

## Important Announcement to members of the following pension schemes (“the Schemes”)

### Ochil Birch Retirement Benefit Scheme Binnian Cedar Retirement Benefit Scheme Bodmin Stincher Retirement Benefit Scheme Sidlaw Larch Retirement Benefit Scheme

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This is the tenth Announcement and is intended to update members on more recent developments.

To recap, Dalriada Trustees Limited (Dalriada) is a professional independent trustee which was appointed by The Pensions Regulator (TPR) to take over the running of the Schemes on 13 June 2013. Dalriada is experienced in dealing with pension schemes that have complex issues and / or have unusual investments.

As an independent trustee, Dalriada is not linked in any way with the original trustees of the Schemes. Dalriada effectively replaced the original trustees, Timothy Walker and Macalister Lindsay, and was given exclusive powers to deal with the Schemes. The original trustees have had no involvement in running the Schemes since our appointment. On 23 August 2017 The Pensions Regulator prohibited Timothy Walker and Macalister Lindsay from acting as pension scheme trustees because of their links to the Schemes.

Dalriada was appointed because The Pensions Regulator was concerned that the Schemes were being used for pension liberation.

In our previous Announcement we advised members of ongoing legal action being taken by CVR Global. CVR Global was appointed liquidator of Advalorem Value Asset Fund Limited (“Advalorem”) by the Financial Services Commission, Gibraltar (FSC) and Gibraltar High Court.

By way of a reminder the Schemes invested £7,700,000 in Advalorem, the majority of which was used to purchase land in Scotland. Unfortunately, this land was purchased at a grossly inflated price and subsequently resold for £89,000 at auction. This represented a huge loss to the Scheme funds. CVR Global therefore pursued civil legal action against the party(s) who they believed were complicit in the purchase of the land at overvalue.

As advised previously, a settlement of £1,860,000 was recovered into the Schemes.

We continue to liaise with CVR Global regarding any further possible recoveries that might be made through the liquidation of Advalorem, and whilst it is understood that CVR Global continue to pursue additional possible means of recovery, we do not anticipate substantial further sums coming back to the Schemes via this route. We will however update members if further recoveries are made.

Members may also recall the further investment of £1,100,000 into a “sub fund” of Swan Holding PCC Limited (Swan), a company incorporated in the Isle of Man.

The purported investment is held in shares in a "sub-fund" of Swan Holding called 'Cell A'. Dalriada has been advised that the shares purchased by the Schemes are non-redeemable and that the life of the sub fund is at least 10 years. It is understood that the purpose of the sub fund is investments in UK commercial and residential properties, and in land.

Dalriada are still in correspondence with Swan to gain visibility of Cell A assets and importantly to obtain confirmation on what value any such assets may hold. However, it is currently unclear what realisable value, if any, the purported investment holds. We will however update members if further information is made available.

As set out in previous Announcements, an application was made to the Financial Services Compensation Scheme (FSCS) on behalf of the Schemes. By way of a reminder this application was in relation to the role of Turnberry Wealth Management ("TWM") in providing investment advice to the former trustees. It remains unclear whether or not the Schemes will qualify for FSCS compensation, however if the Schemes are found to qualify we will update members further.

### **The Fraud Compensation Fund (the FCF)**

Dalriada has been working with the Pension Protection Fund (the PPF) to seek clarification around the operation of the FCF, in order to determine if a claim could be submitted to the FCF for compensation in relation to the Schemes.

In July 2020, Dalriada participated in a legal case which sought clarification, from the High Court, on certain legislative issues in relation to the Fraud Compensation Fund. The judgement was handed down on Friday 06 November 2020 and while the judgement provided answers to some fundamental questions, posed to the Court, it is important to note that the judgement does not mean the Schemes will automatically be successful in a claim to the FCF for compensation.

