

An introduction to
Scottish Pension Trustees
and the balanced view



Capital Cranfield Trustees



Scottish Pension Trustees

the balanced view



Overview

Based in Edinburgh, Scottish Pension Trustees offer independent trustee services to ongoing pension schemes in Scotland and – in collaboration with its specialist Nottingham centre – to schemes in wind-up. Scottish Pension Trustees operate as an integral part of Capital Cranfield Trustees, our Group's business name in the rest of the UK.

We can trace our origins back to 1992 and – since then – we have developed to encompass all aspects of independent pension trusteeship. We maintain our total independence by ensuring that we only offer trustee services. We are also owned and controlled by our client directors.

We have responded to the growing demand for our services by:

- ◆ recruiting additional client directors around the country and by re-structuring our Nottingham wind-up centre around the 'key person' management concept understood by tPR
- ◆ developing and implementing a comprehensive trustee governance platform which has been demonstrated to tPR
- ◆ investing in leading edge IT systems
- ◆ providing practical, policy guidance on various matters including managing trustee conflicts of interest

Such developments ensure that we can accommodate new business with confidence.

Currently our operations comprise:

- ◆ supporting over 230 on-going schemes, often as independent Chairman of Trustees
- ◆ acting as independent sole trustee to some 50 schemes
- ◆ actively managing the winding-up of some 100 schemes, using the specialist skills available within our Nottingham centre

We continue to take our responsibilities to the wider pensions community very seriously. A number of our client directors participate in tPR, IPTG and other industry body working parties. We also have a policy of sharing our initiatives with other IPTG member trustees and generally through our website.

What makes an effective Board of Trustees?

- ◆ effective and inclusive leadership with collective decision making
- ◆ appropriate levels of training and expertise
- ◆ the support of sound documentation and governance procedures
- ◆ businesslike trustee relationship with the sponsoring employer
- ◆ where present, conflicts of interest must be well managed
- ◆ knowledge of best practice, beyond one scheme
- ◆ appreciation of scheme and corporate history, beyond the immediate past
- ◆ no over-reliance on one individual
- ◆ knowing when – and when not – to seek advice
- ◆ the commissioning of relevant – and cost effective – advice
- ◆ effective interpretation and challenge of advice
- ◆ cost controls, especially in relation to adviser costs



“Targeting conflicts – with our focus entirely on supporting trustees, we address conflicts with confidence”



*“Specialist expertise
- each of our experts will
mentor, guide and
assist other trustees in
challenging situations”*

**What is the range of
our services?**

- ◆ independent trusteeship
- ◆ trustee body chairmanship
- ◆ sole corporate trusteeship
- ◆ scheme terminations centre
- ◆ large and smaller scheme expertise
- ◆ buy outs and special situations

**Why have we been appointed to
so many schemes?**

- ◆ our client directors have strong personal qualities as well as relevant experience
- ◆ each of our client directors
 - ~ is experienced and knowledgeable
 - ~ can manage relationships within and outside trustee boards
 - ~ is supported by the experience of over 30 comparable colleagues
 - ~ knows when professional advice is needed
 - ~ can help select the appropriate advisers
 - ~ can identify exactly where advice is needed
 - ~ can understand advice given and interpret that advice effectively
- ◆ our client directors are effectively supported and aspire to the highest standards of governance
- ◆ our efficient, low cost based operation is reflected in competitive fees
- ◆ our client directors have committed personal capital to the firm
- ◆ we are an independently owned trustee firm specialising exclusively in pension trusteeship
- ◆ each client scheme is offered a lead and support client director

*“Securing value for money
– we recommend when cost effective
advice is – and is not – needed and
explain what such advice really means”*

**For a scheme to find the right individual as
an independent trustee is crucial**



Is the suggested individual right for you?

Try answering the following questions:



Is the first hand experience and expertise being offered exactly what we are seeking?



Will the 'personal chemistry' work?



Is the individual highly motivated – with a reputation to maintain?



Are we satisfied that the client director has adequate support in depth, either within the scheme or at Capital Cranfield?



Do we understand how continuity will be offered?



Does the client director demonstrate a strong personal commitment?



Are the fees quoted competitive?

Results should be positive.

If this is not the case, please contact **John Rogers**.

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What is 'the balanced view' and how can that be achieved?

A balanced view is one to be expected of a professional trustee. All trustees must act in the best interests of scheme members and a good independent trustee will always work towards securing the optimum outcome, having taken into account all relevant matters including legal, regulatory and employer considerations.

Within the Capital Cranfield Group we:

- ◆ carefully match the skills of each 'key person' to the technical requirements of the appointment
- ◆ focus on relationships
- ◆ offer in-depth support as needed
- ◆ adhere to consistent governance standards
- ◆ offer co-trusteeship, sole corporate trusteehip and the trustee management of solvent, as well as insolvent, wind-ups.

“Key independent trustee contributions include conflicts management, specialist expertise, wide experience, continuity, best value and sound governance”

What sets us apart from others?

Strong reputation

We hardly advertise, preferring instead to rely on our track record for business referrals

Business investment

We invest in people and offer them strong systems support

Governance

We have developed and implemented a robust governance platform

Two business streams – one team

Our ability to support active schemes – and those being wound-up – is underpinned by the strong commitment of some 70 client directors and staff



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