



Punter Southall



Trustee consulting services

Adding value where it matters



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Get in touch

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The role of a pension scheme trustee has never been more challenging. With ever-changing legislation, unprecedented global economic conditions and seemingly ever-improving longevity, getting good but pragmatic advice has never been more important.

Punter Southall understands your challenges and our experienced team of actuaries and consultants, who currently advise a wide portfolio of over 250 schemes across the entire range of trustee responsibilities, is perfectly placed to help trustees to find solutions both for today and in the future.

We arm trustees with the right tools and knowledge to give them the confidence to cope with the demands of the job. We are passionate about adding value and understanding your perspective and preferred way of working. This ensures that our advice is focused on the issues that are relevant and important to you.

We develop close relationships with our clients and aim to become an extension of their trustee team. Our collaborative and inclusive approach recognises that it is important to consider the sponsor's views and objectives, whilst treating the best interests of the scheme's trustees and members as a priority at all times.

This brochure provides an overview of the scope of service we provide to our trustee clients. We look forward to talking to you about how we can add value where it matters most for your pension scheme.

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strong relationships

with **trustees** to **understand** their particular circumstances



Being your Scheme Actuary

Pension scheme trustees need to appoint a Scheme Actuary so they can satisfy a number of statutory duties and obligations set out under legislation and the rules of their Scheme.

The bedrock of our approach is the strong belief that to fulfil their role in these areas efficiently, trustees require succinct and timely advice with clear options and recommendations.

We have developed a number of tools that we use to support and enhance the way we deliver our advice. We find that, when used appropriately, they really do help our clients make effective, informed and timely decisions. For example, as part of a triennial valuation exercise, we have developed tools to illustrate, in real time, the impact on the valuation results of making changes to the key assumptions.

In our view, a successful Scheme Actuary must actively engage on several levels. In particular:

- it is ultimately a personal appointment, so our aim is to build strong relationships with trustees to understand their particular circumstances; and
- it is essential that our advice is set in the context of the 'bigger picture', so we always ensure we are 'joined up' with the other advice you receive, most crucially in relation to your investment and covenant advice.



Defined benefit consulting

In a world where change is inevitable, it is important that trustees are kept up to date on the latest legislative developments affecting defined benefit pension schemes. We recognise this but, equally, we feel that it is just as important not to bombard our clients with information for the sake of it.

Our approach is to keep our clients informed about the pertinent issues that will ultimately and materially impact on their pension scheme. We have developed a range of communications which provide timely but succinct advice on the generic issues, and follow this up with specific written or verbal advice, as appropriate.

We also understand the importance of being able to guide our trustee clients through the implications – and ultimately the implementation – of any proposals agreed with their sponsor in relation to de-risking or pension scheme re-design.

One of our key differentiators is that our specialist teams throughout the Punter Southall Group cover the full spectrum of services required by defined benefit pension scheme trustees. These specialist teams cover:

- advice on assessing and monitoring the employer covenant;
- advice relating to buy-outs/buy-ins and other insurance-led de-risking products such as longevity and financial swaps, both in terms of their appropriateness for a particular scheme and ultimately their implementation;
- advice relating to corporate activity affecting the pension scheme;
- advice relating to re-broking and ongoing monitoring of trustees' insurance arrangements; and
- individual regulated advice to members relating to any changes in the pension scheme or their personal circumstances.

We have more than **20 years'** experience in scheme administration

and we are able to **support our trustee clients** in

delivering a **highly professional** and **tailored**

service to both **pension schemes** and their **members**



Investment consulting

A combination of developments in investment consultancy, investment management and the recommendations of the Myners Report have contributed to making trustee investment arrangements more complex and costly than ever before.

We recognise that the investment consulting needs of our clients vary significantly. We have therefore developed a range of approaches that deliver the appropriate level of engagement and advice across the whole spectrum of trustee requirements.

At one end of the spectrum we offer our clients access to market leading expertise and innovation through our sister company, P-Solve Asset Solutions, including:

- risk management solutions which manage both the asset and liability risks of a pension scheme using one of the UK's largest dedicated team of specialists;
- a delegated consulting solution with one of the market's longest histories for adding value;
- asset allocation strategies with a proven track record;
- a dedicated independent performance measurement and governance unit; and
- cutting-edge advice and investment management solutions for defined contribution schemes.

At the other end of the spectrum, we have developed a low-cost investment governance service based on the following principles:

- access to the intellectual capital within P-Solve Asset Solutions;
- a focus on asset class strategy as the key source of added value;
- accessing investment management using fund managers with a large variety of funds;
- delivery of investment advice alongside the Scheme Actuary's funding advice; and
- simple monitoring processes that meet the trustees' governance requirements.



