



Work and Pensions Committee

House of Commons | London | SW1A 0AA

Tel 020 7219 5831 Email workpencom@parliament.uk Website www.parliament.uk/workpencom

From the Chair

17 January 2018

Robin Ellison
Chairman
Carillion (DB) Pension Trustee Limited
Carillion House, 84 Salop Street
Wolverhampton, WV3 0SR

Carillion defined benefit pension schemes

In light of the collapse of the sponsoring company, might you please respond to the following questions:

- 1) What assurances did you seek about the sponsor's business model during your tenure as trustee chairman?
- 2) How did the trustees respond to the profit warning issued in July of last year?

The PPF-based deficit on the Carillion defined benefit schemes is reported to be in the region of £800m-£900m. The interim financial results for the first-half of 2017 reported the headline accounting deficit at £587m (£711 before deferred tax asset).

- 3) What has caused the upsurge in the pension deficit?
- 4) Can you please explain the investment strategy and approach to de-risking adopted by the trustees a) before the sponsor's profit warning and b) after?
- 5) What interactions have you had with The Pensions Regulator aside from usual / routine meetings around scheme valuations?

Philip Green CBE, Chairman of Carillion, was found guilty by the Pension Ombudsman in 1994 of breach of trust and maladministration in respect of the use of pension scheme monies at Coloroll, where he was managing director and a pension trustee.

- 6) Were you aware of the Pension Ombudsman ruling against Mr Green, and did you have concerns about whether ~~his~~ stewardship of Carillion took into account the interests of its pension schemes?

With best wishes,

Rt Hon Frank Field MP
Chair