Reducing operational complexity through the IGGnite model

Client Context

IGG was appointed Chair of Trustees to a UK defined benefit pension scheme with approximately £55m in assets and around 300 members in late 2022, with an initial objective of transitioning the scheme to a Professional Corporate Sole Trustee (PCST) model within 12 months.

Following early engagement, the sponsor accelerated this timetable, agreeing to move to a PCST structure within six months. At the same time, the scheme was approaching full funding on a buy-out basis, prompting wider discussions around long-term strategy, including potential run-on, surplus generation and endgame planning.

Challenge

The scheme faced a number of operational and governance challenges.

The departure of the existing Scheme Secretary created uncertainty around governance continuity and day-to-day support, while concerns were growing around the existing administrator following multiple business takeovers within a short period.

The sponsor also questioned whether the scheme's overall operating costs were proportionate relative to its size, particularly when compared with equivalent international arrangements. This highlighted the need to review whether the existing governance and service model remained appropriate for a smaller DB scheme.

Alongside this, the Trustee and sponsor were considering long-term strategic options for the scheme while ensuring governance, administration and member experience remained aligned and sustainable.

At a glance

Scheme size
£50m
UK pension scheme

Membership
300
members

Governance model
PCST
transition in 2023

Projected Savings
15–30%
annual BAU savings

Solution

IGG was able to address the Trustee's concerns by providing integrated governance support, delivering scheme secretarial services and supporting wider governance activity. The scheme also successfully transitioned to a Professional Corporate Sole Trustee structure in 2023.

Alongside this, IGG led a full administration review and tender process, identifying an administrator better aligned to the scheme's long-term requirements.

The team identified that IGGnite – IGG's integrated governance framework designed for smaller schemes that combines PCST governance, aligned advisers and consolidated service provision – could provide tangible benefits to the scheme based on its circumstances. IGGnite was therefore introduced to the sponsor as a potential long-term operating model for the scheme. The holistic consideration of governance, administration, investment and strategic planning under the IGGnite model, and reduction in overall scheme costs, resonated well with the sponsor.

This led to the administration services being transitioned alongside the formal adoption of the IGGnite model in April 2025.

Result

The new operating model delivered a more integrated governance and operational structure, reduced operational complexity and duplication, improved alignment across governance, administration and strategic planning, and established a clearer framework for long-term strategic decision-making. It is also projected to deliver annual business-as-usual savings of between 15% and 30%.

The move also improved member experience through the implementation of a modern digital administration platform, giving members online access to their benefits, secure communications, the ability to update their personal data online and centralised scheme information.

The resulting structure provided a more scalable operating model, designed to improve efficiency and governance quality for a smaller scheme environment while maintaining a focus on member outcomes and long-term strategic flexibility.

IGG Delivered

- Transition to an integrated IGGnite operating model
- Reduced operational complexity for a small DB scheme
- A trusted working relationship with the sponsor
- Consolidated governance and administration structure

Why This Matters for Smaller Pension Schemes

Smaller pension schemes often face the same regulatory expectations, governance demands and strategic decisions as much larger schemes, but without access to the same level of resource, specialist expertise or buying power.

IGGnite was developed specifically as a cost-efficient, standardised model to address this challenge. By bringing together high-quality governance, aligned advisers and an integrated operating model, IGGnite enables smaller schemes to benefit from the efficiencies and expertise typically associated with much larger pension schemes, while retaining their own identity, strategic objectives and control.

IGG's role

IGGnite provides an integrated governance model tailored to smaller pension schemes.

In practice, this includes:

- ✓ Professional Corporate Sole Trustee governance
- ✓ A coordinated panel of specialist advisers
- ✓ Consolidated governance and administration
- ✓ Technology-enabled investment oversight through IGGiQ
- ✓ Flexible support aligned to each scheme's long-term strategy

The result is a streamlined governance model that reduces complexity while supporting better decision-making.

The value

Smaller pension schemes deserve access to the same high-quality governance and expertise as larger schemes without the high price tag. IGGnite delivers this through a streamlined, integrated operating model designed specifically for smaller schemes.

With IGGnite, schemes benefit from:

- High-quality governance, proportionate to scheme size
- Streamlined adviser coordination
- Reduced sponsor time burden
- Cost certainty and transparency through our cost-efficient model
- Greater operational efficiency
- Continuous risk monitoring enabling quicker decisions

Through our panel of fund managers, schemes also benefit from lower asset management fees and access to innovative investment solutions that are often out of reach for small schemes.



Annabelle Hardiman

Trustee Director | Head of PCST

annabelle.hardiman@weareigg.com