

muse  
ADVISORY



think independently ...*act effectively*

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# Introduction

**Welcome to Muse Advisory. We help pension scheme trustees and sponsors to better govern and manage their pension arrangements. This has been the sole focus of our business since we were founded in 2006.**

**We are privileged to have worked with many prestigious clients of different complexities and sizes; from 28 of the UK's 50 largest schemes to many smaller schemes, both in the private and public sectors.**

Our clients choose us because of our core values:

- we are **truly independent. Muse is director-owned and has no ties to any other business;** we avoid many of the conflicts faced by others. We only provide pension scheme management and governance services meaning we can enjoy open relationships with advisers and suppliers.
- we **act with integrity**, helping our clients achieve their objectives by giving our people the freedom to act in their clients' best interests, unconstrained by a 'house view'. If we don't think work will deliver value, or could weaken our independence, we won't do it.
- we **focus on quality** and deliver effective, professional and pragmatic advice, support and project management.
- our **depth and breadth of knowledge and experience;** clients benefit from working with a stable team of deeply experienced consultants and pensions professionals, supported by industry insight and a very good network. And working for our clients at competitive rates.

We are proud to be able to say that most of our work comes from client recommendations or introductions from people we have worked with, including professional and independent trustees.

Here you will find insights from our experienced team and case studies for our main services:

- Trustee Executive Services (TES)
- Administration Consulting
- Strategic Consulting
- Governance and Board Consulting
- Adviser Reviews
- Risk Governance
- Investment Governance

The pensions industry continues to evolve, presenting new and unique challenges and projects for trustees and sponsors to tackle. We stay ahead so that we are best placed to help our clients with the ever-increasing governance and compliance burden this makes on their resources and time.

We would love to help and look forward to hearing from you.

**Ian McQuade**  
CEO Muse Advisory

ian@museadvisory.com  
020 3745 4852



# A few of our clients



National Grid UK Pension Scheme



BRITISH AIRWAYS  
PENSIONS



John laing  
making infrastructure happen



COMBINED NUCLEAR™  
PENSION PLAN

VIRGIN MONEY UK



A Rolls-Royce  
company



# Trustee Executive Services (TES)

**You decide, we make it happen. We combine strategic, operational, technical, secretarial and consulting expertise, helping trustees achieve their strategic goals more quickly. We give confidence that day-to-day scheme management is in safe hands, freeing trustee time to focus on key issues.**

Ours is a strong, supportive team which delivers:

- **No surprises** – we provide comfort and assurance that your scheme is managed professionally
- **Challenge done sensitively** – we know that managing and governing a pension scheme is hard. We will look at ways to support you better, and if needed, challenge existing ways of working... kindly
- **Industry best practice** – we look at life through a good governance lens, so you get the best outcome for you
- **A bit of enjoyment** – the way we work with you is as important as the work itself.

We can provide:

- Additional expert executive support for existing in-house pensions teams, for example, to cover projects or peak workflow times
- Interim support for key roles (e.g. maternity leave) or where an existing pensions director is conflicted, for example, in funding negotiations between the trustee and sponsor
- Help in reviewing and documenting governance processes and patching any gaps
- An outsourced head of trustee services/ pensions manager to lead an in-house team or to provide strategic support as needed, or
- A stand-alone, fully outsourced pensions department.

## Our people

We have a full team of people available with different levels of expertise and a breadth of professional backgrounds. A key differentiator from the day we were founded is our blend of in-house and consulting experience.

Muse TES provides expert, experienced professionals who can provide value, knowledge, challenge and critical thinking. And we get things done for you on time and at a competitive price.

We will blend a team that best fits your needs, your culture and your ways of working.



# Trustee Executive Services continued

## How we work

Acting as an extension of the Trustee Board to ensure your scheme runs smoothly



Full end to end executive support aligned to your objectives and strategy

### Your Executive Team

- Executive arm of the Trustee Board
- Strategic mindset and critical friend
- Technical skills, experience and industry insight
- Breadth of professional expertise
- Support and development for existing Executive resource

### Governance

- Assurance and peace of mind
- Doing the right things in the right way at the right time
- Up-to-date scheme documentation
- Budget management, cost efficiencies and ensuring value for money
- Management of advisers and providers

### Effective and efficient delivery

- Implementation of Trustee strategy
- Making sure everything happens on time and to a high standard
- Work done at right level
- Decision planning, preparation and implementation
- Effective meeting management

