

Important Announcement to members of the following pension scheme ("the Schemes")

**Cranborne Star Pension Scheme
Grosvenor Parade Pension Scheme
The Lancaster Pension Scheme
The Portman Pension Scheme
Tallton Place Pension Scheme
Woodcroft House Pension Scheme**



Dalriada. A better way

Fraud Compensation Fund ("FCF")

The purpose of this Announcement is to provide an update to members on potential claims for compensation on the FCF by Dalriada Trustees Limited ("Dalriada") on behalf of the Schemes and their members. As confirmed in recent Announcements, Dalriada has been working with the FCF and we have submitted applications on behalf of four of the Schemes and will submit claims for the remaining two once the criteria for submitting a valid claim have been met.

We are pleased to advise that the FCF has now confirmed that there are reasonable grounds for believing that the Schemes have suffered losses as a result of dishonesty, and **all six Schemes will be eligible for compensation (once the remaining two Schemes meet the eligibility criteria)**. This is positive news for the Schemes and their members as it means that compensation will be payable ultimately.

The FCF will determine the value of any compensation payable based on figures prepared by a reporting accountant, appointed by Dalriada. The formula for calculating FCF compensation is set out in legislation. The FCF have confirmed that investment losses, the tax charges levied on the Schemes (Scheme Sanction Charges) and Dalriada's costs (including legal costs) can form part of the compensation paid. However;

- Further consideration is being given as to how to treat the MPVA loans.
- With regard to our costs, the FCF have advised they will undertake due diligence on costs incurred to date such that they can be satisfied that reasonable decisions were taken which resulted in the costs being incurred. Also, costs which the FCF consider 'business as usual' for a scheme will not be compensated as these are costs which must be borne by all pension schemes. However, we are hopeful that the majority of Dalriada's costs (which will include the costs incurred in making and progressing the FCF claims) will be compensated.
- We will need to determine and agree with HMRC the final amount of Scheme Sanction Charges payable, following the application of the decision reached in the tax tribunal.

Member Announcement

- FCF may impose terms and conditions on any award of compensation.

Given the above, we cannot, at this time, provide an indication as to the final level of compensation payable. We will continue to work with the FCF in addressing the above points as well as ensuring the necessary technical steps are carried out and formal claims are submitted for the remaining two Schemes.

It will be some time before final figures are agreed and compensation can be paid. At that point Dalriada will need to determine how the compensation should be apportioned between members, such that we can place a value on members' benefits.

Once compensation has been paid to the Schemes and the value of members' benefit determined, Dalriada will look to put the Schemes into wind up and transfer members' benefits to a suitable alternative pension arrangement.

This positive decision on dishonesty is a significant step forward in obtaining some meaningful compensation such that we are able to restore a large part of members' pensions. Dalriada wanted to share this news as soon as possible, however, we are still early on in the formal claims process. We will keep members informed of any progress by way of further Announcements, in particular with regard to timescales.

Finally, we would confirm that members do not need to do anything themselves with regard to claims on the FCF. As we have commented in earlier Announcements, whilst members are able to submit an individual application, the FCF has confirmed that where there is already a (now successful) claim in progress, or where they have been notified by the trustees that they intend to make a claim (as is the case here for two of the Schemes), the FCF will direct any member back to the trustees. The same applies to individuals or organisations who may approach members offering 'assistance' to members to make FCF claims or suggest to members that they can obtain more FCF compensation or obtain FCF compensation more quickly for members. Should you be approached by any individual or firm making such claims, particularly if they are looking to charge fees, you should ignore them.

What should I do if I have any further questions?

Should you have any queries in relation to this Announcement or your membership of the Scheme, please contact us.

You can contact us as follows:

By Telephone: 028 9041 2756

By Post: Dalriada Trustees Limited
Linen Loft
27-37 Adelaide Street
Belfast
BT2 8FE

By Email: ArkAdmin@dalriadatrustees.co.uk

Member Announcement

Other Useful contact details

If you have a complaint or dispute concerning your workplace or personal pension arrangements you should contact:

The Pensions Ombudsman Telephone: 0800 917 4487

Website: www.pensions-ombudsman.org.uk

If you have general requests for information or guidance concerning your pension arrangements contact the Money and Pension Service (MaPS).

Previously pensions guidance has been provided across the three consumer facing brands of MaPS: Pension Wise (PW), The Pensions Advisory Service (TPAS) and the Money Advice Service (MAS).

MaPS has now launched **MoneyHelper** where all retirement and pensions guidance has been brought together under one brand and one website: moneyhelper.org.uk.

Consumers can request an appointment by following the links, emailing virtual.appointments@maps.org.uk or by calling our the pensions helpline on 0800 011 3797.

These appointments are free and impartial.

The email address to the pensions guidance team for general pensions queries is pensions.enquiries@moneyhelper.org.uk

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