

**Gresham Investment Pension Scheme;
Callahan Consulting Pension Scheme;
Western Cross Pension Scheme;
Gresham (2012) Pension Scheme;
Daycroft Pension Scheme; Fort Bruce
Pension Scheme; Abbey Mage Pension
Scheme; Dellaney Gibbons Pension
Scheme; Regency Pension
Investments Pension Scheme;
Williams Bell Pension Scheme;
Friendly Pensions Retirement Fund
("the Schemes")**



Dalriada. A better way

Important announcement to members of the Schemes

The purpose of this Announcement is to provide an update to members on the applications submitted by Dalriada Trustees Limited ("Dalriada") on behalf of the Schemes and their members to the Fraud Compensation Fund ("FCF"), as well as an update on the actions taken by the Pensions Regulator ("TPR").

Successful Application to the Fraud Compensation Fund

As per the Announcements issued to members in November 2020, July 2021 and March 2023, the FCF (managed by the Board of the Pension Protection Fund ("PPF")) is open to claims by occupational pension schemes that have suffered a loss as a result of an act of dishonesty. Dalriada has been working closely with the FCF in relation to submitting a claim on behalf of the Schemes. This has included providing initial evidence to the FCF that would allow them to gain an understanding of how the Schemes were set up and run.

As advised in our Announcement in March 2023, after considering the available evidence the FCF concluded there are reasonable grounds for believing there was dishonesty within the Schemes, and there are scheme asset reductions attributable to that dishonesty offence. Since then, we have been working with the FCF and the appointed reporting accountants to calculate the value of the losses to the Schemes due to dishonesty.

We can confirm that the compensation agreed by the FCF includes amounts in respect of:

- payments to Friendly Investments Limited
- payments to Friendly Pensions Limited
- payments to Freedom Bay
- payments to Affinity Series 1 Bond
- payments to Broadbridges Consulting

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- payments to Alan Barratt
- payments to Susan Dalton
- payments to Julian Hanson
- trustee and legal costs incurred by Dalriada and our legal advisors since the date of our appointment and reasonable future costs (but excluding day-to-day administrative expenses, which are not compensable by the FCF)

In line with the above decision, we are pleased to report that each scheme has received initial compensation payments from the FCF, in the following amounts:

- Gresham Investments Pension Scheme: £3,197,327
- Callahan Consulting Pension Scheme: £627,990
- Western Cross Pension Scheme: £524,933
- Gresham (2012) Pension Scheme: £1,014,457
- Daycroft Pension Scheme: £703,460
- Fort Bruce Pension Scheme: £1,204,315
- Abbey Mage Pension Scheme: £695,865
- Dellaney Gibbons Pension Scheme: £235,149
- Regency Pension Investments Pension Scheme: £4,664,666
- Williams Bell Pension Scheme: £200,523
- Friendly Pensions Retirement Fund: £135,137

Each payment has been calculated according to the level of benefits transferred-in to each scheme as well as a number of other factors. The amounts also include meeting Dalriada's historic costs (less 'business as usual' costs) incurred to date.

The final total amount of compensation to be paid has not yet been settled on and will depend on a number of things including consideration of any conditions imposed by the FCF or any potential tax liabilities which might impact the level of compensation paid.

Once the amount of compensation is finalised, we will write to members to confirm what this means for them individually.

Confiscation Proceedings Against Alan Barratt & Susan Dalton

In our last Announcement we advised members that the former trustees Alan Barratt and Susan Dalton were sentenced on 22 April 2022 to 5 years 7 months and 4 years 8 months imprisonment respectfully. TPR began confiscation proceedings against Mr Barratt and Ms Dalton.

Following a thorough investigation into the assets of Alan Barratt and Susan Dalton, TPR found Barratt benefited by £263,065.14 from his role in the criminal activity while Dalton benefited by £136,487.53.

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Under the Proceeds of Crime Act (POCA), Mr Barratt and Ms Dalton were ordered to pay £9,771.46 and £25,010.90 respectively at Southwark Crown Court on 17 January. The money, when received, will be split across the affected schemes where Mr Barratt and Ms Dalton acted as the respective trustee.

According to TPR investigators, the amounts represent the majority of Barratt and Dalton's remaining assets. If further assets are linked to the pair TPR can ask the court to increase the amount payable under a confiscation order. If Mr Barratt or Ms Dalton fail to pay, they risk a further jail term and will still be liable for the ordered sums, plus interest.

Clearly this is a positive step in terms of holding the former trustees accountable for their actions.

However the amounts confiscated, whilst representing the majority of Barratt and Dalton's remaining assets, are not significant when compared to the overall losses of the Schemes and, so, will have limited impact on the recovery of members' pension benefits. Substantive recovery of members' benefits will be achieved via the Schemes' claims on the FCF.

Further information on TPR's prosecution of the former trustees can be found here:

<https://www.thepensionsregulator.gov.uk/en/contact-us/scheme-members-who-to-contact/victims-of-crime/case-updates/project-cardinal>

What does this mean for members?

As above, whilst the Schemes have received initial amounts of compensation the final total amount of compensation to be paid has not yet been settled on and will depend on a number of matters that we are discussing with the FCF. This includes finalising the full amount of compensation to be paid and ensuring compliance with any conditions imposed by the FCF on the compensation.

Once the amount of compensation is finalised, and any conditions imposed by the FCF have been complied with, we will write to members to confirm what this means for them individually. Subsequently, it is Dalriada's intention to wind-up the Schemes and transfer members' entitlements to a more suitable alternative arrangement.

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 9085 0934

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

By Email: dalriadaadmin@dalriadatrustees.co.uk

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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January 2024

