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OPDU Annual Meeting 2016

Speaking at OPDU's annual meeting, Mark Boyle, Chair of the Pensions Regulator said that 2015 had been an extraordinary & tumultuous year for pensions which had required the regulator to react quickly and effectively.

Mark covered three key areas in his address: the 21st century trustee; the wider pensions' environment and the priorities for the year ahead.

Mark was followed by Chris Curry, a director of the Pensions Policy Institute, an independent research based charity with the aim of informing the policy debate on pensions and retirement income provision. Chris focused on the impact of pension reform and what it will mean for employers who had been the driving force for pension provision in the last forty to fifty years.

Terry Faulkner, OPDU's Advisory Council Chairman, highlighted notable developments in the last twelve months which included the merger of lead underwriter ACE with CHUBB.

Lifetime cover had also been made available for wind-up and discontinuance cover for the first time and a further new development was the inclusion of missing beneficiary cover.

Terry concluded his review by reporting that 15 new members had joined during the year and also took the opportunity to highlight trends in claims and notifications.

Following a lively question and answer session, a reception was held with Reed Smith's offices showcasing the ever changing London skyline.



"2015 has been an extraordinary & tumultuous year for pensions".



David Weeks, Co-Chair, AMNT

“Member nominated trustees are the voice of rank and file pension scheme members in the governance of their schemes”.

Update from the Association of Member Nominated Trustees

Two events in May 2016 shone a spotlight on the burden of responsibility that trustees of occupational pensions shoulder. Member nominated trustees are the voice of rank and file pension scheme members in the governance of their schemes. The Association of Member Nominated Trustees is the largest representative body of these MNTs. OPDU and other providers of pensions' services support what we do. I pay tribute here to the encouragement that they give to us.

In the first event of May 2016, a House of Commons Select Committee started an inquiry into the British Home Stores pension scheme. The Pensions Regulator and the Pensions Protection Fund both made claims in their testimonies about BHS. The pension scheme trustees later challenged these claims. They said: “Contrary to the implications given during the oral evidence session, the trustees worked openly and collaboratively with the regulator since the summer of 2014”. Their chairman added: “In particular, I would like to make clear to the committee that the trustees notified and kept the regulator apprised of developments relating to the sale of the company and shared information with the regulator at all stages of the sale process”.

The second event of May 2016 was a report that savers' pension pots are subject to hundreds of hidden charges, in addition to the headline management fee. This could result in more than a third of their nest egg disappearing during the lifetime of an investment. Judith Donnelly, partner with Squire Patton and Boggs, a legal firm, said: “Our clients, who are pension scheme trustees, frequently come up against a brick wall when they ask asset managers for cost information”.

The Association of Member Nominated Trustees (AMNT) is a not for profit organisation supporting member nominated trustees, member nominated directors, and employee representatives of UK based pension schemes in the private and public sectors. We have 600 members, representing pension schemes with assets under management of around £600 billion, a significant slice of the UK occupational pension sector. Our web site can be found at www.amnt.org We believe that the framework for pensions in the UK is complex. Trustees face an increasing burden, as the events of May 2016 confirm. More support should be made available to member nominees in particular.

Member nominees are important. They share responsibility for big sums of money. They provide the intimate link between a pension scheme's governance and its membership. The role is a challenging one, too, as they often find themselves having to balance their duties with regular day to day commitments. AMNT believe that member nominees deserve recognition and support through their own dedicated association.

The AMNT takes the view that there are three main constituencies involved in pension provision. First, there are the scheme members, who have contributed during their working lives. Their representatives have our particular attention. Then there are the sponsoring employers, who make payment also. Third, there are the managers, consultants and service providers whose performance affects the ability of schemes to pay their commitments. We welcome sponsorship from this last group to support our activities. OPDU protects pension schemes by providing unique Pension Liability Insurance cover to trustees, sponsoring employers and administrators.

Calendar of Events

OPDU will be taking part in a series of regional seminars in partnership with the PMI, PPI, Mitchell Consulting, Kempen & Burges Salmon. OPDU will be speaking about the risks trustees personally take in their role, the effectiveness of the protections in place, case studies and new developments in insurance.

Regional Seminar Dates:

- **2 September** in **Norwich** (Venue TBC)
– OPDU will be speaking at the PMI's Eastern Seminar.
- **28 September** at Gateley Plc, Ship Canal House, 98 King St, **Manchester**
– in partnership with Mitchell Consulting. This Seminar will cover investment risk and a legal update.
- **13 October** at **OPDU's offices** –
OPDU will host the PPI Associate Members' Event, to allow an expanded networking opportunity following an interactive event with a panel of speakers from across the industry. The event will be based on the State Pension Age. Drinks and canapés afterwards.
- **16 November** at the Radisson Blu Edwardian Hotel, **Manchester** –
OPDU will be speaking at the PMI's Northern Conference.
- **17 November** at the offices of Kempen Fiduciary Management in **Edinburgh**. This Seminar will cover fiduciary risk management and a session on the possible future consolidation of pension schemes.
- Dates for seminars in **Bristol** to follow. For further information, or to pre-register for any of these events, please email: enquiries@opdu.com



OPDU and the PMI Join Forces

OPDU and the PMI have joined forces to promote membership of the PMI's Trustee Group. The Chair of Trustees for all new OPDU Members will be offered membership of the PMI Trustee Group for the first year as part of OPDU Membership. Membership renewals will also include an invitation to the PMI Trustee Group.



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