

No: 004/25

14<sup>th</sup> January 2025

Dear Colleagues,

## Royal Mail Collective Pension Plan ("the Collective Plan") – Election of Member Nominated Directors (MND)

Branches are aware that the new Collective Plan is managed by a Trustee Company called the RMCPP Trustees Limited. The Trustee Company's Board is legally responsible for running the Member Nominated Director (MND) election process. The Trustee Board consists of 9 Directors comprising:

- 4 MNDs of which **3 are filled by CWU represented grades** and 1 by Unite CMA represented grades
- 4 Employer Nominated Directors (ENDs), appointed by Royal Mail Group Ltd.
- 1 Additional Director appointed by Royal Mail Group with the agreement of the unions.

The Collective Plan launched on 7<sup>th</sup> October 2024 and the Trustee Board is looking for MNDs to be elected for the 3 CWU posts by 31<sup>st</sup> March 2025. The term of office is 5 years. The union is therefore seeking nominations to fill the 3 CWU MND vacancies. Nominations for these positions can be from any individual who is a current member of the Collective Plan and employed in a CWU represented grade, irrespective of Union membership, or a deferred member of a former Royal Mail pension scheme who is currently employed by the CWU.

Whilst these 3 posts are technically vacant, Branches will no doubt wish to acknowledge that Alan Tate, Postal Executive member, and Kevin Carey, Area Delivery Rep, have, with the agreement of the Postal Executive, undertaken the MND roles on an interim basis during the period of scheme development and leading up to the launch of the Collective Plan. Both Alan and Kevin have indicated, not least due to the knowledge and experience they have gained, that they wish to continue in these roles. Therefore, they will be submitting nominations.

Trustee Directors play a vital role in supporting the members of the Collective Plan. This position requires a reasonable time commitment, including preparing for and attending meetings, as well as participating in regular training. Although Trustee Directors are not paid, reasonable travel expenses are reimbursed, and training for the role is funded by the Collective Plan. Trustee Directors are also given time off work to undertake the role.

Although no prior pensions knowledge is required, to undertake the role, all Trustee Directors must acquire and maintain a basic understanding of pensions and how their scheme operates. To do this, **all nominees will need to complete The Pensions Regulator's online Trustee Toolkit before the MND ballot.** The series of online tutorials provides a comprehensive understanding of a Trustee Director's role and responsibilities. You can access the toolkit at:

<https://trusteetoolkit.thepensionsregulator.gov.uk/>

For the first MND election, the term of office for each vacancy will be staggered to ensure continuity of knowledge and skills on the Trustee Board. Further information on the MND election process is available in the attached leaflet - 'Could you be a Member Nominated Director?' Also attached is a leaflet on 'Trustee Role and responsibilities'.

Anyone interested in standing in the MND election for one of the 3 CWU roles should contact the Senior Deputy General Secretary's Department at CWU HQ to request a nomination pack. The pack includes:

- An application form, where you are required to provide a personal statement (maximum 200 words) outlining why you are suitable to act as an MND.
- Guidance Notes on the MND process.

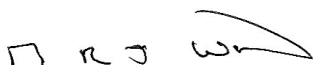
**The closing date to submit your application is Friday 31<sup>st</sup> January 2025.** After the closing date, candidates may be invited to attend a panel interview which would be for familiarisation purposes. This will give candidates the opportunity to discuss who they are, why they are interested in the MND role, and the skills they can bring to the Trustee Board and will help candidates to confirm that they do wish to stand in the election.

All Collective Plan active members who are employed in a CWU represented grade will receive a ballot paper to vote for their 3 preferred CWU candidate(s). As the Collective Plan only opened to active members on 7<sup>th</sup> October 2024, there are currently no pensioners and deferred members eligible to vote in the ballot.

The 3 successful candidate(s) will be determined by a simple majority (i.e., the candidate(s) with the highest number of votes will be elected as the 3 MNDs). After the ballot results have been counted, candidates will be notified of whether they have been successful or not.

Any enquiries regarding this LTB should be addressed to [afurey@cwu.org](mailto:afurey@cwu.org).

Yours sincerely,



**Martin Walsh**  
Deputy General Secretary (Postal)



**Andy Furey**  
Assistant Secretary

# Royal Mail Collective Pension Plan

## Could you be a Member Nominated Director?

This invitation is addressed to all active members of the Royal Mail Collective Pension Plan (the 'Collective Plan') including deferred members of a former Royal Mail pension scheme who are currently employed by either Unite CMA or CWU represented grades.

### Want to play a key role in shaping the future of the Collective Plan?

The Collective Plan is managed by a Trustee Company called RMCPP Trustees Limited, who are legally responsible for running the MND election process.

The Trustee Company's Board consists of 9 Directors comprising 1 Additional Director appointed by Royal Mail Group Limited in consultation with the Communication Workers Union (CWU) and Unite Communication Managers Association (Unite CMA), 4 Member Nominated Directors (MNDs) and 4 Employer Nominated Directors (ENDs), appointed by Royal Mail Group Limited.

