place during the period which included risks being managed.</p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that a review of the Business Continuity Plan and Disaster Recovery Plan was conducted during the period.</p> <p>Confirmed by inspection of the TPA Statement of Recoverability that it had Business Continuity Management (BCM) Client</p>

	<p>Statements in place and confirmed that it had a formal BCM Policy.</p>
<p>20.4 A review of CFL’s BCP and test report are recorded as an annual event under the IT Security/Disaster Recovery section in the Trustee Resource Planner.</p> <p>A review of CEF’s BCP and test report are recorded as an annual event under the IT Security/Disaster Recovery section in the Trustee Resource Planner.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of CFL's BCP and test report was recorded as an annual event as item 61 under the IT Security/Disaster Recovery section.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of CEF's BCP and test report was recorded as an annual event as item 62 under the IT Security/Disaster Recovery section.</p> <p>Confirmed by inspection of the WPT Business Continuity Plan that there was an approved plan covering the operations of WPT at its Belfast office and that this was noted in the latest Trustee Resource Planner.</p>
<p>20.5 At CFL and the TPA offices:</p> <p>(1) external links, including via the internet, to the internal systems are routed through firewalls, and all external mail is virus scanned;</p> <p>(2) anti-virus software is installed on servers and workstations. The anti-virus software and updates are set to run automatically, and PCs are reviewed to ensure there are no exceptions</p> <p>(3) security patches are applied to servers and workstations in accordance with established risk/priority-based timescales.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of CFL IT documentation and Cyber Essential certification and the TPA Adequacy Statement that:</p> <p>(1) external links, including via the internet, to the internal systems were routed through firewalls, and all external mail was virus scanned;</p> <p>(2) anti-virus software and updates were set to run automatically, and PCs were reviewed ensuring there were no exceptions</p> <p>(3) security patches were applied to servers and workstations in accordance with established risk/priority-based timescales.</p>
<p>20.6 Both CFL and the TPA have an Intrusion Detection System deployed to counter the threat from malicious activities. Staff at CFL and the TPA receive Data Protection training at least annually.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of CFL IT documentation and the TPA Adequacy Statement that they had an Intrusion Detection System deployed to counter the threat from malicious activities.</p> <p>Confirmed by inspection of a sample CFL and TPA staff training logs that Data Protection was provided annually.</p>
<p>20.7 The IT Manager for CFL, responsible for data quality and security, provides a report to the Trustee, at least annually, which sets out a review of the internal security procedures and processes.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of CFL data reports that they included data quality and security which was provided to the Trustee annually.</p>

<p>20.8 The Trustee engages Equiniti to carry out cybercrime security testing on an annual basis.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Equiniti December 2020 Penetration test results that the Trustee engaged Equiniti to carry out cybercrime security testing.</p> <p>Confirmed by inspection of the CFL Resource Planner that a review of the Cybercrime Review/Penetration Testing for Equiniti was recorded as an annual event as item 39.</p>
<p>20.9 A review of the Information Security Policy is recorded as an annual event under the IT Security/Disaster Recovery section in the Trustee Resource Planner.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Information Security Policy was recorded as an annual event as item 59 under the IT Security/Disaster Recovery.</p>
<p>20.10 Access to computer systems and member data is restricted to authorised persons at CFL and the TPA. Access to all network and applications systems, programs and data is restricted and controlled by a combination of usernames and passwords. Automated network controls force users to change their complex passwords at predetermined intervals.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA AAF 01/06 Report that under control 7.2 it included logical access to systems was restricted to authorised individuals. There were no exceptions noted.</p> <p>Confirmed by inspection of the TPA AAF 01/06 Report that under control 7.2 (a) it included access restrictions to all network and applications systems with password requirements. There were no exceptions noted.</p> <p>Confirmed by inspection of the TPA AAF 02/07 Report that under control 6.23 it included physical and logical access restrictions. There were no exceptions noted.</p> <p>Confirmed by inspection of the TPA AAF 02/07 Report that under control 6.23 (a) it included logical network access and password restrictions. There were no exceptions noted.</p> <p>Confirmed by inspection of the CFL password policy that it outlined the complexity requirements.</p> <p>Confirmed by inspection of the TPA password policy that it outlined the complexity requirements.</p>
<p>20.11 All electronic data is held on servers in a secure, locked room with only authorised members of the TPA's IT team having key access.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of photographic evidence that all electronic data was held on servers in a secure, locked room within the CFL offices.</p> <p>Confirmed by inspection of photographic evidence that all electronic data was held on servers in a secure, locked room within the data centre for the TPA with access only provided to authorised IT team.</p>

<p>20.12 Business requirements for the administration system at the TPA are analysed, documented, and agreed to by user management. Development environments are logically separate from production environments. Library management software is used to maintain control over software versions. Code changes and new system developments are unit tested by the developers in the test environment. User acceptance testing is performed by the services team on behalf of the business users. The final business users of the systems review 'user acceptance testing' (UAT) and approve the migration of programs to the production environment upon completion of UAT. Software is deployed to the live environment by authorised personnel in line with change management procedures.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA AAF 01/06 Report that under control 7.8 it included development and implementation of new systems requiring testing and approval. There were no exceptions noted.</p> <p>Confirmed by inspection of the TPA AAF 02/07 Report that under control 6.24 it included IT equipment being maintained within a controlled environment and any system developments required testing and approval. There were no exceptions noted.</p>
<p>20.13 Changes are only deployed to the live environment with relevant sign-offs following an agreed changed methodology procedure.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA AAF 01/06 Report that under control 7.8 it included development and implementation of new systems requiring testing and approval. There were no exceptions noted.</p> <p>Confirmed by inspection of the TPA AAF 02/07 Report that under control 6.24 it included IT equipment being maintained within a controlled environment and any system developments required testing and approval. There were no exceptions noted.</p>
<p>20.14 At the TPA's offices, controls over the IT environment and the maintenance and development of systems, applications and software are reported in the TPA's AAF internal controls report.</p> <p>A review of the TPA's AAF internal controls report is recorded as an annual event under Managing Service Providers section in the Trustee Resource Planner.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA AAF 01/06 Report that under control 7.8 it included development and implementation of new systems, applications and software requiring testing and approval. There were no exceptions noted.</p> <p>Confirmed by inspection of the TPA AAF 02/07 Report that under control 6.24 it included IT equipment being maintained within a controlled environment and any system, applications and software developments required testing and approval. There were no exceptions noted.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the TPA's AAF internal controls reports were recorded as annual events as items 84 and 85 under the Managing Service Providers section.</p>

**Area and Objective 21**

The capacity to take on new business is assessed, approved, and regularly monitored by the Trustee.

21.1 Capacity for new growth of employer and member numbers is reviewed quarterly by the Trustee. A review is carried out quarterly by CFL's IT manager with data managers Equiniti to review capacity, current volumes and forecast growth over the next quarter and beyond to ensure smooth take-on of new business. Minutes of meetings are maintained and reported quarterly to the Trustee.

**Inspection.**

Confirmed by inspection of a sample of quarterly CFL Board Reports that they included active membership levels, targets for the month and actual new employers.

Confirmed by inspection of a sample of Trustee meeting minutes that it included an overview of membership statistics which was reviewed by the Trustee.

Confirmed by inspection of a sample of monthly Equiniti and CFL meeting minutes that they included a review of capacity, current volumes and forecast growth.

Confirmed by inspection of a sample of WPT Trustee Reports that a review of capacity was included as a standard item.

Confirmed by inspection of the CFL and Equiniti Systems Process updates that there is the capacity and availability to ensure smooth take-on of new business.

21.2 The TPA, CFL and Equiniti provides 'systems and processes' updates to the Trustee. These statements confirmed that there is adequate capacity and resources in place. These statements are appended to Trustee reports at least twice a year. If there are any material changes to systems, people, or requirements with a perceived increased risk of failure, these would be reported quarterly.

**Inspection.**

Confirmed by inspection of the TPA, CFL and Equiniti 'systems and processes' updates that they were provided to the Trustee at least twice a year. They confirmed that there was adequate capacity and resources in place with any material changes to systems, people or requirements with a perceived increased risk of failure being reported to the Trustee quarterly.

21.3 Trustee quarterly reports are recorded as a quarterly event under the Governance Report section in the Trustee Resource Planner.

It was agreed by the Trustee in February 2020 that these updates could henceforth be provided twice yearly with the option to revert to quarterly updates if deemed necessary.

**Inspection.**

Confirmed by inspection of the Trustee Resource Planner that the review of the Trustee Board Reports was recorded as an annual event as item 92 under the Governance Reports section.

Confirmed by inspection of a sample of Trustee meeting minutes that it was agreed to adopt the Systems and Processes Adequacy Statements twice yearly and review frequency of receipt as required.

21.4 Reports on new take-ons are provided to the Trustee for review quarterly. They include a declaration that the Scheme is administered in accordance with the Scheme rules, with the TPA report containing a compliance statement that the Scheme is administered in accordance with key relevant legislation.

**Inspection.**

Confirmed by inspection of a sample of quarterly WPT Trustee Reports that confirmation has been included stating that the Scheme had been administered in accordance with the Scheme rules.