For some further information in relation to the case and what the judgement means for members, please see Dalriada's Announcement dated November 2020 which can be found on the member website or via the following link:

[https://www.dalriadatrustees.co.uk/wp-content/uploads/2020/11/Milton-Schemes\\_Fraud-Compensation-Fund-Ruling-Announcement.pdf](https://www.dalriadatrustees.co.uk/wp-content/uploads/2020/11/Milton-Schemes_Fraud-Compensation-Fund-Ruling-Announcement.pdf)

### **Data Protection**

Organisations are required to comply with Data Protection laws, which includes all applicable laws and regulations from time to time in force relating to data protection and privacy, including the General Data Protection Regulations, the Data Protection Act 2018 and any subsequent UK national implementing, amending or replacing laws or regulations from time to time in the UK.

Dalriada, as trustees of the Schemes, has a policy for meeting our obligations under Data Protection. Please see link to our full Privacy Policy here:

<https://www.dalriadatrustees.co.uk/privacy-policy/>

However, we would like to draw your attention to the following key points:

- Individuals have increased rights in relation to their personal data which include, in certain circumstances, the right of access to data and rectification and erasure. We hope you understand that we need to hold your data to be able to determine any benefits and to answer any questions about your entitlement.
- Members have the right to obtain access to their personal data by way of a Subject Access Request (SAR). Members will not be directly charged for making this request and a response should be received within one month of the request.

- The general management and administration of the Schemes, including responding to SARs, incur costs against the Schemes and therefore, should you wish to make a SAR, we would ask you to call Dalriada in the first instance on the number provided below.
- Where a SAR is received from a third party on behalf of a particular member, Dalriada's obligations are to provide the necessary information to the data subject directly i.e. to the member. Therefore, we would like to reiterate that where a member is pursuing a claim through a third party that they contact Dalriada in the first instance.
- This notification does not affect your benefits entitlement in any way.

### **Additional Information/Guidance**

While Dalriada are continuing to make attempts to recover funds back into the Schemes, we do appreciate that members remain concerned over their pensions. We would therefore like to offer the following guidance to members in the meantime.

### **Pensions Ombudsman Decision**

We refer members again to a Pensions Ombudsman determination made in 2018. In the case in question the member made a complaint against the Northumbria Police Authority (the transferring scheme) who allowed for a transfer of benefits, to what was considered to be a scam pension scheme. The grounds for the complaint were that the transferring scheme transferred their pension without having conducted adequate due diligence and failed to provide the complainant with sufficient warning, as set out in The Pensions Regulator's guidance, about the threat of pension scams.

The Ombudsman ordered that the member should have their benefits reinstated by the transferring scheme. The full determination can be found here.

<https://www.pensions-ombudsman.org.uk/determinations/2018/po-12763/the-police-pension-scheme/>

Complaints such as this are very much dependent on the facts of the case. Therefore, Dalriada cannot comment as to the merits of members making complaints against their previous schemes or providers or say whether any complaint would ultimately be upheld by the Ombudsman. However, members may wish to consider their own situation and whether there are grounds for making a similar complaint.

### **Financial Advice**

Dalriada would encourage members to review any paperwork they hold to try and identify whether you were provided with any form of written advice, for example, an investment report.

Should this be the case, the Financial Services Compensation Scheme (FSCS) **may** consider claims with regard to those firms who provided that advice, provided they were regulated and are no longer trading.

Whilst each claim is considered on its merits and we cannot say that the FSCS will definitely accept your claim, if you have received regulated advice, you should consider making a claim on the FSCS. More detailed guidance is provided in the next part of this Announcement and Dalriada will be happy to assist members where it can.

### **Making an FSCS Claim**

If you are unhappy with a financial product or service that may have been provided to you, and that firm or individual was authorised (or 'regulated'), at the time, by the Financial Conduct Authority (FCA), then you are able to complain to the firm or individual directly. This is the case where the

firm or individual is still trading. There is a link below to the FCA's guidelines on how to complain:

<https://www.fca.org.uk/consumers/how-complain>

If the firm or individual providing advice are no longer trading (or have 'failed'), then the FSCS can consider claims against those firms.

To consider claims against a 'failed' firm, the FSCS may first need to be satisfied that customers have exhausted any right to make a claim against any connected firm still trading.

The FSCS may also need to be satisfied that the firm being claimed against was FCA authorised (or 'regulated'). You can check the status of your adviser on the FCA register.