**As the Collective Plan launched on 7 October 2024 the Trustee Board are looking for Member Nominated Directors (MNDs) to be appointed by the 31 March 2025.**

### Who is eligible to stand?

The invitation is to all active members of the Collective Plan plus deferred members of a former Royal Mail pension scheme who are currently employed by either Unite CMA or CWU.

Three of the MND positions will be filled by nominations from the CWU trade union represented grades (irrespective of CWU membership) and the remaining position from the Unite CMA trade union represented grades (irrespective of Unite CMA membership) plus all other grades not officially represented by a trade union. Individuals can only stand for the position relevant to their grade i.e., an individual can only stand for the CWU positions if they are employed in a CWU represented grade.

### What is the Term of Office?

MNDs generally serve a term of office of 5 years up to a maximum period of 10 years. The term of office for each MND vacancy is staggered to ensure continuity of skills and knowledge on the Trustee Board. Information on the terms of office for this election is provided in the Nomination Pack, see below *'Where can I find out more about the Trustee Director role and how do I apply?'*.

### What is the main purpose of the Trustee Board?

The Board of Directors are responsible for managing the Collective Plan and looking after the interests of the membership. The role of a Trustee carries a great deal of responsibility, but the Trustee Directors receive a high level of professional support and training.

Each Trustee Director has equal standing in the Trustee Company and shares the same responsibility to all classes of member, irrespective of whether they are appointed by RMG Limited or elected by the membership.

**An MND is a vital role in ensuring the success of the Collective Plan, offering a fantastic opportunity to directly impact decision-making and shape the future of the Plan.**

### **What else should I know about being an MND?**

You should have an interest in the Collective Plan and pensions in general, and be a conscientious, trustworthy individual with the drive to serve your fellow members. The Trustee Board values a diverse range of backgrounds and experiences, and a diligent, enquiring mind is more important than prior pensions knowledge.

You will need to attend Trustee Board and sub-committee meetings as required, with some involving travel. The role also requires preparing for meetings, staying up to date with pensions knowledge, and participating in regular training to ensure you can fulfil your responsibilities effectively.

Although Trustee Directors are not paid, reasonable travel expenses are reimbursed, and training for the role is funded by the Collective Plan. You are also given time off work to undertake the role.

### **What is the MND Process?**

The MND process will take place over three months, commencing in January and concluding in March 2025. For more information on the timetable for the MND process, please refer to the section below.

Nominations for the MND vacancies must be submitted to the Collective Plan Executive. The process consists of the following stages:

- **Stage 1:** Nominations
- **Stage 2:** Panel Interview and Selection
- **Stage 3:** Ballot
- **Stage 4:** Appointment

### **Where can I find out more about the Trustee Director role and how do I apply?**

If you would like more information about the MND role or are interested in applying, can find all the information in the nomination pack.

If you have any questions about the MND process, please don't hesitate to get in touch via email at [collectiveplanexecutive@royalmail.com](mailto:collectiveplanexecutive@royalmail.com) ensuring the subject line includes the title 'Collective Plan – MND Election Process'

# The Royal Mail Collective Pension Plan

## Member Nominated Director Role & Responsibilities.

### What is a Trustee?

A Trustee is a person or company, acting separately from the employer, who holds assets in trust for the beneficiaries of the scheme. The Trustee (or Trustees) is responsible for ensuring that the pension scheme is properly managed, and that members' benefits are secure, from the collection of contributions to the investment of assets and the payment of benefits. If the Trustee is a company, a Corporate Trustee, this will usually be managed by a board of Trustee Directors. The Royal Mail Collective Pension Plan ('the Collective Plan') is managed by a Trustee Company called RMCPP Trustees Ltd, who is legally responsible for running the MND election process.

If you are interested in standing as a Member Nominated Director (MND), you will need to take the time to familiarise yourself with the role and the responsibilities of being a pension scheme Trustee Director.

One of the main responsibilities of a Trustee is to ensure members receive the right benefits at the right time and that the scheme has sufficient funds to pay all members' benefits when they are due. Scheme members look to the Trustee for reassurance that the scheme is properly managed, and their benefits are secure.

One of the key duties of a Trustee is to act in the best interests of scheme beneficiaries. This includes considering the interests of anyone who is entitled to, or who might receive, a benefit from the scheme, including all classes of members – active, deferred, and pensioner. It may involve weighing the interests of the individual against the need to protect the security of all beneficiaries.

### What is involved in being a Member Nominated Director for RMCPP Trustees Limited?

As an MND for RMCPP Trustees Limited, you will play a crucial role in the governance and management of the pension plan. You will work closely with the other Trustee Directors to ensure the pension plan is effectively managed and adheres to regulatory standards. This is an important fiduciary role, requiring commitment, integrity, and ideally some basic knowledge of pensions, although training will be provided to increase your knowledge and understanding.