	<p>Confirmed by inspection of a sample of quarterly CFL Board Reports that they included active membership levels, targets for the month and actual new employers. This was provided to the Trustee for review.</p> <p>Confirmed by inspection of a sample of quarterly TPA Administration Reports that they included a compliance statement that the Scheme had been administered in accordance with key relevant legislation.</p>
<p>21.5 A review of the process for managing new business take-ons is completed by the Business Operations Manager and IT Manager annually. The Trustee are notified of any significant changes by CFL.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the WPT Administration Manual that it included the New Entrants Procedure and Process Flow.</p> <p>Confirmed by inspection of the CFL Resource Planner that a review of the WPT Administration Manual was recorded as an annual event as item 14.</p> <p><b>Enquiry.</b></p> <p>Confirmed by enquiry with the Business Operations Manager and IT Manager that there had been no changes to the process for new applications during the period.</p>

<p><b>Area and Objective 22</b></p> <p>Signed administration agreements are in place with service providers and include provisions for the rectification of maladministration. The agreements are approved by the Trustee.</p>	
<p>22.1 The following signed administration agreements are in place between the Trustee and the Scheme Administrators, CFL and the TPA:</p> <p>1) Service Level Agreement with CFL dated 20 March 2018</p> <p>Clause 14.2.9 (Liability) states that CFL will notify the Trustee if it becomes aware of an act or omission and will work with the Trustee to try to resume proper performance of services as soon as possible.</p> <p>The Service Level Agreement with CFL is scheduled for review in 2021. The review will include more detailed wording on maladministration and rectification of errors.</p> <p>2) Client Service Agreement with the TPA dated February 2017.</p> <p>The agreement is for a three year period until December 2019.</p> <p>Item 3.1 Administration Schedule 1 (Additional Services)</p> <p>Following the acquisition of JLT by Mercer (the TPA), the new administration agreement to</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the CFL Pension Administration Agreement, which was dated 20 March 2018, that Clause 14.2.9 states that CFL will notify the Trustee if it becomes aware of an act or omission and will work with the Trustee to try to resume proper performance of services as soon as possible.</p> <p>Confirmed by inspection of the Client Service Agreement with the TPA, dated February 2017, that item 3.1 related to the Administration Schedule 1 and following the acquisition of JLT by Mercer, the new administration was reviewed in 2020 covering the following items relating rectification of maladministration:</p> <ul style="list-style-type: none"> <li>- Item 1.18 Rectifications</li> <li>- Item 1.3 Other Pension Fee Matters (Schedule 2)</li> <li>- Item 1.4 Service Standards and Performance Penalties (Schedule 2)</li> </ul>

<p>cover the period January 2020 to December 2022 was reviewed in 2020, with the following sections specifically relating to rectification of maladministration.</p> <p>The Trustee approve agreements with Service Providers.</p>	<p>Confirmed by inspection that the new administration agreement with the TPA was signed by WPT in March 2021 with specific sections on rectification of maladministration.</p>
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<p><b>Area and Objective 23</b></p> <p>The Trustee has arrangements in place for ensuring that core financial transactions (including decumulation related transactions) are processed promptly.</p>	
<p>23.1 Each quarter the TPA reports to the Trustee via the Quarterly Administration Report on work completed during the period. This includes the number of work times for each category completed within the service standard, outside the service standard, and the percentage within service standard. The administration report includes a table of each type of work item and the number of working days (as defined in the Administration Agreement).</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of Trustee meeting minutes that a review of the TPA Administration Report was conducted quarterly.</p> <p>Confirmed by inspection of a sample of quarterly TPA Administration Reports that they included the number of work items for each category completed within the service standard, outside the service standard, and the percentage within service and it also included a table of each type of work item and the number of working days.</p>
<p>23.2 Each quarter, CFL reports to the Trustee on the delivery of core services and whether they have been met. If a target is not met an explanation is provided.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly CFL Board Reports that they outlined the delivery of core services and whether they had been met. Where a target was not met an explanation was provided.</p> <p>Confirmed by inspection of a sample of Trustee meeting minutes that a review of the CFL Board Reports was conducted quarterly.</p>
<p>23.3 Each quarter the TPA confirms the following to the Trustee via the Quarterly Administration Report,</p> <ul style="list-style-type: none"> <li>• date contributions were received</li> <li>• date sent to investment</li> <li>• date invested by fund manager</li> <li>• date contract note received</li> <li>• date units allocated to member records</li> </ul>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly TPA Administration Reports that the following was confirmed:</p> <ul style="list-style-type: none"> <li>• date contributions were received</li> <li>• date sent to investment manager</li> <li>• date invested by fund manager</li> <li>• date contract note received</li> <li>• date units allocated to member records</li> </ul> <p>Confirmed by inspection of a sample of Trustee meeting minutes that a review of the TPA Administration report was conducted quarterly.</p>
<p>23.4 Each quarter the TPA reports via the Quarterly Administration Report on Core Financial transactions, including whether the following timescales have been met:</p> <ul style="list-style-type: none"> <li>• Investment of Contributions (2 days)</li> </ul>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly TPA Administration Reports that they reported on Core Financial transactions and</p>

<ul style="list-style-type: none"> <li>• Transfer of assets (disinvestment instructions within 10 working days)</li> <li>• Lifestyle switches (quarterly)</li> <li>• Payments from or to the Scheme in respect of members (10 working days)</li> </ul>	<p>included whether the following timescales had been met:</p> <ul style="list-style-type: none"> <li>• Investment of Contributions (2 days)</li> <li>• Transfer of assets (disinvestment instructions within 10 working days)</li> <li>• Lifestyle switches (quarterly)</li> <li>• Payments from or to the Scheme in respect of members (10 working days)</li> </ul>
<p>23.5 A detailed Administration Manual is in place which is reviewed annually. Both administrators are accredited to the ISO 9001:2015 standard for quality management systems. Adequate checking and peer reviews are incorporated into procedures.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Administration Manual that it was in place and reviewed annually. Adequate checking and peer reviews were incorporated into the procedures maintained within the Administration Manual.</p> <p>Confirmed by inspection of the CFL Resource Planner that a review of the Administration Manual was recorded as an annual event as item 14.</p> <p>Confirmed by inspection of the administrators ISO 9001:2015 certification that they were both accredited to the standard for quality management systems.</p>
<p>23.6 Each quarter the TPA reports via the Quarterly Administration report on Complaints and Dissatisfaction, Disclosure Breaches and Significant Events and Errors and Omissions. This report includes the issue and the action taken to rectify. Root Cause Analysis (RCA) reports will be provided for systemic issues.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of TPA Quarterly Administration reports that Complaints and Dissatisfaction, disclosure breaches and significant events and errors and omissions were disclosed.</p> <p>Confirmed by enquiry with the Business Operations Manager that there were no RCA reports on systemic issues during the period.</p>
<p>23.7 The TPA's AAF 01/06 and AAF 02/07 internal controls reports are received and reviewed annually. They are recorded as an annual event under the Managing Service Providers section in the Trustee Resource Planner.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA's AAF 01/06 and AAF 02/07 internal controls reports that they were produced annually.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the TPA's AAF 01/06 internal controls report was recorded as an annual event as item 84 under the Managing Service Providers section.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the TPA's AAF 02/07 internal controls report was recorded as an annual event as item 85 under the Managing Service Providers section.</p>
<p>23.8 A review of the TPA's Quarterly Administration Reports is recorded as a quarterly event in the Trustee Resource Planner under the Governance Reports section.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the TPA's Administration and Governance Reports was</p>

<p>The review of the Administration Manual is recorded as an annual event in the CFL Annual Planner and the TPA Annual Planner.</p>	<p>recorded as a quarterly event as item 91 under the Governance Reports section.</p> <p>Confirmed by inspection of the CFL Annual Planner that a review of the Administration Manual was recorded as an annual event as item 14.</p> <p>Confirmed by inspection of the TPA Annual Planner that a review of the Administration Manual was recorded as an annual event as item 7.</p>
<p>23.9 A 'Review of the Scheme Annual Accounts (inc. Chair's Statement)' is recorded as an annual event in the Trustee Resource Planner under the Financial Sustainability section.</p> <p>A review of the ISO 9001:2015 audit report and actions is recorded as an annual event in the CFL Annual Planner.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Scheme Annual Accounts (inc. Chair's Statement) was recorded as an annual event as item 6 under the Financial Sustainability section.</p> <p>Confirmed by inspection of the CFL Annual Planner that a review of the ISO 9001:2015 audit report and actions was recorded as an annual event as item 19.</p>
<p>23.10 Annually, the Trustee decides whether to commission an additional audit to evidence that core financial transactions are completed promptly.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of relevant Trustee meeting minutes that it was agreed no other audit was required to be performed during the reporting period in addition to the AAF work covered in this AAF nine month ended 31 December 2020 report.</p>

<p><b>Area and Objective 24</b></p> <p>The Trustee has arrangements in place for ensuring that core financial transactions (including decumulation related transactions) are processed accurately and that payments are authorised and suitably controlled.</p>	
<p>Each quarter the TPA confirms via the Quarterly Administration Report that the following have been completed in accordance with documented procedures:</p> <ul style="list-style-type: none"> <li>• Contribution Reconciliations (monthly)</li> <li>• Bank account Reconciliations (daily)</li> <li>• Investment and Member Unitisation Reconciliations (monthly)</li> </ul> <p>The Report confirms if there have been any significant changes to the procedures and/or controls currently in place.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly TPA Administration Reports that the following had been completed in accordance with documented procedures:</p> <ul style="list-style-type: none"> <li>• Contribution Reconciliations (monthly)</li> <li>• Bank account Reconciliations (daily)</li> <li>• Investment and Member Unitisation Reconciliations (monthly).</li> </ul> <p><b>Enquiry.</b></p> <p>Confirmed by enquiry with the Business Operations Manager that there were no significant changes to the procedures and/or controls during the period.</p>
<p>24.2 Periodically, the Trustee decides whether to commission an additional audit to evidence that the reconciliations recorded in the Quarterly Administration report have been</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of relevant Trustee meeting minutes that it was agreed no</p>

