



# Fiduciary Management Oversight

## Overview

The CMA review has put pension scheme investment front and centre stage for Trustees and Sponsors of defined benefit schemes. The review confirms that Fiduciary Management can help ease the investment governance burden, so long as sensible oversight measures are put in place.

Quantum's Fiduciary Management Oversight team is equipped to ensure that you get the level of service that you expect from your Fiduciary Manager.

## Selection

Fiduciary Managers are not all the same. They differ in terms of cost, flexibility, sophistication and performance.

The CMA advocates compulsory tendering and re-tendering. Our in-depth knowledge of the whole UK market allows us to find the best match for our clients' needs. Performance is considered both quantitatively and qualitatively, using un-biased performance measurement standards.

## Strategy

Getting your scheme's strategy right is crucial. Our understanding of both sides of the pension scheme balance sheet (i.e. assets and liabilities) means we can marry investment return targets with consistent investment risk boundaries.

Once these high-level objectives have been agreed with clients we can analyse the Fiduciary Manager's plans to achieve them. The growth-matching split, liability hedge ratio and dynamic de-risking plan are all examined against these over-arching goals.

## Implementation

The Fiduciary Manager's implementation framework must be consistent with the Trustees' needs and objectives. We consider:

- I. Whether the Fiduciary Manager uses open architecture to access external funds, or uses in-house funds only;
- II. Do they blend passive and active funds efficiently;
- III. Do clients share the benefit of the Fiduciary Manager's economies of scale; and
- IV. What access does the Fiduciary Manager have to new investment markets and ideas.

## Reporting

Our independent reporting service helps you measure your Fiduciary Manager's investment returns alongside funding level progression. We identify the drivers of change, to ensure both strategy and Fiduciary Manager remain fit for purpose.

Our reports keep jargon to a minimum and express an independent view on whether the manager is genuinely providing an added-value service.

## Value for money

The ability to exercise and demonstrate good governance is more important than ever.

Our plain-speaking approach supports this and helps keep your Fiduciary Manager arrangements fit for purpose, without generating additional work for you, or incurring unnecessary cost.



## Want to know more?

Should you wish to discuss these services in more detail, please contact us at your nearest office  
[www.quantumadvisory.co.uk/contact-us/](http://www.quantumadvisory.co.uk/contact-us/)

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A list of all members is available for inspection at our registered office.