

<p>The Pensions Regulator</p>	<p><b>COMPULSORY REVIEW</b></p> <p><b>FINAL NOTICE</b></p> <p><b>pursuant to Section 99(4) of the Pensions Act 2004</b></p> <p><b>(“the Act”)</b></p> <p><b>Talton Management Ltd Pension Trust Fairdon Services Ltd Pensions Trust Strator Services Ltd Pension Trust Strator Services Ltd Pension Rotinar Ltd Pension Trust Conder Administration Ltd Pension Scheme Iron Stream Retirement Benefit Scheme Chappell Crest Ltd Herman and Peters Retirement Benefit Scheme Grey Peak Retirement Benefits Scheme</b></p> <p><b>(the “Schemes”)</b></p>	<p>The Pensions Regulator case ref: <b>C21006987</b></p>
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1. The Determinations Panel (“the Panel”) of the Pensions Regulator (“the Regulator”) has reviewed its determination made following a Special Procedure hearing on 8 May 2013 when an independent trustee, Dalriada Trustees Ltd, was appointed with a vesting order.

**Directly affected parties**

2. The following parties are directly affected by this determination:

Nidd Vale Trustees Ltd  
Trainor Management Services Ltd (“Trainor”)  
*together the “trustees”*

Talton Management Ltd  
Fairdon Services Ltd  
Strator Services Ltd  
Rotinar Ltd  
Ironstream Ltd  
Chappell Crest Ltd  
Herman and Peters Ltd  
Grey Peak Ltd  
*together the “sponsoring employers”*

Conder Administration Ltd

*the “scheme administrator”*

Dalriada Trustees Ltd  
*the “new trustee”*

## **Background**

3. This is the compulsory review of the decision taken by the Panel on 8 May 2013 to appoint an independent trustee, Dalriada Trustees Ltd (“Dalriada”) to the Schemes, with a vesting order.
4. The decision taken at the special procedure hearing followed concerns being raised by the Regulator regarding the Schemes. XXXX XXX XX  
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5. Prior to the special procedure hearing the Regulator was concerned that the Schemes displayed many indicators that they were being used as a vehicle for pension liberation fraud and for the purposes of the special procedure hearing relied, in particular, on the following:
  - i. XXXXX XXXX XX XXXXXXX XXX XXXX XXXX XXXXXXXXXX XXXX  
XXXXXX XX XXXXXXX XXXX XXXXXXX XXXX XX;
  - ii. the structure of the Schemes, along with the timing of their establishment, was a cause of significant concern as to their purpose;
  - iii. a number of irregularities and deficiencies had been found in the governing documents of at least one of the Schemes.
6. The Regulator also raised concerns that XXXXXXXXXX statements  
XXXXXX XXX XX XXXX XXX XXXXXXX in relation to XXXX XXXXXXX  
XXXXXXX XX XXXXXXX XXXX XXXXX XXXXXXX where Conder appeared  
to be the administrator indicated possible breaches of common law  
trustee duties.
7. At the special procedure hearing, the Panel determined to appoint  
Dalriada Trustees Ltd to the Schemes in light of:-
  - i. XXXX XXXX XXXX XX XXX XX X XXXXXXX XXXX XXXXX XXX XXX  
XX XXXXX XXXXX;
  - ii. concerns over whether the assets of the Schemes were being invested  
in accordance with the investment duties of pension fund trustees;
  - iii. evidence that members were being charged excessive fees;
  - iv. irregularities in the documentation for one of the schemes and
  - v. concern over the structure and nature of the Schemes which required  
further investigation to ensure that they were being operated in the best  
interests of members.

## **Compulsory Review**

8. For the purposes of the compulsory review the Panel considered representations received from XXXX XXXXXX on behalf of Dalriada Trustees Ltd and from the Regulator's case team. No representations were received from any other Directly Affected Party.
9. In its representations for the compulsory review hearing, the Regulator identified three key areas of concern regarding the Schemes, namely:-
  - i. that the Schemes are involved in pension liberation;
  - ii. that the assets of the Schemes have been invested in risky investments;
  - iii. that the directors / shareholders of Nidd Vale Trustees (Nigel and Edwin Romilly) do not have sufficient skill, understanding or interest in the management of the Schemes to protect the Nidd Vale Schemes' assets or act in the members' best interest.

## **Compulsory Review Determination**

10. Having completed the compulsory review, the Panel determined to confirm the determination referred to in paragraph 1 above, and to confirm the Order made on 8 May 2013 under sections 7 - 9 of the Pensions Act 1995.

## **Reasons for Decision**

11. The Panel gave careful consideration to the issues raised and had regard to the objectives of the Regulator as set out in Section 5 of the Act and to the matters listed in Section 100. It determined to uphold its previous determination for the reasons set out below.
12. The Panel noted that the position was not the same for all of the Schemes. In the Panel's view the Schemes could be separated into two distinct groups, i.e. "Trainor schemes" (Talton Management Ltd Pension Trust, Fairdon Services Ltd Pensions Trust, Strator Services Ltd Pension Trust, Strator Services Ltd Pension and Conder Administration Ltd Pension Scheme) and the "the Nidd Vale schemes" (Iron Stream Retirement Benefit Scheme, Chappell Crest Ltd, Herman and Peters Retirement Benefit Scheme and the Grey Peak Retirement Benefits Scheme).

### The Trainor schemes

13. Whilst there had been no significant new evidence since the special procedure hearing, the Panel considered it appropriate to uphold the decision XXXX XXX XX XXXXXXXX XXXXX XXXXXXXXXX XXX XX XXXXXXX XXX XXX XXXX XXXXX XXXX XXX XXXX XXXX XXXX XXXX XXX XXX XXXX XXXX XXXXX XXXXX XXX XXX XXXXXXXX. The Panel



**Referral to the Tax and Chancery Chamber of the Upper Tribunal**

You have the right to refer the matter to which this Final Notice relates to the Tax and Chancery Chamber of the Upper Tribunal (“the Tribunal”). Under Section 103 of the Act you have 28 days from the date this Final Notice is sent to you to refer the matter to the Tribunal or such other period as specified in the Tribunal rules or as the Tribunal may allow. A reference to the Tribunal is made by way of a written notice signed by you and filed with a copy of this Final Notice.

The Tribunal’s address is:  
45 Bedford Square,  
London  
WC1B 3DN

(tel 020 7612 9700).

The detailed procedures for making a reference to the Tribunal are contained in Section 103 of the Act and the Tribunal Rules.

You should note that the Tribunal rules provide that at the same time as filing a reference notice with the Tribunal, you must send a copy of the reference notice to the Pensions Regulator. Any copy reference notice should be sent to:

Determinations Panel Support  
The Pensions Regulator,  
Napier House  
Trafalgar Place  
Brighton  
BN1 4DW

Tel: 01273 811852

A copy of the form for making a reference ‘Reference Notice (Financial Services)’ can be found at:

<http://www.tribunals.gov.uk/financeandtax/Documents/forms/FTC31.doc>