



Sole trustee service

LawDeb Pension Trustees

Introduction

Many employers sponsoring pension schemes are recognising that appointing a sole trustee is an effective and efficient solution to the challenges they face.

A sole trustee delivers a professional scheme governance structure that releases the sponsor to focus on running its business, secure in the knowledge that the pension scheme is being well-governed and strategic pension issues are escalated appropriately.

A sole trustee replaces the traditional trustee board completely. It has the powers to operate within the scope of a scheme's Trust Deed and Rules and becomes the point of contact for all aspects of the pension scheme, working with all stakeholders towards optimal solutions.

There are various reasons for appointing a sole trustee, including:

- when a scheme stops being a benefit to current staff and becomes a resource drain;
- when a specific project is planned such as buy-in, buy-out or investment strategy changes; and
- when there is limited management time and difficulty filling trustee posts.

Why choose our framework?

You can be confident that our sole trustee team will manage your pension scheme professionally, taking decisions and co-ordinating the actions to meet agreed objectives.

As sole trustee, we seek to:

- engage positively, openly and constructively with the scheme sponsor to achieve agreed objectives
- work with scheme advisers to get the best from them in a cost-effective way, and
- communicate well with members.

When acting as sole trustee we draw on our unrivalled experience and our established governance framework to deliver a professional and efficient service to our clients.

Our sole trustee framework provides:

- a streamlined trustee model that can respond faster and more efficiently
- less conflicted and more transparent decision-making
- the right mix of experience and expertise to manage pension scheme risk and deliver pension benefits to members efficiently and cost-effectively
- a robust model that benefits directly from the diverse depth and breadth of our collective experience.

You can be confident that our sole trustee team will manage your pension scheme professionally, taking the decisions and co-ordinating the actions to meet agreed objectives.

How a sole trustee works

The independence and professional expertise of the sole trustee ensures that corporate objectives, pragmatism and members' interests are properly balanced.

A sole trustee replaces the traditional trustee board in its entirety, whether the board is already a corporate trustee or is made up of individually appointed trustees.

The sole trustee has the power to operate within the scope of a scheme's Trust Deed and Rules and becomes the point of contact for all aspects of the pension scheme.

Member nominated trustees are not required, because a sole trustee is a corporate body that is independent of the pension scheme and the employer. The independence and professional expertise of the sole trustee ensures that corporate objectives, pragmatism and members' interests are properly balanced.

Specifically, the sole trustee:

- has overall responsibility for the scheme, balancing the interests of the members and the sponsor as required by the trust deed and rules and the law
- communicates with members
- defines the strategy, in consultation with the sponsoring employer, and ensures effective implementation of the agreed strategic decisions
- understands and manages downside risks of the scheme
- appoints and takes advice from professional advisers, maximising the output of advisers and minimising costs
- provides executive reporting on all aspects of the scheme.

LawDeb Pension Trustees has unrivalled experience operating as a sole trustee. We are happy to take responsibility for the management and operation of a scheme and are confident of our ability to navigate the complexity of pension scheme issues.

Reasons for a sole trustee

Six reasons for appointing a sole trustee.

1	<i>Seeking to improve scheme governance</i>
2	<i>Difficulty filling trustee posts</i>
3	<i>Limited management time</i>
4	<i>Containing costs</i>
5	<i>Avoiding conflicts of interest</i>
6	<i>Completion of specific projects</i>

Whatever the reason for appointing a sole trustee, LawDeb Pension Trustees can help deliver a range of benefits.

The trigger for appointing a sole trustee often occurs when a scheme stops being a benefit to current staff and becomes, instead, a resource drain. Drivers for change include:

Seeking to improve scheme governance – With ever increasing legal, tax and regulatory complexity, being a pension trustee has become more demanding, with the need for an increasing degree of expertise and professionalism.

Difficulty filling trustee posts – As the trustee role becomes more demanding, scheme sponsors are finding it harder to find lay trustees to fill the role. Under an independent corporate trustee, member nominated trustees are not needed.

Limited management time – A sole trustee appointment releases business resource so the scheme sponsor can focus on its corporate agenda and on strategic pension issues.

Containing costs – A sole trustee's wide experience of selection and management of advisers means that value-for-money is delivered.

Avoiding conflicts of interest – Although the regulatory regime requires the balancing of members' interests and sponsor sustainability, this is not always understood by lay trustees. A sole independent trustee minimises conflicts of interest.

Completion of specific projects – Including buy-in, buy-out and other transactions and investment strategy changes where specific knowledge and understanding are needed.

Whatever the reason for appointing a sole trustee, LawDeb Pension Trustees can help deliver a range of benefits. We have the appropriate processes and procedures in place to give you the peace of mind and reassurance that the stewardship of your scheme is managed effectively.

Our sole trustee framework

Our sole trustee service is built around two key service options – consultative meetings and quarterly reporting.

Within our overall framework, we can tailor the service to suit your needs.

