

Press Information

Press Release

Independent Trustee Services Ltd welcomes Regulation Guidance on Conflicts of Interest but with some reservations

2nd April 2008, London: Independent Trustee Services Ltd (ITS) welcomes the Regulator Guidance on Conflicts of Interest, but has some reservations that the level of detail could be off putting for lay trustees.

This guidance will help the trustees of those schemes facing complex corporate issues that have become an increasing fact of life for many of them

Terry Monk, Director, ITS, says, "The model register, policy/procedure document and declaration in the guidance provides a solid basis for trustees and sponsoring employers to identify and manage conflicts as they arise. ITS welcomes the acknowledgement in the guidance that Independent Trustees have a substantial role to play in managing conflicts. In particular the recognition those appointments' could relate to a specific conflict".

For many smaller schemes the appointment of a Professional Trustee is the simplest and most cost effective way of ensuring compliance in a changing regulatory world.

Terry Monk continues, "However an area that may warrant re-examination is the "nuclear option" of resignation from a Board. There are circumstances where resignation becomes inevitable, but these are rare and it would be unfortunate if this guidance increased the incidence of trustees who are potentially conflicted opting to resign rather than managing the conflict.

"The view of ITS is that most conflict issues can be managed provided they are identified early enough and planned for and we would rather have potentially conflicted trustees on board rather than lose their knowledge and input -provided conflict is recognised and managed".

Notes to Editors

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About Independent Trustee Services Limited

Independent Trustee Services Ltd (ITS) was established in February 1991 and provides professional trustee services to ongoing pension schemes as well as working with the Pensions Regulator, Pension Protection Fund and insolvency and Turnaround professions. The high quality of its service is derived from the experience of its management team and staff Board members of ITS each have significant experience in the pensions industry and are recognised by their peers as specialising in their field.

For more information, please visit ITS website: www.itslimited.org.uk