<p>completed, document procedures are in place and have been reviewed.</p>	<p>additional audit was required to be performed during the period.</p>
<p>24.3 Each quarter the TPA confirms the following to the Trustee via the Quarterly Administration report,</p> <ul style="list-style-type: none"> <li>• date contributions were received</li> <li>• date sent to investment manager</li> <li>• date invested by fund manager</li> <li>• date contract note received</li> <li>• date units allocated to member records</li> </ul>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly TPA Administration Reports that they included the following:</p> <ul style="list-style-type: none"> <li>• date contributions were received</li> <li>• date sent to investment manager</li> <li>• date invested by fund manager</li> <li>• date contract note received</li> <li>• date units allocated to member records</li> </ul>
<p>24.4 Each quarter the TPA provides, via the Quarterly Administration report, a summary report on Core Financial Transactions including;</p> <ul style="list-style-type: none"> <li>• Investment of contributions</li> <li>• Transfer of assets relating to members into and out of WPT</li> <li>• Transfer of assets between investments (switches)</li> <li>• Payments from the Scheme to, or in respect of members</li> </ul>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly TPA Administration Reports that they included a summary report on Core Financial Transactions outlining:</p> <ul style="list-style-type: none"> <li>• Investment of contributions</li> <li>• Transfer of assets relating to members into and out of WPT</li> <li>• Transfer of assets between investments (switches)</li> <li>• Payments from the Scheme to, or in respect of members</li> </ul> <p>Confirmed by inspection of the quarterly TPA Administration Reports that the work completed over the period and the percentage issued was within the Service standard.</p>
<p>24.5 A report is made to the Trustee quarterly on the delivery of CFL's core services, including the collection of contributions and transfer to the TPA.</p> <p>In addition, regular video calls are held with the TPA as required and an action log is in place.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly CFL Board reports that they outlined the delivery of core services, including the collection of contributions and transfer to the TPA.</p> <p>Confirmed by inspection of a sample of meeting minutes between CFL and TPA Administration calls that an action log was maintained.</p>
<p>24.6 A detailed Administration Manual is in place which is reviewed annually. Both administrators (CFL and the TPA) are accredited to the ISO 9001:2015 standard for quality management systems. Adequate checking and peer reviews are incorporated into procedures.</p> <p>A review of the ISO 9001:2015 audit report and actions are recorded as an annual event in the CFL Annual Planner.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Administration Manual that it was in place for the period and reviewed annually.</p> <p>Confirmed by inspection of the CFL Resource Planner that a review of the WPT Administration Manual was recorded as an annual event as item 14 under the review of Policies, Processes and Procedures section.</p> <p>Confirmed by inspection of the CFL and TPA ISO 9001:2015 certification that they were accredited for quality management systems.</p>

	Confirmed by inspection of the CFL Resource Planner that a review of the ISO audit report and actions was recorded as an annual event as item 19 under the review of Policies, Processes and Procedures section.
24.7 The TPA's AAF 01/06 and AAF 02/07 internal controls reports are received and reviewed annually. They are recorded as an annual event in the Trustee Resource Planner.	<b>Inspection.</b> Confirmed by inspection of the Trustee Resource Planner that a review of the TPA's AAF 01/06 and AAF 02/07 internal controls report was recorded as annual events as items 84 and 85 under the Managing Service Providers section.
24.8 A report on external auditor findings arising from the annual audit of the Scheme Annual Report and Accounts is received by the Trustee.	<b>Inspection.</b> Confirmed by inspection of the external auditor findings report that it was provided to the Trustee upon completion of the Scheme Annual Report and Accounts.  Confirmed by inspection of the relevant Trustee meeting minutes that a review of the external auditors' findings report was conducted during the period.
24.9 A review of the Scheme's Annual Report and Accounts is recorded in the Trustee Resource Planner under the Financial Sustainability section.  Periodically, the Trustee decides whether to commission an additional audit to evidence that core financial transactions are completed are processed accurately, that payments are authorised and suitably controlled, and that documented procedures are in place and are reviewed.	<b>Inspection.</b> Confirmed by inspection of the Trustee Resource Planner that a review of the Scheme's Annual Report and Accounts was recorded as an annual event as item 6 under the Financial Sustainability section.  Confirmed by inspection of relevant Trustee meeting minutes that it was agreed no additional audit was required to be performed during the period.
24.10 The TPA has a documented set of controls for the authorisation of payments which are tested and reported in the TPA's AAF 02/07 internal controls report.  Key controls at the TPA are: <ul style="list-style-type: none"> <li>• The CASHFAC payment system forces a 3 stage authorisation process to ensure payment security is controlled and adhered to</li> <li>• Information is input by one person, checked by another, and then must be released by a third person before the payment is made.</li> <li>• The system does not permit staff to either authorise or release payments that exceed their specific monetary authority limits.</li> </ul>	<b>Inspection.</b> Confirmed by inspection of the TPA AAF 02/07 Report that under control 6.3 (e) that it outlined the CASHFAC payment restrictions and there were no exceptions noted.

## Area and Objective 25

The Trustee ensures that member retirement options selected are processed and managed in accordance with documented procedures.	
25.1 The Administration manual documents the process and procedure for managing retirements. The administration manual is reviewed annually in accordance with the TPA's annual planner.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Administration manual that it documented the process and procedure for managing retirements.</p> <p>Confirmed by inspection of the CFL Resource Planner that a review of the Administration manual was recorded as an annual event as item 14.</p>
25.2 Periodically, the Trustee decides whether to commission an additional audit to evidence that documented retirement procedures are in place and are followed.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of relevant Trustee meeting minutes that it was agreed no additional audit was required to be performed during the period.</p>

<b>Area and Objective 26</b>	
The Trustee ensures that transaction errors are identified and rectified in accordance with a documented procedure.	
26.1 The TPA and CFL provide the Trustee with details of transaction errors and how they are being corrected promptly via the Quarterly Administration Report. At the TPA, a central register of complaints, errors and omissions is maintained and regularly reviewed. At CFL, a register of Non Conformances is maintained.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly CFL Reports that it included errors and omissions as a standard agenda item and there were none reported during the period which were presented to the Trustee for review.</p> <p>Confirmed by inspection of a sample of quarterly TPA Administration Report that it included errors and omissions as a standard agenda item which were presented to the Trustee for review.</p> <p>Confirmed by inspection of the TPA central register of complaints, errors and omissions was maintained and reviewed regularly.</p> <p><b>Enquiry.</b></p> <p>Confirmed by enquiry with the Business Operations Manager that there were no entries made to the Non Conformances register during the period.</p>
26.2 The TPA provides the following to the Trustee, via the Quarterly Administration Report	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of TPA Quarterly Administration Reports that they provided the following information to the Trustee:</p> <ul style="list-style-type: none"> <li>• Complaints and Dissatisfactions - there were none to report during the period</li> <li>• Disclosure breaches or significant events - there were none to report during the period</li> </ul>
<ul style="list-style-type: none"> <li>• Complaints and Dissatisfaction - including date of complaint, status and comments</li> <li>• Disclosure breaches or significant events</li> <li>• Report on Errors and omissions, action taken to resolve and whether a Root Cause Analysis has been completed</li> </ul>	

	<ul style="list-style-type: none"> <li>• Reports on Errors and Omissions, action taken to resolve and whether a Root Cause Analysis has been completed.</li> </ul>
26.3 CFL provides a quarterly report to the Trustee of Errors and Omissions and Complaints	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly CFL reports provided to the Trustee that there were no Errors and Omissions and Complaints during the period.</p>
26.4 CFL has a documented process for rectifying any errors identified.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Control of Non Conformances, Root Cause Analysis &amp; Corrective &amp; Preventative Action procedure that it included the process for rectifying any errors identified.</p>
26.5 The TPA's AAF 02/07 report documents the quality assurance processes in place for dealing with non-conformances and taking corrective action. The Errors and Omissions (E&O) rectification team deal with E&Os at a scheme level. Dedicated Professional Champions manage a 4 stage process for any complaints received.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA's AAF 02/07 report that it documented the quality assurance processes in place for dealing with non-conformances and taking corrective action. The E&amp;O rectification team dealt with E&amp;Os at a scheme level and dedicated Professional Champions managed a 4-stage process for any complaints received.</p>
26.6 The TPA's AAF 02/07 report includes 'Control Objective 6.15 - Transaction errors are identified and rectified' and confirms the processes, control procedures and tests performed.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA's AAF 02/07 report that under control objective 6.15 - 'Transaction errors are identified and rectified' that the process, control procedures and tests performed were confirmed and there were no exceptions noted.</p>
26.7 Controls over transaction errors and rectification are tested and reported in the TPA's AAF 01/06 internal controls report. This includes assurance testing of the controls concerning the rectification of transaction errors.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA's AAF 01/06 internal controls report that controls over transaction errors and rectification were tested. This included assurance testing of the controls concerning the rectification of transaction errors and there were no exceptions noted.</p>
26.8 A review of the TPA's AAF 01/06 and AAF 02/07 internal controls report is recorded as an annual event under the Managing Service Providers section in the Trustee Resource Planner.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA's AAF 01/06 and AAF 02/07 internal controls reports that these were produced annually.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the TPA's AAF 01/06 and AAF 02/07 internal controls reports were recorded as annual events as items 84 and 85 under the Managing Service Providers section.</p>
26.9 The Trustee will review and agree plans to address widespread and systemic transaction errors. The CFL procedure confirms that it is	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Control of Non Conformances, Root Cause Analysis &amp;</p>



<p>the responsibility of the Scheme Secretary to report to the Trustee, as required.</p>	<p>Corrective &amp; Preventative Action procedure that it states that it is the responsibility of the Scheme Secretary to report to the Trustee on any identified systematic errors.</p> <p><b>Enquiry.</b></p> <p>Confirmed by enquiry with the Business Operations Manager that there were no instances required to be reported to the Trustee during the period.</p>
<p>26.10 Periodically, the Trustee decides whether to commission an additional audit for the review by sample inspection that transactions errors and omissions have been recorded in the central register of errors and omissions. They should be reported in the Quarterly Administration Report.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly TPA Administration Reports that it included errors and omissions as a standard agenda item which were presented to the Trustee for review.</p> <p>Confirmed by inspection of relevant Trustee meeting minutes that it was agreed no additional audit was required to be performed during the period.</p>

<p><b>Area and Objective 27</b></p> <p>The Trustee ensures that late and inaccurate contributions are pursued and resolved in accordance with documented procedures. Late contributions are reported to the Trustee.</p>	
<p>27.1 There is a documented Policy on Monitoring Contributions and Reporting to TPR and Members, a Procedure for applying the policy, and a procedure for shell accounts. A formal review to ensure that the policies and procedures are reasonable is completed annually and are recorded in the Trustee Resource Planner</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Policy on Monitoring Contributions and Reporting to TPR and Members that it outlined the procedure for applying the policy and a procedure for shell accounts.</p> <p>Confirmed by inspection of the Trustee Resource Planner that it outlines the policies and procedures which require to be reviewed throughout the period and identify each of these policies with a unique number.</p>
<p>27.2 A review of late and/or inaccurate contributions is included in CFL's governance report and a report is made quarterly to the Trustee. Shell accounts are reported quarterly to the Trustee.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the late payment of contributions procedure and the Policy for Monitoring Contributions and Reporting to TPR and members that it was in place and reviewed annually.</p> <p>Confirmed by inspection of a sample of quarterly CFL Board Reports that they include the monitoring of contributions including late and/or inaccurate contributions, which was provided to the Trustee.</p> <p>Confirmed by inspection of a sample of quarterly WPT Trustee Reports that the monitoring of contributions was included.</p> <p>Confirmed by inspection of a sample of quarterly Trustee meeting minutes that a</p>