Scheme administration

Accurate and high quality administration is a critical area for trustees, highlighted by the Pensions Regulator's focus on standards of record-keeping and data management in pension schemes.

We have over 20 years' experience in scheme administration and are able to support our trustee clients in delivering a personal, highly professional and tailored service to pension schemes and their members. We administer over 150 schemes, with total membership of more than 120,000 members.

Outstanding service to your members is at the heart of our administration offering. Our highly trained administrators deal with each member as an individual, recognising that each has a unique pension history. The structured feedback we collect from members shows our patient, friendly and understanding approach.

Our 'best of breed' technologies cope with every possible type of benefit structure, including CARE schemes, and deliver fully automated calculations, letter production, straight through processing, and internet access.



Secretarial services

With so many demands on trustees' time there may be the resources available to complete the routine, but important, administrative tasks. We carry out secretarial duties for a number of trustee boards either on a stand-alone basis or as part of a wider client relationship. Through the delegation of these tasks, our clients have the confidence that their scheme is well managed on a day-to-day basis and full audit trails are maintained as necessary.

The secretarial role is one of the key roles that helps trustees to carry out their duties properly. Recognising this, the key elements of our secretarial services are:

- **Working in partnership with you** – we work with our clients to understand what they want from a trustee secretary. We also understand the importance of working with your existing advisers to provide a 'joined up' service.
- **Communication** – we offer experienced and well organised staff with the appropriate level of technical knowledge to fully engage with the trustees, understand their discussions and correctly reflect these in the minutes.
- **Trustee planning and risk management tools** – we have developed several planning and risk management tools to assist trustees. These include a comprehensive annual business plan and risk register which we would normally agree with trustees at the start of each scheme year and continue to monitor throughout.

working
in partnership



Pension scheme governance

Pension scheme governance covers a broad spectrum of checks and balances that together build into a framework that help deliver a long-term trustee strategy.

Our view is that governance can have a positive impact on the risk management and planning process of trustees and we work with our clients in the following key areas:

- developing risk controls and processes to ensure that the interests of the scheme members are properly looked after; and
- developing a considered approach to obtaining the training trustees require to understand and constructively challenge the advice they receive from their advisers.

More information can be found in our '**Pension scheme governance: a guide for trustees**', which is available from our website.



Communicating with your members

Communicating effectively with your pension scheme members is a key trustee role which must not be overlooked. In our view, poor communication is no better, and arguably worse, than not communicating at all.

Our guiding principles for effective communication are that:

- It must be in a language that will be understood by the members.
We ensure that complicated areas are explained simply and without the use of jargon. For example, our standard member communications documents have achieved the prestigious 'Crystal Mark' from the Plain English Campaign.
- It must be delivered in a way that best fits the needs and circumstances of the scheme members.
We do not provide one single communication service to all clients. Instead, we seek to establish our clients' objectives, priorities, approach and budgets, and then tailor the communication approach accordingly.

We have a specialist team of designers and writers that produces the full range of communication materials – from initial design to final production and delivery.

clear
communication
with members



Defined contribution consulting

We recognise the importance of the role that defined contribution pension schemes will play in the workplace of the future. In particular, the Pensions Regulator is placing increasing emphasis on the need for defined contribution schemes to be given greater importance and to be run in a robust way. Our approach is to apply many of the good practices we adopt for defined benefit schemes to the defined contribution world.

We seek to help trustees meet the needs of their defined contribution scheme members in key areas:

- **Investment** – we believe it is important to offer members investment choice, but not to overwhelm them with options where it is not appropriate. We also seek to keep investment choice simple by categorising options into broad areas aimed at targeting members of different financial sophistication. We also recognise the importance of offering a default investment option which seeks to meet the needs of the members by maximising returns in a risk-controlled fashion whilst keeping the design simple to understand.
- **Communication** – it is easy to underestimate the difficulty of communicating messages to defined contribution scheme members. However, the principles of communication detailed above apply to all pension scheme members, irrespective of the nature of the arrangement. We therefore take great care in applying these principles to the defined contribution world so as to help our trustee clients meet the needs of their members.
- **Good scheme governance** – it is our view that the Pensions Regulator is correct to place greater emphasis on the governance of defined contribution pension schemes. Our approach to governance allows our clients to apply the best practice learned in the defined benefit world by regularly reviewing the investment options, administration and communications provided to members.

Our **knowledgeable** and **experienced** team provides
innovative, high-quality
advice on **all areas** of DC pensions



Punter Southall

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We also have a sister business in Boston, USA.

For further information, visit our website at www.puntersouthall.com