

Briefing

Super skilled scheme secretaries

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It's quite easy for people outside of the pensions world to imagine that the role of a pension scheme secretary is largely made up of arranging lunches, meeting rooms and taking a few notes at a meeting. That is, however, far from the in-depth and important role, which has become a recognised, respected and highly interesting career in its own right.

The amount of legislation and governance that trustees must comply with has grown year-on-year and we have yet to see a board function to the best of its ability without a strong scheme secretary supporting and guiding it. It is not a role required by statute but, in practice, it is essential. Your scheme secretary can be part of an in-house team or outsourced to specialists like Barnett Waddingham.

Part of The Pensions Regulator's (TPR) focus in its 21st Century Trusteeship campaign is on having clear roles and responsibilities.

As such a crucial part of the scheme's operation, the secretary's role should be carefully thought through and documented. The trustees should have full oversight of the tasks the scheme secretary performs and any delegations from the trustees to their secretary should be clearly recorded. This also helps with performance reviews.

What is a typical scheme secretarial role?

The scheme secretary's overall duty is to help facilitate the proper functioning of the trustee board. This includes liaison with and monitoring of all the trustees' providers and advisers. It is particularly important that the secretary works closely with the chairman to ensure that the scheme is managed in as effective a manner as possible.

Trustees' meetings and decision-making

- Arrange meeting dates with trustees and their advisers, ideally for the year ahead.
- Liaise with chairman and advisers in setting meeting agendas.
- Confirm that a quorum is available and in attendance at each meeting.
- Ensure that any conflicts of interest are acknowledged, managed and recorded appropriately.
- Advise the trustees on correct procedures for conduct of business, covering meetings, decision-making and preparation of audit trails. Liaise with advisers and provide help in implementing these procedures.
- Take minutes of the meetings, arrange for review by advisers and agree these with the chairman. Once agreed by the chairman, distribute to the full board and provide advisers with a final version (redacted, where appropriate).

- Produce a schedule of action points after the meeting and ensure that all parties are aware of what they need to do and by when. Monitor and update the schedule regularly.
- Escalate to the chairman any matters which are not progressed satisfactorily.
- Ensure minutes of the previous meeting are signed at the following meeting as a true record of proceedings.
- Ensure that any decisions are taken in accordance with the trustees' powers and procedures.

Provision of timely and accurate information to the trustees

- Ensure proper processes are in place for maintaining all of the trustees' records. Make sure the trustees have access to all key governance documents, for example via a secure online database.
- Provide the trustees with at least a quarterly review of progress relative to the business plan, and the main developments since the last meeting.
- Ensure that any sub-committees are in a position to report back on any recent committee meetings and provide updates on the progress made against the tasks outlined in the relevant section of the business plan.

Training

- Ensure that periodic training takes place for the trustees on their duties, responsibilities and technical subject matter on issues that they are dealing with.
- Arrange for a training log to be maintained for each of the trustees.
- Have a comprehensive induction programme in place for any new trustees.
- Ensure that the secretary to the trustees attends relevant training or CPD events.

Communication with stakeholders

- Ensure that the trustees' decisions are notified to appropriate parties and check that they are progressed.
- Together with the chairman, liaise with the company on the trustees' behalf on issues requiring the company's agreement or the company's help with implementation.
- Ensure that all discussions with the company on scheme issues are recorded and provide clear and unambiguous evidence of a delineation of roles and responsibilities.

Communication with members

- Assist the trustees in having a clear communication policy and style across all the media they use, such as on their website, in hard copy and at town hall meetings.
- Where appropriate, assist the administrators and trustees with individual member communications including management of member complaints and discretions.

Compliance

- Ensure that formal disputes procedures exist and are kept up to date.
- Prepare and maintain an annual calendar of tasks such as statutory accounts and scheme returns, and ensure that the providers and advisers responsible deliver them on time.
- Use adviser current issues papers and other publicly available material to ensure that the trustees are aware of and taking action on relevant changes to legislation and best practice.
- Make sure that the trustees have the required suite of governance documents - for example risk register, conflicts register and data protection processes. Ensure that these documents have a suitable review cycle and are updated between meetings.
- Ensure that any reportable events are captured, in particular those that must be notified to TPR. Maintain a log of both reportable and non-reportable breaches of legislation.
- Draw attention to developments in the field of trusteeship and standards of best practice that emerge.
- Have an agreed process to be able to urgently arrange an emergency call or meeting in the event of a major incident such as a data breach or adviser failure.

Governance

- Support the trustees in their strategic business planning.
- Encourage the trustees to evaluate their performance on a regular basis and help identify improvements or solutions if required, taking account of standards expected by TPR.
- Agree a process with the trustees for regular review of their providers/advisers and help manage any agreed improvement plans.
- Ensure that terms of reference are agreed and maintained for any sub-committees or temporary working groups.
- Make sure there are robust budget setting and expenditure reporting processes in place.
- Agree a process with the trustees for election/selection of new member nominated trustees.
- Maintain at all times a current trustees' signatory list.
- Keep a record of any activities formally delegated by the trustees to others.

Projects

- Ensure that any material new projects have their aims, budgets, stakeholders and risks (including data protection impact) defined at an early stage.
- Make sure that either the secretary or another nominated person is designated as the project manager and agree project governance and reporting lines.

Don't forget about the scheme secretary's development

Trustees are required to set and follow training plans and it's just as important for the scheme secretary to undertake professional development activities. Scheme secretaries who are members of professional bodies such as the Pensions Management Institute will need to meet their professional body's Continuing Professional Development requirements. As secretary, they will also benefit from attending trustee training events.

It is also good to network with other professional secretaries which can be done by attending seminars and professional body events. Many legal advisers and consultants, including Barnett Waddingham, offer these types of activities. We also offer bespoke training. The Pensions Management Institute runs annual Trustee Secretary Courses too – these are advertised on their Events page.

There is also an informal network of pension scheme secretaries called Scriba. Events currently tend to be based in London. If you would like to be added to their distribution list contact: david.brooks@broadstone.co.uk.

Need some help?

We have a UK-wide dedicated Pensions Management team with secretarial and governance specialists who can help deliver scheme secretarial services, including:



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Please contact your Barnett Waddingham consultant if you would like to discuss any of the above topics in more detail. Alternatively get in touch via the following:

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