	<p>review of the Administration reports was conducted.</p> <p>Confirmed by inspection of the Shell Accounts log that it was maintained and presented to the Trustee quarterly.</p>
<p>27.3 There is a separate set procedure for 'shell accounts' from employers who have initially joined the Scheme and have not provided member data. These are reported separately by CFL to TPR's Compliance and Enforcement team.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the Removal of Shell Accounts &amp; Dormant Accounts Procedure that it was in place for employers who had initially joined the Scheme and had not provided member data.</p> <p>Confirmed by inspection of the Shell Accounts log that it was maintained and presented to the Trustee quarterly. It also included the data reported to TPR.</p>
<p>27.4 There is a 'New Employers' procedure which ensures that employers are provided with clear guidance on auto-enrolment, their obligation to remit contributions within the required timescales and the online web portal system. The Employer Application Form includes a Deed of Adherence outlining the employer's duties. Employers are supported by way of a telephone helpline, website, and visits from the Scheme's pensions team. The Governance Sub Committee reviews the procedures.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA's WPT Administration Guide that it included the 'New Entrants' procedure. This ensured that employers were provided with clear guidance on auto-enrolment, their obligation to remit contributions within the required timescales and the online web portal system, which is also available through member communications.</p> <p>Confirmed by inspection of the Employer Declaration document that it included a Deed of Adherence and outlined the employer's duties.</p> <p>Confirmed by inspection of the WPT website that a telephone helpline was available to Employers.</p>

### Area and Objective 28

The Trustee ensures that contributions are invested and allocated in accordance with member instructions or the requirements of the default arrangement.

<p>28.1 The TPA confirms via the Quarterly Administration Report the dates contributions were received, invested, and allocated to member records.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly TPA Administration Reports that they included the dates contributions were received, invested, and allocated to member records.</p>
<p>28.2 A report to confirm if Core Financial Transactions have been completed within required timescales is provided to the Trustee quarterly.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly TPA Administration Reports that it includes performance on Core Financial Transactions and states that they had been completed within the required timescales.</p>
<p>28.3 The TPA confirms via the Quarterly Administration report that a reconciliation of contributions has been completed monthly and confirms whether there have been any</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of quarterly TPA Administration Reports that they</p>

significant changes to the procedures or controls in place.	state a reconciliation of contributions had been performed monthly. <b>Enquiry.</b> Confirmed by enquiry with the Business Operations Manager that there had been no significant changes to the procedure or controls in place during the period.
28.4 The Client Services Agreement with the TPA confirms the timescales for the investment of contributions (2 days).	<b>Inspection.</b> Confirmed by inspection of the Client Services Agreement between the Trustee and the TPA that it confirmed the timescales for the investment of contributions (2 days).

## DATA QUALITY CO 29

<b>Area and Objective 29</b> The Trustee ensures member data is complete and accurate and is subject to regular data evaluation.	
29.1 Member data is updated daily through instructions received by CFL from members and/or from information received via the online portal from participating employers. Postcode verification software is in place. In addition, data checks are made when post is returned with an unknown address for a member.	<b>Inspection.</b> Confirmed by inspection of the postcode verification software that it was in place and checks performed for the employer when a new employee is added.  Confirmed by inspection of the WPT Administration Manual that it included the process for CFL updating member data.
29.2 Formal data validation exercises are carried out by the TPA; every year for common data and every three years for Scheme specific data (the last common and conditional (Scheme specific) data exercises last took place in Q3 of 2020). The Trustee assesses the results of each data verification exercise at the next Trustee meeting following the publication of the data report.	<b>Inspection.</b> Confirmed by inspection of the TPA Common and Conditional Data Quality Certificates that they were completed in August 2020.  Confirmed by inspection of the relevant Trustee meeting minutes that the Trustee reviewed the data validation summary which was included within the Scheme Administrator Report.
29.3 Data validation reviews are recorded in the Trustee Resource Planner under the Data Validation section; for common data, as an annual event, and for Scheme specific data, a three yearly event.	<b>Inspection.</b> Confirmed by inspection of the Trustee Resource Planner that a review of the Common Data Validation Score was recorded as an annual event as item 53 under the Data Validation section.  Confirmed by inspection of the Trustee Resource Planner that the monitoring of the progress of Common data corrections and Scheme Specific data corrections were recorded as quarterly events as items 54 and 56 under the Data Validation section.  Confirmed by inspection of the Trustee Resource Planner that the review of the Scheme specific Data Validation Score was

	recorded as a triennial event as item 55 under the Data Validation section.
29.4 Following the annual common data review and three yearly Scheme specific review, action plans are agreed by the Trustee. The plans include the action to be taken to address gaps (e.g., tracing exercise for missing addresses), the timescale and owner. Progress on action plans is reviewed by the Trustee.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA Common and Conditional Data Quality Certificates that they were completed in August 2020.</p> <p>Confirmed by inspection of the Common and Conditional data action plan that they included the action to be taken to address gaps, the timescale and owner.</p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that the common and conditional data action plans that they were reviewed outlining any progress made.</p>

## COMMUNICATION AND REPORTING CO 30-32

<b>Area and Objective 30</b>	
The Trustee maintains a documented member communications plan which is regularly reviewed.	
30.1 The Trustee approves the Communication Policy & Plan annually. The Communication Policy & Plan includes a declaration of communication standards, communication channels, intended audience and schedule for when key communications are to be issued to members.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that the Communication Policy &amp; Plan was reviewed and approved annually.</p> <p>Confirmed by inspection of the Communication Policy &amp; Plan that it included a declaration of communication standards, communication channels, intended audience and schedule for when key communications were to be issued to members.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Communication Policy &amp; Plan was recorded as an annual event as item 67 under the Communication section.</p> <p>Confirmed by inspection of the Trustee Policy on Assessing Communications that it included communication types and standard communications. This was overseen by the Business Operations Manager and the progress is reviewed by the Scheme Secretary.</p>
The Business Operations Manager oversees the completion of all actions within the plan throughout the year. In the event that actions fall behind schedule, the Business Operations Manager will notify the Scheme Secretary who decides whether or not the Trustee need to be informed.	
30.2 Communications to members provided by the TPA (who has its own compliance department for communications) are reviewed by CFL and tailored to meet the needs of Scheme members, as required.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of communications sent to members that they were provided by the TPA, reviewed by CFL and tailored to meet the needs of Scheme members.</p> <p>Confirmed by inspection of the Trustee Policy that there is a procedure on the receipt and review of member communications.</p>

	<p><b>Enquiry.</b></p> <p>Confirmed by enquiry with the Business Operations Manager that as part of the WPT's Administration Manual review that member communications were included.</p>
30.3 A review of the Communication Policy & Plan is completed annually by the Governance Sub Committee.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of email documentation that the Communication Policy &amp; Plan was reviewed annually by the Governance Sub Committee and there were no changes required to be made.</p>

### Area and Objective 31

Arrangements are in place for ensuring that the quality and accuracy of member communications are assessed by the Trustee.

<p>31.1 The Trustee approves the Communication Policy &amp; Plan annually. The Communication Policy &amp; Plan includes a declaration of communication standards, communication channels, intended audience and schedule for when key communications are to be issued to members.</p> <p>The Business Operations Manager oversees the completion of all actions within the plan throughout the year. In the event that actions fall behind schedule, the Business Operations Manager will notify the Scheme Secretary who decides whether or not the Trustee need to be informed.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the relevant Trustee meeting minutes that the Communication Policy &amp; Plan was reviewed and approved annually.</p> <p>Confirmed by inspection of the Communication Policy &amp; Plan that it included a declaration of communication standards, communication channels, intended audience and schedule for when key communications were to be issued to members.</p> <p>Confirmed by inspection of the Trustee Resource Planner that a review of the Communication Policy &amp; Plan was recorded as an annual event as item 67 under the Communication section.</p> <p>Confirmed by inspection of the Trustee Policy on Assessing Communications that it included communication types and standard communications. This was overseen by the Business Operations Manager and progress is reviewed by the Scheme Secretary.</p>
31.2 Routine communications to members (such as retirements, transfers, leavers, deaths etc) are provided by the TPA (who has its own compliance department for communications).	<p><b>Inspection.</b></p> <p>Confirmed by inspection of a sample of member communications that they were provided by the TPA in line with the Trustee Policy.</p>
31.3 The TPA's AAF 02/07 report (Control objective 6.26 (a)) evidences that at the TPA, Operations Solutions issue a monthly email detailing all changes made to standard letter templates. The Team Manager will review any changes required to the Master Trust letter templates and evidence this by the completion and signing of the Team Manager Planner.	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA AAF 02/07 Report that under control objective 6.26 (a) it evidenced that the TPA issued a monthly email which detailed all changes made to standard letter templates. This was reviewed by the Team Manager and there were no exceptions noted.</p>