### Working with you

- Shared understanding of objectives, strategy and risks
- Shared culture, values and behaviours
- Effective stakeholder and sponsor engagement
- Support and constructive challenge



**Lindsay Hawkins**  
Director

[lindsay.hawkins@museadvisory.com](mailto:lindsay.hawkins@museadvisory.com)  
020 37 45 48 61

## Testimonial

“Muse took over as a fully outsourced pensions department on the retirement of our long-standing Pensions Director. We were concerned about losing Scheme knowledge, acquired over many years, but we have been delighted with Muse’s work. Their team approach mitigated our key man risk and, throughout their time with us, they have been reliable and professional, always keeping the regular business-as-usual cycle moving as well as helping us navigate more sensitive issues. The chemistry is good and they work as though they are our in-house pensions department. We appreciate their thoroughness and professionalism and feel well supported in all areas of work.”

**Chairman of the Trustee Board,  
Xerox Pension Scheme**

# Administration Consulting

**High-quality administration is critical to delivering the pension benefits to scheme members. We work with trustees and sponsors to enhance and oversee the administration of pension schemes, to manage administration risks and to develop contingency plans.**

Our support could be through:

- Review of current pension administration (in-house or outsourced)
- Transformation and improvement plans
- Selection of a new administrator
- Transition management and support
- Administration management and oversight.



**Damon Lacey**  
Senior Consultant

damon@museadvisory.com  
020 37 45 48 54

## Case Study

We helped the Operations Committee develop targeted measures for pension administration focusing on the most important areas for the trustee: a mix of statistical, such as right first time, but also subjective measures and behaviours, each with a clear set of parameters. These were shared with the administrator so that they understood how their performance was being judged. Through clear reporting and feedback, they knew where they were hitting the target and where they were falling short. This ongoing dialogue is invaluable for all.

Our approach helped the trustee:

- Define measures designed to guide performance and behaviour, not trip up the administrator
- Agree a simple scorecard, that drove improvement and restored trust
- Foster a collaborative dialogue, working towards common goals
- Avoid the risk and cost of transition and put their relationship on a firm footing to build on.

The administrator retained a trustee they were close to losing: a powerful demonstration of the effect of clear oversight.

## Testimonial

**“Muse helped us work with our administrator to deliver our transformation programme. They challenged them and asked questions we hadn’t considered. We wouldn’t have achieved the change we needed without the support and experience of the Muse team.”**

**Pension Strategy Manager,  
CYBG plc**

# Strategic Consulting

**Being aligned to clear, understood and agreed objectives is an important step. It is a prerequisite to determining a successful strategy to achieve them and to understanding the associated risks.**

We work with trustees and their advisers to make sure their primary objective for members e.g. in a DB setting, of paying the right benefits to the right people at the right time, is underpinned by trustee and sponsoring employer's values and by trustee secondary objectives in funding, investment, covenant, administration, communications, governance and compliance. A similar approach is taken in DC settings.

We achieve this through:

- Best-in-class online questionnaires to establish areas of alignment and where there are gaps
- Interviewing trustees and key stakeholders to understand nuances around gaps and future challenges



**Barry Mack**  
Director

barry.mack@museadvisory.com  
020 37 45 48 58

- Facilitated workshops to help bring about alignment and understanding
- Independently reporting key messages and coming off the fence to challenge constructively.

## Case Studies

After a governance review, we worked with a trustee board to plan and facilitate their first strategic away-day, involving trustee advisers and external speakers, to consider the investment and funding strategy, options for the future and developments in the company's business.

As part of this, the trustees worked through covenant risk scenarios which helped join up their thinking on what could knock progress off course, including key person risks, contingencies and actions agreed.

This work brought the trustees to a better shared understanding of what was possible strategically, to engage with the company, to agree the forward strategy, reduce risk and strengthen implementation.

After a trustee effectiveness review we worked with another trustee board to facilitate strategic planning sessions at intervals, to iteratively plan and assess their end game for the scheme, the options, main steps and risks to mitigate in getting to buy-out.

This involved working closely with the Trustee Chair, pensions manager and the other trustee advisers to shape the sessions and material needed and ensure the trustees achieved their aims for each session, in open and constructive discussion leading to clear next steps and an improved, collegiate board view of the route ahead.

The scheme is now much closer to reaching its end destination, with scheme members also kept well informed on the strategy and progress to secure their benefits.

