

Press Release

Economic downturn driving upsurge in professional trustee appointments

17th August 2009, London: Independent Trustee Services Ltd (ITS) has seen a noticeable increase in both enquiries and appointments as a professional independent trustee to a wide range of occupational schemes.

Chris Martin, Managing Director, ITS, says "This increase is a reflection of the current economic climate and the difficulties and conflicts this highlights to trustee boards. The governance survey ITS produced earlier this year indicated confirmed the challenges faced by trustees in both keeping up with legislative changes coupled with the pressures they face in business outside of their pension scheme responsibilities. The appointment of a professional trustee is a natural and appropriate reaction".

ITS have been monitoring this trend via enquiries it receives. Whilst the background facts vary, there seems to be two key drivers for the appointment of a professional:

- Appointments as Chair of trustees where the responsibilities have become too demanding for a "part time" trustee chair and pensions experience or expertise is required to strengthen the decision making process for the trustee board.
- Appointments to manage actual or potential conflict of interests. Some of these manifest themselves in conflict between MNTs and Employer nominated trustees as well as the actual conflict facing Company board members and their role as Trustee board members. Particularly in the current climate it is often important that conflicted senior company personnel are freed to deal with day-to-day business matters without the distractions of trusteeship.

Chris Martin concludes "Trustees are increasingly seeking external advice as the sponsoring employer deals with the financial challenges facing the business and in sadly increasing numbers the appointment of a professional trustee board during periods of scheme restructuring. Professional Independent Trustees are key for schemes in dealing with the current challenges they face".

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