<p>31.4 Scheduled communications to members (such as Newsletters and customer surveys) are issued by the Scheme. All communications are checked internally and are approved by the Managing Director of the Scheme prior to issue, in accordance with the documented procedure.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the WPT Communication Policy &amp; Plan that it scheduled all communications required to be issued to members by the Scheme.</p> <p>Confirmed by inspection of the Trustee Policy on Assessing Communications that it states that all communications were checked internally and approved by the Managing Director.</p> <p>Confirmed by inspection of a sample of newsletters that they are issued to members after approval.</p> <p>Confirmed by inspection of a sample of surveys that they were sent to members for feedback during the period.</p>
<p>31.5 Annually, the member benefit statements are produced by the TPA. The template statements and test packs (for a selection of members) are checked for accuracy by CFL, on behalf of the Trustee.</p> <p>In addition, The TPA's AAF 02/07 report (Control objective 6.27 (c)) confirms that Statutory Money Purchase Illustration (SMPI) statements are produced annually, which provide a projection of the member's fund value and the annuity available at their Normal Retirement Date (NRD). Controls totals checks are performed to check that all members have either successfully had their SMPI calculated or are identified as exceptions. Samples of the SMPI statements are reviewed for reasonableness. This is evidenced by a completed and signed checklist.</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the 'Mercer WPT Annual Event Planner' that the production and review of the member benefit statements were recorded as annual events as item 7.</p> <p>Confirmed by inspection of the member benefit statement timetable and email trail that a review was conducted by CFL during March 2020.</p> <p>Confirmed by inspection of the CFL Resource Planner that a review of the WPT Annual Benefit Statements was recorded as an annual event as item 51.</p> <p>Confirmed by inspection of the TPA's AAF 02/07 report under control objective 6.27 (c) that there were no requirements during the period for any annual SMPI statements to be produced as this was outside of the nine month AAF report period and therefore the control could not be applied.</p>
<p>31.6 The TPA's AAF 02/07 report (Control objective 6.27 (a)) evidences that all retirement quotations provided to members include information to support member decision making at retirement; (e.g. Retirement Risk Warnings / A signpost to the Pension Scams Booklet produced by the Pensions Regulator / The Money Advice Service 'Your pension: it's time to choose' booklet / Providing the contact telephone number and signposting websites for PensionWise, the Citizens Advice Bureau and The Pensions Advisory Service).</p> <p>Where deemed required by the TPA, a TPA retirement quotation checklist is peer reviewed and signed. CFL team members visually check</p>	<p><b>Inspection.</b></p> <p>Confirmed by inspection of the TPA's AAF 02/07 report that under control objective 6.27 (a) that it outlined the retirement quotation process and there were no exceptions noted.</p>

that the retirement quotation letters received from the TPA are internally consistent.

**Area and Objective 32**

The Trustee has established a process for reporting member feedback (including issues raised by members) and complaints to the Trustee, including resolution procedures. Member feedback and issues are logged and reviewed by the Trustee.

32.1 The Scheme encourages member feedback through the following means:

- Email and phone call enquiries
- Welcome letter to new entrants has a paragraph on “We welcome your views” and provides details on how to get in touch
- Website contact form states that we would be happy to hear from members and would welcome their feedback
- Annual Member Survey sent to a sample of members asking for their views on the scheme website, online portal, customer service
- Member focus groups
- Survey to members who have claimed a retirement benefit asking them to rate our written and phone communication, accuracy and timeliness and ask for suggestions for providing a better service.

Feedback from members is reviewed to identify any recurring themes or new issues that may have arisen.

A report on customer feedback and any complaints received is provided quarterly to the Trustee via the Quarterly Trustee Report.

**Inspection.**

Confirmed by inspection of the Welcome Letter to new entrants that it stated, "We welcome your views" and included an email address and telephone number to get in touch.

Confirmed by inspection of the WPT website 'contact' page that it welcomed members feedback within the contact form.

Confirmed by inspection of the annual Member Survey that it was sent to a sample of members in November 2020 asking for their views on the scheme website, online portal, and customer service.

Confirmed by inspection of retirement surveys sent to a sample of retired members that they asked for a rating on written and phone communication, accuracy and timeliness, and suggestions to prove a better service.

Confirmed by inspection of the WPT Annual Report and Accounts that included detail within the Chair’s Statement about member feedback which was reviewed by the Trustee.

Confirmed by inspection of a sample of quarterly CFL Board Reports that customer contact, feedback and complaints was a standard item which was reviewed by the Trustee.

32.2 The Chair’s Statement includes a report on how the Trustee is pleased to hear the views of members and encourages them to make their views about the Scheme known. It also outlines the arrangements are in place to allow the Trustee to monitor the perceived quality and service that members are receiving and to identify areas for improvement.

**Inspection.**

Confirmed by inspection of the WPT Annual Report and Accounts that it included the Chair’s Statement which stated that the Trustee was pleased to hear the views of members and encouraged them to make their views about the Scheme known. It outlined that arrangements were in place allowing the Trustee to monitor the perceived quality and service that members were receiving and to identify areas for improvements.

32.3 The Scheme operates an Internal Dispute Resolution Procedure to deal with member complaints. The Trustee receive information on

**Inspection.**

member complaints as part of the quarterly Trustee Report.

Confirmed by inspection of the Internal Dispute Resolution Procedure that it was operated by the Scheme to deal with member complaints.

Confirmed by inspection of a sample of CFL Board Reports that 'complaints' was a standard item.



# Appendix: Letter of Engagement

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PRIVATE AND CONFIDENTIAL

The Board of Trustees of Workers Pension Trust Ltd  
143 Malone Road  
Belfast  
BT9 6SX

Assure UK  
107 Cheapside  
London  
EC2V 6DN

T 020 7112 8300  
E [info@assureuk.co.uk](mailto:info@assureuk.co.uk)  
W [www.assureuk.co.uk](http://www.assureuk.co.uk)

8 October 2020

Our ref: AR/EJ

Dear Sirs

## Assurance Report on internal controls

Thank you for appointing Assure (UK) Limited as assurance Reporting Accountants. This engagement letter and our Terms of Business set out in the Schedule to this engagement letter (together, "**Agreement**") set out the terms on which Assure (UK) Limited ("**Assure UK**", "**we**", "**our**" or "**us**"), are instructed. We should be grateful if you would confirm in writing your agreement to these terms by signing and returning the enclosed copy of this letter.

### Our Instructions

We are instructed by the Board of Trustees of the Workers Pension Trust Limited ("**Service Organisation**", "**you**" or "**your**") to provide professional services to report to you on your internal controls with respect to the master trust services at the Workers Pension Trust ("**Scheme**") that you offer to your clients ("**Assurance Report**").

The Assurance Report will review the control procedures in place in the Service Organisation and the design, description and operational effectiveness of these control procedures for the period 1 April 2020 to 31 December 2020 in accordance with the International Standard on Assurance Engagements 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information' issued by the International Auditing and Assurance Standards Board ("**ISAE 3000 (Revised)**") and Technical Release TECH 05/20 AAF "Assurance reporting on master trusts" ("**AAF 05/20**").

Further details regarding the Assurance Report can be found in the attached Schedule.

Subject to the Permitted Disclosures set out in this Agreement (see clause 5 of our Terms of Business), the Assurance Report will be made solely for the benefit of the Service Organisation and its Board of Trustees ("**Trustee**") and solely for the purpose of reporting on the Service Organisation's controls, in accordance with this Agreement ("**Purpose**").

### Special arrangement

We understand that you may wish to make a copy of our Report available on your website. We give consent on the basis that you agree to the wording in appendix 3 to be included on your website and on the basis, that our report can only be viewed to these website visitors who confirm they have read and agree the wording set out in appendix 3.

Founder: G Burton FCA. Assure (UK) Limited trading as Assure UK. Registered in England no 0038335398. Registered Office: 107 Cheapside, London, EC2V 6DN. Registered to carry on audit work in the UK and Ireland by the Institute of Chartered Accountants in England and Wales. Further details about our audit registration can be viewed at [www.auditregister.org.uk](http://www.auditregister.org.uk) for the UK and [www.cro.ie/auditors](http://www.cro.ie/auditors) for Ireland, under reference number C003443300.



**Terms of Business**

Our Terms of Business are attached in the Schedule. Any work already performed in connection with this engagement before the date of this letter will also be governed by this Agreement.

We draw your attention to clause 7 of our attached Terms of Business which amongst other things limits our total liability to you under this Agreement to £2,000,000 and clause 19.3 which shortens the period within which any claim may be commenced.

This Agreement may only be varied or modified in accordance with clause 9 of the Terms of Business and we draw your attention to clause 8 which sets out the provisions for terminating this Agreement.

-

Our fees will be agreed separately in writing prior to the commencement of our work and the basis of our fees is set out in the attached terms of business at clause 15.

**Agreement of Terms**

Please confirm you accept this Agreement by signing the enclosed copy letter and returning it to us but, if you do not do so, your continuing to instruct us will signify your acceptance of this Agreement.

If you have any questions, please contact Andrew Riley on 020 7112 8300.

We are very much looking forward to working with you.

Yours faithfully

**Assure (UK) Limited**

**Copy letter to be returned to Assure (UK) Limited**

The terms and conditions contained in this letter and attached terms of business are agreed and accepted.

Signature of authorised person on behalf of the Workers Pension Trust Limited

Carole Ryden

Print name

Chair

Position

14 October 2020

Date

# **Schedule: Terms of Business**

Assurance Reporting on master trusts

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## 1. INTRODUCTION

- 1.1. These terms apply to the services we are instructed to provide under this Agreement. If anything in these terms of business is inconsistent with the engagement letter, the terms of business shall take precedence unless the engagement letter specifically amends them.
- 1.2. This Agreement will start on the earlier of the date of the attached engagement letter or the commencement of the services described in this Agreement.

## 2. THE ASSURANCE REPORT

- 2.1. In providing the Assurance Report we shall review the Trustee Board's written report on the control procedures at specified business units for the relevant period in accordance with ISAE 3000 (Revised) and AAF 05/20 ("**Trustee Board's Control Report**"), enquiries of the management at the specified business units, review the relevant documentation prepared by the Service Organisation and observe and test specific control procedures as identified in the Trustee Board's Control Report. The tests we perform shall be itemised in an appendix to our Assurance Report.
- 2.2. To complete our Assurance Report we may seek written representations from the Directors and others about the internal controls identified in the Directors' Control Report. We may request the Directors to provide written confirmation of oral representations received as part of these enquiries.
- 2.3. We may seek written representations from the Directors in relation to matters on which independent corroboration is not available we should be aware have been brought to our attention. We shall seek confirmation from the Directors that all matters of which we should be aware have been brought to our attention.
- 2.4. The results of our review and the written representations will comprise the evidential matter on which we shall reach our independent conclusions of the description, design and suitability of the internal controls identified to us in relation to the provisions of pensions administration services as set out in the Assurance Report.
- 2.5. If for any reason we are unable to complete our review we may decline to issue the Assurance Report.
- 2.6. Where the Assurance Report is made available to you in electronic format as well as hard copy format, and multiple copies and versions of the Assurance Report exist in different media, the signed hard copy should be regarded as definitive.