## Testimonial

**"Muse Advisory carried out a review of our governance. The team were good to work with and worked constructively with our trustees, the pensions team, company representatives and our advisers. We invited them back to facilitate our trustee strategy which was also well received. We value their expertise, independence and range of relevant skills."**

**Chair, Rolls-Royce UK Pension Fund**



# Governance and Board Consulting

**High-quality governance is essential to achieving your objectives. Governance can sometimes seem like a difficult, costly but intangible task to tackle – how can you tell if your governance is helping you run the scheme efficiently for the members? That's what we focus on with trustees, in a forward-looking way.**

Governance can encompass content skills, soft skills, decision making, trustee effectiveness, succession planning, processes and structures. Our expertise at Muse helps you bring these issues to life, see what is working well, challenge practices where needed and agree good governance principles.

We work with clients to make sure their scheme governance is fit for purpose, through:

- Full trustee governance reviews
- Board effectiveness reviews and development work
- Putting in place appropriate delegations, roles, responsibilities and reporting

- Governance workshops and training
- Trustee self-assessment
- Focused investment governance reviews
- Trustee succession, selection and appointment.

## Case Study

Some sponsors' histories leave complex governance structures. In this case, there were two trustee boards for schemes with the same parent company who appointed us to help them complete a coordinated review of trustee effectiveness. We did this through an initial questionnaire, followed by workshops with the trustees, and then individual interviews with a wide group of stakeholders, including advisers, where they could share views in confidence. The review findings were then discussed in a joint workshop with the two trustee boards.

Our approach helped the trustees:

- Update the structure and reduce risk in shared trustee roles
- Improve resilience to key person risk in the board's membership
- Take a pragmatic approach, and via planning with the sponsor, retain and refresh board skills

- Focus more successfully in meetings on the important trustee work to progress schemes' end games
- Prioritise areas of trustee engagement with the sponsor to get buy-in to trustee resource needs.

The trustees reported that the review helped strengthen the boards and their strategic dialogue with the sponsor, to build a better understanding of how trustee and sponsor could focus on 'moving the dial'.

## Testimonial

**"Muse have helped us via an independent trustee effectiveness review, a discussion workshop for the board on the findings and subsequently some planning and facilitation work for Trustee strategy sessions. The Muse team are highly capable with a strong client focus in the way they work, with us and our other advisers. Our trustee board is skilled and expects high quality and good value for money from advisers. Muse has consistently delivered this."**

**Chair, 3i Group Pension Plan**



**Julia Land**  
Senior Adviser

julia@museadvisory.com  
020 37 40 55 72

# Adviser Reviews

**Having clear objectives for your suppliers is vital to judge how well they are performing. We help trustees clarify their requirements, what type of service they need, the decision criteria for selecting advisers and how to get the most effective support from their advisers.**

We have expertise and market research to help select:

- Scheme actuaries
- Investment consultants
- Fiduciary managers
- Master trusts
- Third-party administrators
- External and internal auditors
- Communication consultants
- Covenant advisers
- DC consultants
- DB de-risking advisers.

**Jo Fellowes**  
Senior Consultant

jo.fellowes@museadvisory.com  
020 37 45 48 59



## Case Study

Our role was to allow the trustee to consider objectively what they required from their DC consultant, both now and for the foreseeable future. Through discussions with the trustees and key stakeholders, we built and agreed a profile of the trustees' ideal consultant. Our experience and knowledge of the market ensured that the review process didn't just enshrine the current practice but challenged the status quo.

With a clear profile of knowledge, experience, skills and other attributes, the trustees were able to challenge whether the incumbent was genuinely capable of providing the right services, in the right way and at the right price to meet their expected future needs. Our work meant that the trustee underwent a thorough review process that did not create change for change's sake, but rather ensured that the status quo was constructively challenged.

A cycle of purposeful reviews enables governance arrangements to evolve over time, thereby avoiding the pain of wholesale change when the demands of governance have moved on, but governance practices have not.

## Testimonial

**"Muse Advisory supported the trustees through the process of reviewing their full-service pension provider. They provided the subject matter expertise, and worked seamlessly alongside our in-house procurement team, to help us identify a high-quality solution that met both our technical and commercial requirements, delivering great value for the scheme and members, as well as the sponsor."**

**Group Financial Controller, Riverside**

# Risk Governance

**Effective risk management underpins trustee strategy and determines how successfully trustees and sponsoring employers achieve their objectives.**

An active assessment of risks during the decision making process can help trustees understand what might knock their plans off-track or help them achieve objectives more quickly. Being aware of risk in the context of what they are trying to achieve helps trustees be confident that they have the necessary resources, capacity, structure and support to do the work they need to do in the way they want to do it.