Our sole trustee service operates within an overall framework that ensures that all our clients benefit from our high standards, effective scheme governance and cost control.

- We would nominate a trustee director to oversee your scheme:
 - Responsible for the planning and effective delivery of our services
 - Lead director involves support staff as necessary
 - Ensures we deploy the appropriate level of knowledge, experience and challenge and manage costs through delegation where appropriate
- A second named director works alongside the lead director
 - All key decisions are considered on a real-time basis
- We follow protocols that help ensure best practice is maintained, including:
 - Proper recording of all decisions
 - All significant decisions require the documented approval of two of our directors
 - Quarterly management review of the status of all sole trustee appointments
 - Twice-yearly meetings take place with those directors involved in our sole trustee service, ensuring the continued improvement and development of our service as the market changes
- We work collaboratively with the outgoing trustees where possible, to benefit from their insight and to ensure continuity.

Our sole trustee service is built around two key service options – consultative meetings and quarterly reporting. Naturally, some combination of these two key options is available. Within our overall framework, we can tailor the service to suit your needs.

Consultative Meeting Model

Agendas, papers and minutes are prepared in the usual way and the meetings are attended by the sponsor and relevant advisers. However, rather than being just a forum for helping trustees reach decisions, these meetings serve to allow all involved to remain up-to-date on developments. Decisions are then taken by the sole trustee after consultation with appropriate parties.

Liaison with the sponsoring employer continues as before.

Consultative committees, typically set up for a limited period, can involve some of the outgoing trustee board members or senior members of the sponsor's management team, so that their expertise remains available to the scheme. The committees can also provide reassurance to the membership.

Quarterly Reporting Model

Some clients dispense with regular meetings.

As sole trustee, we will take decisions as required, outside of a formal meeting cycle. We will record all significant decisions through written resolutions which require agreement and documented approval of two trustee directors. This ensures a robust and transparent decision-making process.

We will provide regular stewardship reports to the sponsoring employer on a quarterly basis, so that the scheme's status can be recorded and progress against the scheme's objectives monitored.

Ad hoc meetings are arranged with the sponsor to discuss issues as and when required.

You can be confident that we will manage operational and communication matters – and that you will be released to focus on the strategic issues of the pension scheme and your corporate agenda.

Scheme Secretary and other governance support

We can provide scheme secretarial and pension management services, including preparation of meeting materials, meeting minutes and follow-up as well as other matters such as adviser liaison, finance management and governance (maintenance of business plan, regulatory returns, risk register, data protection registration).

Working with advisers

We will always try to work with the existing advisers and service providers where possible. We do, however, review the working relationships, service and costs to ensure they are working well and deliver value for money. If this is not the case and the relationship cannot be improved, we then expect to appoint others with whom we and the sponsor could work in a more collaborative, productive and cost-effective manner. We are able to benchmark adviser costs and negotiate keen prices on behalf of our clients, so they benefit from our streamlined, cost effective service and provide value-for-money.

Cost effectiveness

Our approach to working with advisers demonstrates that our market experience delivers value-for-money. Our clients also benefit from cost efficiencies delivered in other areas:

- our established governance framework provides in-built cost savings as a result of the standardisation of our processes
- our skilled support staff are deployed as appropriate, and
- our collegiate approach enables us to share information, knowledge and experience so that we provide the best solutions efficiently and as a matter of routine.

By appointing us to act as sole trustee, you can be confident that we will manage operational and communication matters – and that you will be released to focus on the strategic issues of the pension scheme and your corporate agenda.

LawDeb Pension Trustees

Why LawDeb Pension Trustees?

- Unrivalled experience, highly professional and efficient.
- Independent but collaborative when navigating the complexity of pension scheme issues.
- Knowledgeable and experienced people who are committed to optimising the governance of our clients' pensions arrangements.
- An environment that promotes knowledge sharing and problem solving.
- Commercial acumen for prompt decision-making.
- Reassurance that arrangements are operating effectively.

Our sole trustee service builds on the foundation of our wide-ranging experience in DB and DC arrangements. As one of the longest established and largest providers of independent pension trustee services in the UK, our clients' pension schemes have over 2 million members with over £220 billion in invested assets.

Our trustee directors come from a variety of professional backgrounds: actuarial, investment, legal, governance, pensions management, corporate finance and accountancy. Our support staff have the range of skills needed to underpin our service delivery. They too have individual areas of expertise.

We work together from a single office which enables us to share information, knowledge and experience so that we provide clients with effective solutions as a matter of routine.

Your move to Sole Trusteeship

Step one: Contact us to discuss your needs

Step two: Receive a formal proposal detailing how LawDeb will support your scheme as Sole Trustee

Step three: Meet your suggested LawDeb trustee

Step four: Appoint LawDeb

We make the on-boarding process as simple as possible for our clients.

Your trustee director will familiarise themselves with all relevant paperwork before arranging face to face meetings with key stakeholders.

The process usually takes two to three weeks to complete.

Contact details



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