<https://register.fca.org.uk/>

If your financial adviser was not FCA regulated, we understand that the FSCS are unable to consider any claim and cannot compensate you.

However, if your adviser was FCA regulated, is no longer trading, and you believe you were wrongly advised, you are able to submit a claim to the FSCS for their consideration.

The FSCS look to make the claims process straightforward and you should be able to make a claim without the need for assistance or advice from third parties (in particular, Claims Management Companies (CMCs), who will almost always look to take a share of any compensation payment you might receive from the FSCS).

If you have a valid claim, you should be able to obtain compensation without losing any of that compensation to other parties. More guidance as to the claims process can be found on the FSCS website at the following link:

<https://www.fscs.org.uk>

### **Cold Calling**

Unsolicited calls about your pension became illegal on 9 January 2019. Companies that make unwanted, unsolicited phone calls to people about their pensions may face enforcement action, including fines.

The ban prohibits cold calling in relation to pensions, except where the caller is authorised by the FCA, or is the trustee or manager of an occupational or personal pension scheme, and the recipient of the call consents to calls, or has an existing relationship with the caller.

If you receive a cold call about your pension, get any information you can from the caller (such as the company name or phone number) and make a report of the call to the Information Commissioner's Office via their website or on 0303 123 1113.

### **Claims Management Companies (CMC)**

As indicated above, Dalriada have become aware that a number of Claims Management Companies (CMCs) and other solicitor firms have made contact, or have indicated to us that they want to make contact, with members of pension schemes similar to the Schemes, in order to assist with individual applications to the FSCS for compensation, or other such methods of redress. These companies would normally offer a "no win no fee" type contract.

CMCs may be regulated by the FCA and solicitors are regulated by the Solicitors Regulation Authority (SRA). However, the whole point of entities such as the FSCS is that it should be easy for claimants to make claims for themselves. The FSCS procedure is free, and the guidance from the FSCS on its own website specifically encourages individuals to make their own claims without

incurring costs or offering a cut of compensation to another party in return for assistance.

If compensation is awarded, that compensation is for the benefit of the claimant. A third-party claims company will always want to enter into a contract for their services, with a fee structure based on success.

In addition, members should proceed very cautiously if approached by either a CMC or financial advisor where there is no existing relationship. As noted above, there is now a ban on cold calling in relation to pensions, so such approaches might be in breach of that ban.

### **Scams**

Dalriada shares TPR's fears that the impact of Coronavirus (COVID-19) on markets and personal finances may make members more vulnerable to scams.

We wish to make members aware as to the risk of scams and be able to spot scam warning signs. So we strongly advise members to visit the ScamSmart website for more information –

<https://www.fca.org.uk/scamsmart>

<https://www.fca.org.uk/scamsmart/how-avoid-investment-scams>

### **Member websites**

Dalriada has set up dedicated member websites for the Scheme. Dalriada will make available through the websites copies of all Announcements, alongside any relevant governance documents such as Chair Statements and were required a Statement of Investment Principles.

Links to the relevant Schemes' websites can be found below:

<https://www.dalriadatrustees.co.uk/scheme/milton/>

### **Useful contact details**

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

The Pensions Ombudsman  
Office of the Pensions Ombudsman  
10 South Colonnade  
Canary Wharf  
London  
E14 4PU  
Telephone: 0800 917 4487

Website: [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)

If you have general requests for information or guidance concerning your pension arrangements, you should contact:

Money and Pensions Service  
Holburn Centre  
120 Holburn  
London  
EC1N 2TD  
Telephone: 0115 965 9570

Website: <https://moneyandpensionsservice.org.uk>

**What should I do if I have any further questions?**

Should you have any specific personal queries in relation to this Announcement, your membership of the Schemes, or should you wish to provide us with further information, please contact us.

You can contact us as follows:

By Telephone: 028 9085 0934

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

Via e-mail: [msadmin@dalriadatrustees.co.uk](mailto:msadmin@dalriadatrustees.co.uk)

**Issued by Dalriada Trustees Limited**

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