**Rosanne Corbett**  
Principal

rosanne@museadvisory.com  
020 37 45 48 63



We provide advice, facilitation and support on:

- Trustee risk management and risk governance workshops
- Trustee risk management frameworks
- Strategic trustee risk dashboards and risk registers
- Trustee own-risk assessments
- Independent review of trustee assurance and risk reporting
- Selection of independent assurance services/ internal audit to trustees
- Contingency planning at both a strategic and operational level.

## Case Study

We helped the trustee identify their strategic risks and, with our guidance, consider their risk appetite for each of those risks. We also worked closely with the executive team to make good risk management a day-to-day part of scheme management.

We brought risk to life by developing a matrix to identify when a risk needed to be flagged to the trustees, and helped implement the 'three lines of defence'. This left everyone clear on what risk meant for their roles.

We left the trustee with a comprehensive risk management framework, aligning strategic and operational risks to trustee objectives and, importantly, with tangible practical application in day-to-day work.

## Testimonial

**"Muse helped us review the trustee's approach to managing risk, introducing and documenting a new risk management framework, dovetailing with operational risk management practices. Rosanne worked with me to facilitate workshops for the trustee board to agree its strategic objectives, risk appetite and key risks. Together we developed a reporting dashboard for the board. Rosanne brought insights and expertise into risk management practices with other large pension schemes and brought risk alive for our scheme so that we understood its value. The trust she built enabled us to tackle complex issues, whilst developing simple and effective solutions for the trustee board."**

**Head of Legal and Compliance of Trustee Executive Limited (supporting the National Grid UK Pension Scheme Trustee)**

# Investment Governance

**Effective investment governance is a critical performance driver for a pension scheme if it is to meet its strategic objectives. Problems here, such as poor decision making, slow execution of those decisions, lack of access to timely advice and failure to manage risk or capture emerging opportunities can prove to be very expensive for a scheme.**

Our broad experience across actuarial, investment, pensions management, operations and governance disciplines, enables us to help you determine the right investment governance model so that you can meet your funding, investment and risk management responsibilities.

We work with trustees, sponsors and in-house teams to make sure their investment governance is fit for purpose, through:

- Trustee Board, Investment Committee and Executive support investment governance reviews
- Putting in place appropriate delegations, roles, responsibilities and reporting to improve decision making, execution and oversight
- Reviewing investment governance options from investment adviser to fiduciary management.

We challenge embedded thinking and as independents have 'no skin in the game' so are driven only by finding the best solution for you.

## Case Studies

We assisted two trustee boards who wanted to review their investment advisory arrangements. They shared a similar aim of wanting to effectively discharge their fiduciary responsibilities, albeit through different approaches. One took the fiduciary management route while the other followed the traditional advisory route.

We supported them in articulating a vision of how their investment arrangements would work most effectively during the medium to long term. This included determining the skills, capability, capacity, expertise and services they needed to get them where they wanted to go. Resourcing all this can come from a range of sources depending on the scheme e.g. trustee / independent experts on committees, advisers whether FM or traditional and an in-house team.

By helping each trustee board understand its ultimate goal and journey objectives, we were able to facilitate a challenging and constructive debate, settling on key guidelines which could be shared during the service tender.

Given the sizeable market for firms providing investment advice, we needed to select the best investment adviser or fiduciary manager to deliver the requirements of the pension scheme.

Work was done to document what exactly the trustees required along with the scheme specific circumstances and constraints. Through documenting these and articulating key investment beliefs and advice requirements, the trustees were in a much better position to select providers who could meet all their requirements.

## Testimonial

**“Muse helped us to agree a future investment governance model appropriate for our organisation. They have deep knowledge of the advisory and fiduciary management market and we were impressed with how well they listened to all views, helped us consider all the options and, importantly, obtain buy in from all key stakeholders.”**

**Chair of Trustees at Reed Elsevier Pension Trustee Limited**

**Barry Mack  
Director**

barry.mack@museadvisory.com  
020 37 45 48 58

# Meet the team



- Consultants
- Directors
- Analysts
- Business support

# Meet the team continued



- Consultants
- Directors
- Analysts
- Business support

# Experience the Muse difference for yourself

Independence  
and integrity

Quality of  
service

Experience,  
knowledge  
and value



KD Tower, Suite 10,  
The Cotterells,  
Hemel Hempstead,  
HP1 1FW

020 3740 0111

info@museadvisory.com  
www.museadvisory.com