

## **Chair's Statement on DC Governance**

### **Introduction**

This statement is being made by the Chair of the Trustees of the Chap (Holdings) Ltd Money Purchase Pension Scheme ("the Scheme") in order to comply with the requirements of the Pensions Regulator and in accordance with the Occupational Pension Schemes (Scheme Administration) Regulations 1996, that all relevant Occupational Trust Based Pension Schemes, that offer money purchase benefits, produce an annual statement demonstrating how governance standards relating to DC arrangements within this Scheme have been assessed and met.

The statement covers the period from 6 April 2019 to 5 April 2020.

### **Default investment arrangement**

At the start of the year there was only one fund choice available under the Scheme, namely the Equitable Life With-Profits Fund.

During the year the investments switched from the Equitable Life With-Profits Fund to Utmost Life & Pensions Unit-Linked Fund. A default fund arrangement was selected by the Trustees on an "investing by age" lifestyle basis, which reduces investment risk as the member nears retirement age.

The investments were reviewed by the Trustees as part of the proposal to transfer to Utmost Pensions from Equitable Life in November 2019.

### **Core financial transactions**

The Trustees have delegated administration services for the Scheme to Utmost Life and Pensions and Broadstone Corporate Benefits Limited.

Utmost Life and Pensions operate internal controls so they can ensure the prompt and accurate processing of financial transactions, including transfer out of member benefits, and the settlement of retirement benefits.

The Scheme's Risk Register outlines all of the potential risks to Scheme members and these are monitored and reviewed on an annual basis.

### **Charges and transactions costs**

The Trustees are required to report on the fees and transactions costs for the investments used in the default arrangement and their assessment on the extent to which the charges and costs represent good value for members.

The funds are subject to an Annual Management Charge (AMC) which covers the expenses of running the funds and is between 0.5% and 0.75% of the individual funds, depending on where they are invested. Transaction charges may also apply and they are in the region of 0.2% and 0.3% for Multi Asset Funds.

Based on the information available, the Trustees accept that this fund offers good value for members.

## Trustee knowledge and understanding


Legislation requires the Trustees to possess and maintain appropriate knowledge and understanding which, together with professional advice which is available to them, enables them to properly exercise their duties in relation to the Scheme. This requirement has been met during the relevant period of this statement as follows:

- The Trustees have undertaken ongoing training, both as a group and individually to keep abreast of relevant developments and training records are maintained;
- The Trustees review their training needs at least annually.

## Summary

Based on our review and assessment of systems and controls, the Trustees believe that we have complied with the standards of practice set out in the DC code of practice and DC regulatory guidance.

I confirm that the above statement has been produced by the Trustees to the best of our knowledge.

Signature: 

Name: Alasdair Craigie

Position: Chair of the Trustees of the Chap (Holdings) Ltd Money Purchase Pension Scheme

Date: 24/1/21