



Legal & General announces £150 million PPF+ transaction with the Mowlem (1993) Pension Scheme

The transaction follows the liquidation of its sponsor, Sovereign Hospital Services Limited, part of the Carillion Group.

Legal & General Assurance Society Limited (“Legal & General”) today announces that it has agreed a £150 million PPF+ buyout transaction with the Trustee of the Mowlem (1993) Pension Scheme (“the Scheme”), securing the benefits of over 360 deferred members and 650 retirees.

The Scheme entered Pension Protection Fund (PPF) assessment in February 2018 following the liquidation of its sponsor, Sovereign Hospital Services Limited, which was part of the Carillion Group. This transaction will enable the Trustee to secure benefits with Legal & General that are greater than those which would have been provided by the PPF.

The Trustee was advised on the transaction by Mercer. Legal advice was provided to the Trustee by Sackers and Clifford Chance provided legal advice to Legal & General.

Julian Hobday, Origination and Execution Director, Legal & General Retirement Institutional

“We are pleased to have helped the Trustee secure benefits in excess of PPF levels for all scheme members. This transaction builds on our track record of working with schemes in PPF assessment to bring peace of mind to the members through having their benefits secured with a financially strong, household name insurer.”

Chris Martin, Executive Chairman, Independent Trustee Services

“We are very pleased that we have been able to work so collaboratively with all parties involved in this transaction. In particular I would like to thank Mercer and Sackers, as our lead advisers, along with Barnett Waddingham as the scheme administrators. The support and collaboration of the PPF was also a key part of the process. The extensive experience across ITS and its advisory team, in PPF plus transactions, has helped deliver such a positive outcome for members.”

Adrian Marshall, Risk Transfer Adviser, Mercer

“We are delighted to have achieved this positive result for members following the insolvency of Carillion, especially during such challenging times. We worked closely with ITS after the Scheme entered the PPF assessment period, including structuring a competitive broking process to maximise benefits to members. We partnered with Legal and General to deliver an outcome which exceeded expectations, including securing the member benefits in excess of PPF levels.”

Faith Dickson, Partner, Sackers

“It was great to work with ITS and Mercer on this, using our combined experience to achieve such a good outcome for members. A big thank you too to Legal and General for their practical approach to getting the deal done.”

Notes to editors

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1.1 trillion in total assets under management, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pension risk transfer, life insurance, workplace pensions and retirement income.

About Legal & General Retirement Institutional

Legal & General Retirement Institutional (LGRI) works with trustees and sponsoring companies of defined benefit (DB) pension schemes of all sizes to settle their pension obligations and secure scheme members' benefits, through a full range of de-risking solutions. We work closely across divisions in the Legal & General Group, which has to date invested £26 billion in real assets including urban regeneration, clean and low-cost energy, housing and transport links.

Further information

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