

TRUSTEE SECRETARIAL SERVICES & ENCOURAGING BETTER GOVERNANCE JULY 2014

*We understand that trustees
may need some support
in helping them manage
their business.*

Trustee Secretarial services and Trustee Governance

The assistance trustee boards require from a Trustee Secretary will depend on their own capabilities and time commitments.

A Trustee Secretary's involvement could range from purely providing meeting management support to a much wider role. With increasing demands from the Pensions Act 2004 and codes of practice from the Pensions Regulator, this secretarial support is more important than ever.

What type of support might trustees require?

Trustee Secretarial services can encompass many different areas, as highlighted below.

Management

- Conflict management
- Meeting management
- Project management
- Budget management
- Supplier management
- Risk analysis & management
- Contract management

Planning

- Structure of trustee boards & sub-committees
- Scheme calendar
- Business planning
- Ensuring compliance
- Trustee training

Communication & advice

- Communications with members
- Seeking advice from advisors
- Dealing with regulatory bodies
- Dealing with complaints
- Selection of advisors

Trustee

- MNT elections
- Maintaining trustee documentation
- Assessment of trustee effectiveness
- Devising and agreeing trustee policy
- Maintaining trustee delegations

How does LCP help trustee boards manage their responsibilities?

The lack of resource that trustees have and the fact that a lot of sponsoring employers no longer wish to dedicate resource to Trustee Secretariat responsibilities mean that trustees face a more difficult task in complying with regulatory burden. Trustees now have to consider who can and who will help them manage these responsibilities. Pension Managers, who may have previously fulfilled this role, are increasingly being conflicted out of performing a dual role.

We help trustee boards decide on what level of additional support they need and help to source it, by developing the tools internally, or providing these services ourselves. We often find that a “mix and match” approach works best, drawing on both internal and external expertise to provide the additional management support trustees need.

Benefits for trustees, Scheme Sponsor and Pensions Manager*

- Relieves the day-to-day burden of running the arrangement, allowing for concentration on high level issues
- Provides comfort of good governance and legislative compliance
- Provides proactive, professional and technical expertise and support, enhancing knowledge and understanding
- Secretariat services are provided at the level required
- Support is responsive and flexible and can adapt to the trustees' changing needs
- Professional support introduces independence and reduces the chance of things going wrong
- Can help to identify and manage conflicts of interest
- Service complements internal expertise and resource
- Can help to monitor and manage internal and external service contracts
- Can enhance the level of risk management

*where one exists

Adrien Duckett

Chairman

Trustees Wales & West
Utilities Pension Scheme

The trustees are very pleased with the approach LCP has taken in providing us with a Scheme Secretary service that reflects our specific needs, going well beyond basic secretarial tasks. Delegating this valued role to LCP provides us with the benefit of a specialised Secretary to the trustees, allows us to focus on our core business and helps us to manage our pension priorities more clearly.

Levels of service LCP can provide

The level of service LCP provides can vary for each trustee board. We can take on increased responsibility, or just perform a core service. For further details please see the insert ‘Trustee Secretarial service levels and benefits’.

Our experience

We are finding that trustee boards are spending more time on considering how they wish to manage their business and increasingly draw on LCP's expertise in this area to assist them in meeting their objectives. If you would like to find out more about LCP's Trustee Secretarial services, please contact your LCP contact, or call Aiden Coloe or Justine Joy.



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