



Chair's Statement for the E & R Moffat Retirement & Death Benefits Scheme P Nbr 3892 administered by ReAssure: 2023

Note, this statement is solely for our old ReAssure pension 3892 which has been closed to new members since April 2001. All current employees are members of Scottish Widows Group Personal Pension Scheme P000093724. Ex-employees who have left the company between April 2001 and April 2022 are members of Scottish Widows Section 32 buyout P000093725.

Following an Office for Fair Trading market study into the defined contribution workplace pensions market, the Association of British Insurers, in conjunction with the Government established an Independent Project Board (IPB) to review the charges and benefits for all workplace pension scheme members.

The IPB has completed its review and asked pension providers to consider whether any changes are needed to improve outcomes and deliver value for money for workplace pension scheme members. A copy of the IPB report is available via the Financial Conduct Authority website at:

<http://www.fca.org.uk/static/documents/defined-contribution-workplace-pensions-ipb.pdf>

in particular, the IPB has highlighted schemes with annual charges above 1% of the value of the member's fund each year as potentially not delivering value for money, and recommended that pension providers consider whether there are other features of such schemes which justify these higher charges, or whether these charges should be reduced.

The IPB has also recommended that providers consider what action can be taken in relation to schemes that have exit charges, noting their concerns that exit charges can prevent scheme members from switching providers and from taking advantage of the new pension freedoms introduced from 6 April 2015.

How E & R Moffat Ltd and ReAssure have responded to the IPB review to offer sound scheme management and value for money.

Where exit charges currently apply to a member's plan ReAssure are proposing to remove these charges.

The scheme has been closed to new members and new contributions since 22 April 2001 but the Board of Trustees elected to keep this scheme rather than transfer its funds to its replacement due to its provision of a guaranteed annuity. The Board believes having this guarantee in place continues to offer the best value for members on retirement. There is no default arrangement for investments in place for this scheme.

The Board of Trustees has access to the necessary skills to run the pension scheme effectively as it is managed by the company's IFA, Lachlan McLachlan of AML Associates Financial Services Ltd. Elphinstone Street, Kincardine FK10 4RH. Tel: 01259 730111.

While there are no longer any payments into the Scheme, Reassure used the following strategy to ensure the prompt and accurate processing of financial transactions:

Directors: R Moffat (Chairman), E W Moffat (Managing), E Moffat, D Hair & S Campbell Registered in Scotland No. 103498 VAT Registration No. GB 435 7361 44
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E&R Moffat Ltd. Est. 1963

- They have agreed service standards for all of their processes, which include investment of contributions, transfers in and out of the scheme and dealing with members when they take their benefits at retirement. There are governance frameworks in place to ensure the appropriate monitoring and oversight of these service standards.
- Policy transactions on the system are processed in a timely manner according to Customer Services' service level agreements. Any breaches due to delays or incorrect administration are logged and dealt with in agreed timescales. The identification, tracking and rectification of issues is done through a well-governed process, including the establishment of root causes and trends to help prevent future breaches. This is managed by the Compliance function with appropriate monitoring and escalation in place as necessary.

Reassure ensures effective administration of the scheme in the following manner:

- They have a robust disaster recovery and business continuity plan. This includes off-site recovery centres and regular testing of the processes to make sure that they can continue to administer the scheme in the event of a critical event occurring.
- They have initiated a process for checking the presence and accuracy of member data and have already sent out the forms to scheme members with the annual statements for updates.
- All staff has to complete a series of assessed computer based training modules, together with on the job training and accreditation. Training is regularly reviewed and updated to meet new regulatory requirements. Each individual maintains a Training & Competence folder as evidence of their competence.
- They have documented procedures in place to meet quality assurance standards. These are reviewed regularly to make sure they remain relevant to the work they are doing. They have both an internal and external audit team that review the work against all standards to ensure quality is maintained.

Following the above action we believe our scheme meets the requirements of the new 6 April 2015 regulations.



E William Moffat 28/09/2023

Chairman of the Board of Trustees, E & R Moffat Retirement & Death Benefits Scheme.