

De-risking & Exit Management

Achieving financial certainty in closing pension schemes

De-risking

In a world where the improbable becomes reality reducing the risks associated with occupational pension schemes is increasingly a necessity. This can be done in a variety of ways:

- Scheme change – moving from a Defined Benefit scheme perhaps to a career average scheme or more commonly to a Defined Contribution scheme
- Longevity/inflation rate/interest rate swaps
- Enhanced transfer value exercise
- Closing the scheme initially to new members and then to future accrual
- Buy-outs and buy-ins.

When employers and trustees carry out these types of exercises, they are usually facing each challenge for the first time. Gaining expertise whilst carrying out the project can limit the speed of progress and raise unnecessary pressures and burdens.

HR Trustees can help

We have considerable experience in all these areas. We have guided many schemes through these projects, successfully dealing with issues as, or often before, they arise. The process is easier for all involved if the trustees have the necessary skills and expertise right from the start.



We have helped more than 500 major pension schemes transition to new structures or funding models, or dissolve their liabilities to maximum benefit for both the members and sponsors. Our knowledge of the advisory community and the insurer buy-out/buy-in market ensures that the right discussions are held, and time and cost are not wasted.

“These days boards need real expertise on tap, with excellent back-up, to cope with a constantly evolving and more regulated environment. HR Trustees is geared to delivering that.”

RAY PYGOTT, PARTNER, KPMG LLP

Exit Management

Having closed a scheme to future accrual, what happens next? Though this step may have been the solution to one issue, in reality it is just the beginning of a new process.

Winding up a scheme has its own complexities. Whatever the timescale leading to winding up the scheme, whether it is 5 or 15 years or perhaps even longer, various new challenges will face the trustees and the sponsor along the way. It is essential for trustees to have the right support and advisers to see them through this process.

HR Trustees can help

We have considerable expertise in guiding schemes through these challenges. As the acknowledged UK experts in wind-up trusteeship over many years, we have invaluable experience to offer the many UK boards now facing the burdens of wind-up and scheme buy-out.

We bring our experience to bear to a trustee board by:

- cutting the issues down to size and ordering priorities
- sifting out the options and assessing consultants' advice
- widening the scope of options through our market knowledge
- helping to define the strategy
- planning the phased increase in assets and reduction in liabilities
- ensuring a planned close-down of the scheme
- solving problems as they arise, pragmatically.

Achieving the end point successfully

With HR Trustees alongside you, acting as an equal but professional, resourced and highly experienced member of the team, you can ensure that the move from scheme closure to scheme wind-up is handled deftly.

Why HR Trustees?

We are one of the UK's largest trustee firms and provide a full range of trustee services for all types of occupational pension schemes.

Our experts have helped more than 500 schemes since we were founded in 1993. We work closely with our clients to ensure the best outcomes and we're proud to say that many clients are household names.

Our team of trustees is our main strength. They are highly experienced professionals with an average of 20 years' experience in the pensions industry. Our trustees come from a wide variety of backgrounds, so we will always be able to find the 'best fit' for your needs.

If you would like to discuss a strategy for de-risking your existing pension scheme, or to find out how our Exit Management Programme could help you please contact:

T: 0118 918 5469

E: enquiries@hrtrustees.com