### Where do Trustee Directors get information to carry out their role?

All Trustee Directors have access to a secure portal which holds key information about the Collective Plan. All plan documents and meeting documents are available on this portal. It is therefore necessary for the Trustee Directors to have access to, and be able to use, the relevant computer software.

Additionally, since all Trustee Directors (including MNDs) are Directors of a limited company, RMCPP Trustees Limited, they must follow the same responsibilities that apply to Company Directors. These responsibilities include:

- ✓ Act within the powers given to you
- ✓ Focus on promoting the success of the Trustee company
- ✓ Make decisions using your own independent judgment
- ✓ Apply reasonable care, skill, and diligence in your role
- ✓ Avoid any conflicts of interest
- ✓ Do not accept benefits from third parties related to your position as a Director

New Trustee Directors receive an induction, which may involve meeting with the Secretary to review trustee duties in detail and engaging with the Collective Plan's advisers to gain specific knowledge of the plan.

**Fit and Proper Assessment:** Candidates must pass a fit and proper assessment to confirm their eligibility to serve as a Trustee Director and ensure compliance with regulatory standards.

## Key Duties of All Trustee Directors, Including MNDs:

- **Act in the best interests of Scheme beneficiaries:** As a Trustee Director, you must act in the best interests of all scheme members and beneficiaries in board decisions. The Collective Plan must take precedence over personal interests or company accountabilities. You are required to declare any potential conflicts of interest.
- **Act impartially:** As a Trustee Director, you must consider the interests of all classes of beneficiary covered by the Trust Deed and Rules, acting impartially.
- **Ensure Compliance with the Trust Deed, Rules, and Legislation:** Oversee the Collective Plans management, ensuring compliance with the Trust Deed, Rules, and all regulatory requirements. The Trust Deed establishes the plan, while the Rules detail conditions like benefits.
- **Act prudently, responsibly, and honestly:** As a Trustee Director, your duties are to the Collective Plan. Your duty must not be to any group or individual with whom you are connected, such as the employer, a trade union, or a specific group of members, such as pensioner members.
- **Monitor Investments and Administration:** Regularly review the performance of investment strategies and the effectiveness of the administration of the Collective Plan to ensure both align with members' best interests and protect members' benefits.
- **Keep records up to date and secure:** Trustee Directors must ensure records of the Collective Plan are kept up to date and ensure all confidential information is managed in accordance with Data Protection legislation.
- **Keep proper Accounts:** Trustee Directors need to check the correct contributions are received by the Collective Plan and proper accounts are kept which are audited by a professionally qualified auditor.
- **Engage Actively in Key Scheme Decisions:** Participate in discussions on key pension scheme matters, including funding strategies, risk management, and governance. The candidate will need to contribute effectively to discussions and decisions at board and committee meetings.
- **Discretionary Powers:** Trustee Directors will have to exercise discretionary powers in certain situations, for example, in the payment of lump sum death benefits.
- **Provide regular updates to the Collective Plan members:** These include documents such as the Scheme Design Statement, Trust Deed and Rules, Statement of Investment Principles and Annual Report and Accounts. Members must also be informed about their entitlements and the Scheme's management.
- **Collaborate with Trustee Directors and Key Stakeholders:** Collaborate with fellow Trustee Directors, the Collective Plan's advisers, the Employer, and the Secretary to the Trustee ('the Secretary') to ensure the effective operation of the Collective Plan. Understand the Employer's role, maintain a strong relationship, and seek expert advice when necessary.
- **Safeguard the Plan's assets:** Ensure that the assets of the plan are invested and held securely and kept separate from those of the Sponsor (Royal Mail Group Limited).

As an MND, you'll engage with technical areas like investments, legal issues, actuarial work, and finances. While expertise isn't required, a basic understanding or willingness to learn will help you engage in discussions and make informed decisions. Candidates must complete The Pensions Regulator's Trustee Toolkit training before standing for election to gain a foundation in Trustee Director responsibilities.

**Continuous Learning and Development:** Trustee Directors must have basic knowledge of pensions law, funding principles, and investment of scheme assets. Ongoing training is required to stay current with trust and pensions law, in line with the Trustee Knowledge and Understanding guidelines. For more details, visit the Pensions Regulator's website: [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk) under 'Trustee Knowledge and Understanding.'

While these responsibilities may seem onerous, the Executive Team supporting the Trustee Directors, along with the Collective Plan's administrators and professional advisers, are here to assist Trustee Directors in carrying out their duties. RMCPP Trustees Limited has appointed several professional advisers, including a scheme auditor, actuary, investment adviser, investment manager, administrator, and legal adviser. This enables the Trustees to protect the plan with the aid of qualified professionals.

Given this level of support, the likelihood of Trustee Directors incurring penalties is low. Trustee Directors of the RMCPP Trustees Limited are also protected from personal liability under the Trust Deed and Rules, provided they act appropriately. If any claims are successfully made against the Collective Plan, the Trustee Directors have indemnity insurance to cover them, unless intentional misconduct or specific statutory fines are involved.