## 3. YOUR RESPONSIBILITIES

- 3.1. The Trust Board is responsible for the design, implementation and operation of control procedures that provide an adequate level of control over the master trust services they provide, including, but not limited to:
  - acceptance of responsibility for internal controls;
  - evaluation of the effectiveness of the Service Organisation's control procedures using suitable criteria;
  - supporting their evaluation with sufficient evidence, including documentation; and
  - providing in the Trustee Board's Control Report an assertion as to the effectiveness of the Service Organisation's internal controls for the relevant period.
- 3.2. In drafting the Trustee Board's Control Report, the Trustee Board shall have regard to, as a minimum, the criteria specified within ISAE 3000 (Revised) and control objectives specified in AAF 05/20 but they may add to these criteria to the extent reasonably necessary.
- 3.3. The Trustee Board shall make available to us, on a timely basis, all information which we consider reasonably necessary for performing our review and testing and to enable us to contact Service Organisation personnel to whom we may direct enquiries. The Trustee Board is responsible for

ensuring that the information provided to us, whether by the Trustee Board or any other person working for or on behalf of the Service Organisation, is accurate and complete. We will not verify any information given to us relating to this engagement.

- 3.4. Subject to clause 7, you hereby release and shall indemnify us from all liabilities, costs, claims and expenses (including without limitation, reasonable legal fees) on a full indemnity basis relating to our Assurance Report which relates to any misrepresentations or information which is withheld or concealed from us except where liability or costs arise from our knowing disregard.

#### **4. INHERENT LIMITATIONS OF CONTROL PROCEDURES**

- 4.1. You acknowledge that controls designed to address specific control objectives are subject to inherent limitations and accordingly, errors or irregularities may occur and not be detected. Such controls cannot guarantee protection against (amongst other things) fraudulent collusion especially on the part of those holding positions of authority or trust. If any such matters come to our attention we may communicate these matters to the Directors or other personnel as appropriate.
- 4.2. The Trustee Board's Control Report and our Assurance Report will be based on historical information and the projection of any information or conclusions in these reports to any future periods would be inappropriate. In addition this Assurance Report is prepared in respect of the relevant period to which it relates. As such, any reliance upon it should be tempered accordingly.
- 4.3. The effectiveness of specific controls at the Service Organisation is dependent on how these controls interact with the controls and other factors present at individual client organisations. We will not review the effectiveness of controls at individual client organisations.

#### **5. YOUR USE OF THE ASSURANCE REPORT**

- 5.1. Subject to clause 5.3, the Assurance Report will be issued on the understanding that you may not recite, refer to or disclose the whole document or part of it, whether in electronic format or otherwise, to any party without the prior written permission of one of our Directors. Permission from any other person shall not constitute valid consent.
- 5.2. Subject to clause 5.3, the Assurance Report will be issued solely for the purpose of reporting on the Service Organisation's controls, in accordance with this Agreement. Restrictions in our engagement letter does not exclude the use of the report by the Pensions Regulator.
- 5.3. We permit the disclosure of the Assurance Report in the following circumstances ("Permitted Disclosures") provided there is no change to the wording, form, content, context or presentation of the Assurance Report:
- 5.3.1 As a complete document, in electronic format or otherwise, to existing clients using the Service Organisation's pensions administration services, and to the auditors of the Service Organisation and such existing clients ("Permitted Recipients") pursuant to 5.4 and 5.5 for the sole purpose of verifying that the Assurance Report has been commissioned. In permitting this disclosure we do not accept responsibility or liability to the Service Organisation's clients or their respective auditors.
  - 5.3.2 As a complete document, in electronic format or otherwise, to the Service Organisation's prospective clients only where this disclosure is made with the attached Disclaimer Letter (appendix 2) published in the appendix to the Assurance Report and that this Disclaimer Letter is brought to the attention of the prospective client by the inclusion of a prominent disclaimer at the front of the Assurance Report. In permitting this disclosure we do not accept any responsibility or liability to the Service Organisation's prospective clients.
- 5.4 We will allow the Permitted Disclosures in 5.3 provided that the Permitted Recipients first accept in writing, in the form of the attached Acknowledgment Letter at appendix 1, the relevant terms of this Agreement as if the Client had signed the Agreement when originally issued, including the provisions limiting our liability in respect of the Assurance Report, usage restrictions, limitations and exclusions



in return for the opportunity to verify that the Assurance Report has been commissioned. Each Client who signs the acknowledgment letter shall be a party to this Agreement unless we, in our absolute discretion, decide otherwise.

- 5.4. In the alternative to clause 5.4, we will allow the Permitted Disclosures in 5.3 without the Permitted Recipients having first accepted in writing the terms of this Agreement in the form of the acknowledgement letter at appendix 1 provided that you hereby indemnify and shall keep indemnified Assure UK, its directors and employees against all losses, damages, and expenses (including, without limitation, reasonable legal expenses) suffered or incurred by any of the same as a result of any claim or action brought by the Permitted Recipients following the Permitted Disclosure at 5.3.
- 5.5. We may request amendments to the electronic version of the Assurance Report if we are not satisfied with the proposed wording or its presentation or the manner in which it is published. If requested you shall promptly provide us with full cooperation and assistance to make such amendments and shall withdraw any previous or existing versions of the Assurance Report from circulation and shall promptly ensure that the same are no longer available for download or other review or access.
- 5.6. Where the Directors or the Service Organisation prepare marketing literature referring either to us or the Assurance Report you will first obtain our prior written consent before publishing such literature.
- 5.7. Subject to clause 7, we accept no responsibility for any changes that may occur to our Assurance Report made after a permitted disclosure or a disclosure in breach of this Agreement. If we do become aware of any amendments we will notify the Directors that the report no longer corresponds to the Assurance Report issued by us.

## **6. ACCESS TO WORKING PAPERS**

- 6.1. Our working papers and other internal documentation created for the purpose of carrying out our duties as auditor belong solely to us and will not be provided to you.
- 6.2. We may be required to give access to our working papers for regulatory purposes or because of other statutory obligations. Unless we are prevented from doing so by legislation, regulation, court order or other professional or legal requirement, we will notify you prior to giving access to our working papers.

## **7. LIMITATION OF LIABILITY**

- 7.1. The following provisions set out our entire financial liability to the Service Organisation and the Directors during the course of our engagement under the Agreement (including without limitation any liability for the acts or omissions of our employees, agents and sub-contractors) in respect of (a) any breach of the Agreement howsoever arising; and (b) any representation, misrepresentation (whether innocent or negligent), statement or tortious act or omission (including without limitation negligence) arising out of or in connection with the Agreement.
- 7.2. All warranties, conditions and other terms implied by statute or common law are excluded from the Agreement to the fullest extent permitted by law.
- 7.3. Nothing in these conditions excludes or limits our liability for (a) death or personal injury caused by our negligence; or (b) fraud or fraudulent misrepresentation or (c) anything else that may not be excluded or limited under applicable law.
- 7.4. Subject to condition 7.2 and condition 7.3:
  - 7.4.1. We shall not in any circumstances be liable, whether in tort (including, without limitation, for negligence or breach of statutory duty howsoever arising), contract, misrepresentation (whether innocent or negligent) or otherwise for any special, indirect, consequential or pure economic loss, costs, damages, charges or expenses.

- 7.4.2. Assure UK's total liability in contract, tort (including, without limitation, negligence and breach of statutory duty howsoever arising), misrepresentation (whether innocent or negligent), restitution or otherwise, arising in connection with the performance or contemplated performance of the Agreement or otherwise shall be limited to £2,000,000; and the Workers Pension Trust Limited total liability in contract, tort (including, without limitation, negligence and breach of statutory duty howsoever arising), misrepresentation (whether innocent or negligent), restitution or otherwise, arising in connection with this Agreement or otherwise shall be limited to £2,000,000.
- 7.4.3. We shall not be liable for any losses which are due to the provision of false, misleading or incomplete information or documentation or due to the acts or omissions of any person other than us, except where, on the basis of the enquiries normally undertaken by us within the scope set out in this Agreement, it would have been reasonable for us to discover such defects.
- 7.5. Where we agree in writing to accept liability to more than one party, the limit on our liability in clause 7.4.2 will be shared between the parties and it will be for those parties to decide how to share it.
- 7.6. Where any loss is suffered by you for which Assure UK and any other person are jointly and severally liable, the loss recoverable by you from us shall be reduced so as to be in proportion to our relative contribution to the overall fault of Assure UK, the Service Organisation and any other person in respect of the loss in question. In determining the extent of the contribution to the overall fault of any other person no account shall be taken of any limit or exclusion placed on the amount that person will pay or any shortfall in recovery from that person (for whatever reason).
- 7.7. To the fullest extent permissible by law, you hereby indemnify and shall keep indemnified Assure UK, its directors and employees against all losses, damages, and expenses (including reasonable legal expenses) suffered or incurred by any of the same as a result of any breach of this Agreement by the Service Organisation, its Directors, employees, contractors or agents including without limitation clause 5 relating to your use of our Assurance Report.
- 7.8. To the fullest extent permissible by law, you agree to bring any claim (including negligence) in connection with this Agreement against Assure UK and not against any individual employed by us.
- 7.9. You shall ensure that none of the Service Organisation's group companies, including any subsidiary, associated or holding company (unless a party to this Agreement), while they are a group company or at any time after, bring a claim against Assure UK (or its directors or employees) or our subcontractors in respect of any liability relating to the services provided under this Agreement.

