



Great governance guiding us to buy-in




As funding improved in 2022 it was important to capture opportunities. The Citrus governance framework, built on clear objectives, maximising economies of scale and proactive engagement, let us capitalise and complete a full buy-in for Amey.

THE CHALLENGE

For the Citrus Trustee, the number one priority is safeguarding members' benefits. The preferred approach to doing this, if supported by sponsors, is through securing a full insurer buy-in.

We know that the journey to buy-in doesn't happen by chance and needs careful planning, supported by a flexible yet robust governance framework.

To deliver this we need to understand for each scheme:

-  **Objectives** - Be clear on the buy-in objective with the sponsor.
-  **Funding** - When the scheme will reach buy-in and what contribution the sponsor can make.
-  **Data** - Availability of insurer ready data, benefit specification and insurer engagement.

The Solution

Long before funding levels began to improve across the DB market in 2022, the governance structure of Citrus had already set the foundations to allow the Amey Section to capture an opportunity to buy-in.



Objectives - The Trustee had engaged with the sponsor previously to agree buy-in as the end objective, along with the desired timescales to deliver this



Funding - We understood the contribution the sponsor could make to secure buy-in. From there, the funding level could be closely monitored for opportunities to buy-in



Data - Knowing buy-in was approaching, initial work had been done to understand any gaps in data that needed to be filled

This preparatory governance work laid the right foundations. As funding levels improved, the Citrus Trustee were able to highlight when buy-in was within range of the sponsor contribution.

Being well prepared meant the transaction was much more appealing to insurers, particularly with data being in good condition.



OUTCOMES

Citrus engaged with insurers, transacting the full buy-in for Amey in just 8 weeks after the initial engagement on price. This enhanced security for members, which was the Trustee's ultimate goal, as well as delivering the long-term objective of the sponsor.

Moving so quickly, when a market opportunity presented itself, was made possible through Citrus' great governance framework, built on clearly defining the objective(s), transparent and proactive engagement with stakeholders, and delivering efficiencies and value.

You can read more on this in our [blog post](#).

For further information please contact enquiries@citruspensions.co.uk or call 0207 082 6371

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We're delighted to have completed this buy-in with Amey. Our collaborative and client-friendly approach meant we were able to price the Plan quickly and efficiently despite a busy market, making the process seamless and straightforward for the client.

We look forward to working with the Citrus Pension Plan in the future and supporting them throughout their de-risking journey.

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- Sabeen Iftikhar,
Legal & General Retirement Institutional (LGRI)

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Amey is grateful to the Trustee and its advisers for their efforts in concluding this transaction, which enhances members' security whilst reducing balance sheet risk in line with Amey's pension strategy.

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- Andrew Devlin,
Group Pensions Director, Amey