## **8. TERMINATION**

- 8.1. Our appointment under this Agreement may be terminated immediately by you or us by giving notice in writing where (a) there is a material breach of the Agreement that is not rectified within 14 days of the breach (b) the performance of the Agreement may breach a legal or regulatory requirement (c) you or we appear likely to be unable to pay debts or become insolvent.
- 8.2. Our Appointment under this Agreement may be terminated by you or us by giving 30 days' notice in writing.

## **9. ENTIRE AGREEMENT**

- 9.1. These terms of business and the engagement letter (together the "Agreement") constitute the sole and entire understanding of the parties in relation to the subject matter of this Agreement and supersedes all previous agreements, representations and arrangements between the parties (either oral or written) with regard to the subject matter of this Agreement. The parties confirm that they have not entered into this Agreement on the basis of any representations that are not expressly incorporated in this Agreement. Each party irrevocably and unconditionally waives any rights it may have to claim damages and/or to rescind this Agreement for any misrepresentation in relation to the subject matter of this Agreement whether or not contained in this Agreement or for breach of warranty



not contained in this Agreement unless such misrepresentation or warranty was made fraudulently. This Agreement may only be amended or supplemented in writing and signed by an authorised representative of both parties.

- 9.2. Any provisions of this Agreement which by their nature extend beyond the expiry, completion or termination of this Agreement shall survive such expiration, completion or termination.

## **10. CONTRACTING PARTIES AND ASSIGNMENT**

- 10.1. The Agreement is between you and Assure UK. Notwithstanding the fact that certain Services under the Agreement may be carried out by personnel provided to Assure UK through subcontracting agreements, to the extent permissible by law you agree that none of the subcontractors will have any liability to you and you will not bring any claim or proceedings of any nature (whether in contract, tort, breach of statutory duty or otherwise and including but not limited to, a claim for negligence) in any way in respect of or in connection with this Agreement against any subcontractors that we may use to provide the Services. The foregoing exclusion does not apply to any liability, claim or proceeding founded on an allegation of fraud or other liability that cannot be excluded under English Law.
- 10.2. This Agreement does not make either of us an agent or legal representative of the other, nor does it create a partnership or joint venture.
- 10.3. Neither of us may assign or otherwise transfer the benefit of this Agreement without the other's prior written consent. Further, neither of us will directly nor indirectly agree to assign or transfer any claim against the other arising out of this Agreement to any other person.
- 10.4. Third party rights - No person who is not a party to the Agreement other than our subcontractors if any, shall have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms. This Agreement can be varied without any third party's consent.

## **11. GENERAL UNDERTAKINGS AND CONFIDENTIALITY**

- 11.1. We undertake to carry out the engagement with reasonable care and skill.
- 11.2. We will not accept any responsibility for any reliance that may be placed by any third parties on either our audit reports which are provided by us to you as Trustees or on any other reports or work products which are provided by us to you for your sole use, unless our prior written consent is obtained for the provision of particular reports or work products to specified third parties and is given in writing prior to the provision of any reports or work products. Such consent will be granted only on the basis that our reports or work products are not prepared with the interests of anyone other than the Trustees in mind and that we accept no duty or responsibility to any other party as concerns the reports or work products and that each specified third party acknowledges and accepts this (or such other terms as we may in our discretion agree with them) in writing directly with us.
- 11.3. We will not disclose any confidential information concerning your business to third parties (except to our employees, partners, agents and other professional advisers whom we may consult in relation to our work and save to the extent that the information is in the public domain) without your prior written consent unless otherwise required by law, a court of competent jurisdiction, The Pensions Regulator, HM Inland Revenue or other government or regulatory authority. Subject to the foregoing, we may disclose your confidential information to our affiliates and subcontractors including those engaged in support of our office administration.
- 11.4. All information and advice, written or oral, of whatever nature, made available by us to you is for your sole use and shall not be disclosed or made available to any third party (save to the extent that the same is in the public domain otherwise than by breach of this clause) without our prior written consent unless otherwise required by law, a court of competent jurisdiction, The Pensions Regulator, HM Inland Revenue or other government or regulatory authority.

- 11.5. The working papers prepared in conjunction with our assurance report and other services are the property of our firm, constitute confidential information and will be retained by us in accordance with our firm's policies and procedures.
- 11.6. Nothing in this document precludes us or any partner in or employee of our firm from taking such steps as are necessary to comply with professional or ethical rules of any relevant professional body of which a partner in or employee of our firm is, at the time, a member.
- 11.7. We may outsource certain services including IT support, our "front office" and "back office" functions, photocopying and word processing to carefully selected service providers, with whom we have agreed confidentiality provisions and undertakings; some of these outsourced service providers may transfer your personal data outside the European Economic Area (EEA).
- 11.8. We may wish to refer to you and the services provided to you under this Agreement as part of our marketing material. You hereby agree that we may do so provided we do not disclose your confidential information, and we contact you in advance of any references for agreement to feature in any marketing material.

## **12. PROVISION OF SERVICES REGULATIONS 2009**

- 12.1. In accordance with the disclosure requirements of the Provision of Services Regulations 2009, our professional indemnity insurer is Markel International Insurance Company Limited, of 20 Fenchurch Street, London, EC3M 3AZ. The territorial coverage is worldwide excluding professional business carried out from an office in the United States of America or Canada and excludes any action for a claim brought in any court in the United States of America or Canada.
- 12.2. Details of our audit registration can be viewed at [www.auditregister.org.uk](http://www.auditregister.org.uk) for the UK under reference number C003443000. We confirm that we are Statutory Auditors eligible to conduct audits under the Companies Act 2006.

## **13. INTELLECTUAL PROPERTY**

- 13.1. We will own the intellectual property rights in the Assurance Report and any other deliverables or materials created or provided under this Agreement, and subject to clause 5, we hereby grant the Service Organisation a non-exclusive, non-transferable licence to use the Assurance Report for the Purpose.

## **14. ELECTRONIC COMMUNICATIONS**

- 14.1. We may correspond with you electronically (unless you expressly request otherwise on specific matters) and receive such communications from you. We may also, with your agreement, use electronic means of communication to send and receive information requests and confirmations to and from designated third parties in connection with the audit.
- 14.2. You and we understand and acknowledge that the electronic transmission of information by e-mail on the Internet or otherwise has inherent risks and that such communications may become lost, delayed, intercepted, corrupted or be otherwise altered, rendered incomplete or fail to be delivered. We shall use commercially reasonable procedures to ensure that such electronic communications are free from viruses and any other material which may cause inconvenience or harm to any other computer system and you undertake to do likewise with any electronic communications you send to us. As the electronic transmission of information cannot be guaranteed to be secure or error-free and its confidentiality may be vulnerable to access by unauthorised third parties, we shall not have any responsibility or liability to you on any basis other than our bad faith or willful default in respect of any electronic communication of information by us to you or your other advisers.

## **15. FEES AND EXPENSES**

- 15.1. Our fees are based upon the degree of responsibility and skill involved, the importance and value of the advice that we provide, the level of risk, and the time necessarily occupied on the work.
- 15.2. If we provide you with an estimate of our fees for any specific work, then the estimate will not be contractually binding unless we explicitly state that this will be the case. Unless otherwise agreed to the contrary our fees do not include the costs of any third party, counsel or other professional fees.
- 15.3. Where requested we may indicate a fixed fee for the provision of specific services or an indicative range of fees for a particular assignment. If it becomes apparent to us, due to unforeseen circumstances, that a fee quote is inadequate, we reserve the right to notify you of a revised figure or range and to seek your agreement thereto.
- 15.4. Fees are charged separately for each of the main classes of work we perform for you and will be billed at appropriate intervals during the course of the year. Our fees are exclusive of VAT which will be added where it is chargeable. Unless agreed otherwise in writing, any disbursements we incur on your behalf and expenses incurred in the course of carrying out our work for you will be added to our invoices where appropriate.
- 15.5. Fees are due for payment on presentation of our invoice.
- 15.6. All queries on fee accounts rendered by us must be raised in writing within 7 days of the account being issued. Any account received by you and not queried in writing within 7 days will be deemed to be accepted as a reasonable charge for the work done.
- 15.7. We reserve the right to charge interest on overdue accounts at the current rate under the late Payment of Commercial Debts (Interest) Act 1998. We also reserve the right to terminate our engagement and cease acting for you on giving written notice if payment of any fees billed is unduly delayed. We intend to exercise these rights only where it is fair and reasonable to do so.
- 15.8. If a client company, LLP, trust, or other entity is unable or unwilling to settle our fees we reserve the right to seek payment from the individual (or parent entity) giving us instructions on behalf of the client and we shall be entitled to enforce any sums due against the group, entity or individual nominated to act for you.
- 15.9. Insofar as we are permitted to do so by law or professional guidelines, we reserve the right to exercise a lien over all funds, documents and records in our possession, relating to all engagements for you until all outstanding fees and disbursements are paid in full.
- 15.10. In some circumstances commissions or other benefits may become payable to us, in respect of introductions to other professionals or transactions which we arrange for you. If this happens, you will be notified in writing of the amount, the terms of payment and receipt of any such commissions or benefits.
- 15.11. If it becomes necessary for us to liaise with, or make a report to a regulator or public sector body, as a result of any statutory duty imposed upon us by legislation or other regulation, including after our engagement has ended, we reserve the right to charge for work undertaken in accordance with these reporting duties.
- 15.12. If, for any reason it becomes necessary for us to withdraw from the engagement, our fees for work performed up to that date will be payable by you.

## **16. DATA PROTECTION**

- 16.1. Both parties will adhere to and comply in all respects with all applicable requirements of the Data Protection Legislation. This clause 16 is in addition to, and does not relieve, remove or replace, a party's obligations under the Data Protection Legislation (being the UK Data Protection Legislation and (for so long as and to the extent that the law of the European Union has legal effect in the UK) the

GDPR (General Data Protection Regulations) and any other directly applicable European Union regulation relating to privacy).

- 16.2. In this clause 16, the following definitions shall apply:
- 16.3. 'client personal data' means any personal data provided to us by you, or on your behalf, for the purpose of providing our services to you, pursuant to our engagement letter with you;
- 16.4. 'data protection legislation' means all applicable privacy and data protection legislation and regulations including PECR, the GDPR and any applicable national laws, regulations and secondary legislation in the UK relating to the processing of personal data and the privacy of electronic communications, as amended, replaced or updated from time to time;
- 16.5. 'controller', 'data subject', 'personal data', and 'process' shall have the meanings given to them in the data protection legislation;
- 16.6. 'GDPR' means the General Data Protection Regulation ((EU) 2016/679).
- 16.7. We shall each be considered an independent data controller in relation to the client personal data. Each of us will comply with all requirements and obligations applicable to us under the data protection legislation in respect of the client personal data.
- 16.8. You shall only disclose client personal data to us where:
- (i) you have provided the necessary information to the relevant data subjects regarding its use (and you may use or refer to our privacy notice available at <https://assureuk.sharefile.com/d-s51f6409b84f4753b>);
  - (ii) you have a lawful basis upon which to do so, which, in the absence of any other lawful basis, shall be with the relevant data subject's consent; and
  - (iii) you have complied with the necessary requirements under the data protection legislation to enable you to do so.
- 16.9. We shall only process the client personal data:
- (iv) in order to provide our services to you and perform any other obligations in accordance with our engagement with you;
  - (v) in order to comply with our legal or regulatory obligations; and
  - (vi) where it is necessary for the purposes of our legitimate interests and those interests are not overridden by the data subjects' own privacy rights. Our privacy notice (available at <https://assureuk.sharefile.com/d-s51f6409b84f4753b>) contains further details as to how we may process client personal data.
- 16.10. For the purpose of providing our services to you, pursuant to our engagement letter, we may disclose the client personal data to our regulatory bodies or other third parties (for example, our professional advisors or service providers). The third parties to whom we disclose such personal data may be located outside of the European Economic Area (EEA). We will only disclose client personal data to a third party (including a third party outside of the EEA) provided that the transfer is undertaken in compliance with the data protection legislation.
- 16.11. We shall maintain commercially reasonable and appropriate security measures, including administrative, physical and technical safeguards, to protect against unauthorised or unlawful processing of the client personal data and against accidental loss or destruction of, or damage to, the client personal data.

- 16.12. In respect of the client personal data, provided that we are legally permitted to do so, we shall promptly notify you in the event that:
- a) we receive a request, complaint or any adverse correspondence from or on behalf of a relevant data subject, to exercise their data subject rights under the data protection legislation or in respect of our processing of their personal data;
  - b) we are served with an information, enforcement or assessment notice (or any similar notices), or receive any other material communication in respect of our processing of the client personal data from a supervisory authority as defined in the data protection legislation (for example in the UK, the Information Commissioner's Officer); or
  - c) we reasonably believe that there has been any incident which resulted in the accidental or unauthorised access to, or destruction, loss, unauthorised disclosure or alteration of, the client personal data.
- 16.13. Upon the reasonable request of the other, we shall each co-operate with the other and take such reasonable commercial steps or provide such information as is necessary to enable each of us to comply with the data protection legislation in respect of the services provided to you in accordance with our engagement letter with you in relation to those services.

## **17. QUALITY OF SERVICE**

- 17.1. Our objective is to provide you with a high quality service to meet your needs. If at any time you would like to discuss with us how our service to you could be improved or if you are in any way dissatisfied with the service you are receiving, please raise the matter with the Client Service Partner responsible for providing the Services to you. If you would prefer to discuss the matter with someone other than your Client Service Partner, or you wish to make a complaint please call or write to Lorraine Hawkins Assure UK's nominated Complaints Officer.
- 17.2. We undertake to look into any complaint carefully and promptly and to do all we can to resolve the position to your satisfaction. If by this process we are unable to meet your concerns, you may then take up the matter with the Institute of Chartered Accountants in England and Wales. To contact the ICAEW, write to the Professional Conduct Department, Metropolitan House, 321 Avebury Boulevard, Milton Keynes MK9 2FZ.

## **18. INVALIDITY**

- 18.1. If any provision of this Agreement is held to be illegal, invalid or unenforceable, in whole or in part, under any enactment or rule of law, such provision or part shall, to that extent, be deemed not to form part of this Agreement but the legality and enforceability of the remainder of this Agreement shall not be affected.

## **19. APPLICABLE LAW**

- 19.1. This Agreement shall be governed by, and construed in accordance with, English law. The Courts of England shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning this Agreement and any matter arising from it. Each party irrevocably waives any right it may have to object to an action being brought in those Courts, to claim that the action has been brought in an inconvenient forum, or to claim that those Courts do not have jurisdiction.
- 19.2. If any dispute arises in connection with this Agreement, the parties will first use reasonable endeavours to resolve the dispute amicably between them. If the dispute is not resolved either party may refer (by mutual written agreement) the dispute to an agreed mediator of suitable independence and skill to adjudicate on the matter. The mediator shall be deemed to act as an expert and not as an arbitrator. To initiate the mediation a party must give notice in writing (ADR notice) to the other party to the dispute requesting a mediation. The mediation will start no later than thirty (30) days after the date of the ADR notice. No party may commence any court proceedings in relation to any dispute

arising out of this Agreement until it has attempted to settle the dispute by mediation and either the mediation has terminated or the other party has failed to participate in the mediation, provided that the right to issue proceedings is not prejudiced by a delay.

- 19.3. Any claims, whether in contract, negligence or otherwise, must be formally commenced no later than two (2) years after the party bringing the claim becomes aware (or ought reasonably to have become aware) of the facts which give rise to the action and in any event no later than four (4) years after any alleged breach of contract, negligence or other cause of action. This expressly overrides any statutory provision which would otherwise apply.
- 19.4. No party shall be liable to the other if it fails to meet its obligations because of matters beyond its reasonable control.
- 19.5. You are reminded that, in addition to the identity checks, which we undertake for all new clients, the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2007 (as amended from time to time) place additional legal requirements on us.



## Appendix 1: Acknowledgement

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### ACKNOWLEDGEMENT

#### TO BE COMPLETED AND RETURNED TO WORKERS PENSION TRUST LIMITED BY EXISTING CLIENTS

To: Workers Pension Trust Limited and Assure (UK) Limited

In consideration of the Permitted Disclosure, the undersigned agrees:

1. that the Assurance Report has been provided in accordance with the agreement dated DD MONTH 20XX (“Agreement”) and is subject to those terms and conditions in the Agreement, a copy of which has been provided to us.
2. to be bound by the usage restrictions and terms and conditions of clause 5 “Your use of the Assurance Report” of the Agreement and the terms limiting Assure UK’s liability as set out at clause 7 “Limitation of Liability” of the Agreement, as if the organisation undersigned below were a party to that Agreement.
3. that the Assurance Report or work in connection with the Agreement was planned and prepared for the Purpose and not in contemplation of any other interest of any Permitted Recipient or other party.
4. that it will not provide a copy of the Assurance Report to any person otherwise than in accordance with clause 5 of the Agreement; and
5. that no party is under an obligation to and has not updated the Assurance Report as a result of any events or transactions which may have occurred after the relevant period for which the Assurance Report was prepared.

The terms and conditions of the Agreement are read, understood and agreed.

.....

Signature of Authorised Person

on behalf of

.....

Print name

.....

Position

.....

Date

## Appendix 2: Prospective Customer Disclaimer Letter

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The Trustee  
Workers Pension Trust Ltd  
143 Malone Road  
Belfast  
BT9 6SX

Dear Sirs

### Release of the 31 December 2020 master trust controls report to prospective customers

The 31 December 2020 report on master trust controls in accordance with ISAE 3000 and ICAEW TECH 05/20 AAF which relates to the master trust services provided for Workers Pension Trust (**Service Organisation**) for the period ended 31 December 2020 (31 December **2020 Master Trust Controls Report**) has been prepared by the Trustee of the Service Organisation principally for the purposes of providing information to organisations who were customers at 31 December 2020. You have asked us to agree to you providing to prospective customers, i.e. organisations that were not customers at 31 December 2020, a copy of the 31 December 2020 Master Trust Controls Report which includes our assurance report on master trust controls (**Assurance Report**) dated 26 March 2021.

We confirm that we are agreeable to you so doing on the clear understanding that our Assurance Report was addressed to you and was prepared on your instructions as set out in our engagement letter dated 8 October 2020.

The Assurance Report was not prepared for the benefit of any prospective customers or other third parties and therefore items of possible interest to prospective customers or third parties may not have been specifically addressed.

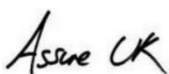
To the fullest extent permissible by law, Assure (UK) Limited makes no warranty or representation that the information in the Assurance Report is appropriate for the interests or purposes of prospective customers, or as to the truth and accuracy of the contents, including without limitation, as to whether the information has changed in any way since the date of the Assurance Report.

Therefore, the Assurance Report cannot in any way serve as a substitute for enquiries and procedures that prospective customers would (or should) undertake for the purpose of satisfying themselves regarding any matters relating to the Service Organisation's administration procedures of for any matter arising in the Assurance Report.

Assure (UK) Limited, its directors, employees and agents neither owe nor accept any duty or responsibility to prospective customers or third parties whether in contract or in tort (including, without limitation, negligence and breach of statutory duty) or however so arising. Assure (UK) Limited shall not be liable, and prospective customers and third parties shall not bring any action, proceeding or claim in respect of any loss damage or expense of whatsoever nature which results from any use prospective customers or third parties choose to make of the Assurance Report, or any reliance they may seek to place on it.

The 31 December 2020 Master Trust Controls Report and our Assurance Report contained within it are not to be copied in whole or in part in any document and may not be distributed without our prior written permission. To ensure that prospective customers have a clear understanding of the terms under which our Assurance Report is being provided to them, a copy of this letter should accompany our Assurance Report.

Yours faithfully



Chartered Accountants, London

ASSURE UK

SCHEDULE: TERMS OF BUSINESS – Audit and Related Services



**Workers Pension Trust Ltd**

143 Malone Road Belfast BT9 6SX

Telephone 028 9087 7142

Email [info@workerspensiontrust.co.uk](mailto:info@workerspensiontrust.co.uk)

Web [www.workerspensiontrust.co.uk](http://www.workerspensiontrust.co.uk)

