

Corporate governance – enhancing the governance of your trustee arrangements

WHY CORPORATE GOVERNANCE?

Corporates have an essential role in ensuring good governance around their pension schemes. With the power to set the overarching governance model, appoint both professional and company-nominated trustees, and make increasingly complex decisions about surplus and long-term plans, the need for robust governance has never been greater.

As the organisation responsible for a significant financial commitment affecting current and past employees, your role includes:



Ensuring the overarching governance structure around your pension schemes is fit for purpose.



Appointing and reviewing professional and company-nominated trustees.



Regularly assessing the efficacy of ongoing arrangements.



Considering how your pension scheme governance compares to other governance in your business.

With the Pensions Regulator's oversight now formally extended to professional trustees, the scrutiny on those appointing and reviewing trustees is likely to increase.

DEMONSTRATING ROBUST GOVERNANCE

Our trustee effectiveness service for corporates supports you in demonstrating that your governance arrangements are robust and that plans are in place to address any areas of concern. We offer a bespoke consulting service tailored to your circumstances and budget which can:



Assess current arrangements using information you supply, as well as questionnaires, interviews, and observation of meetings. This assessment will consider the Pensions Regulator's key focus areas, including conflict management, separation of decision-makers from advisers, remuneration models, and the quality of decision-making.



Give you confidence that the competencies and skills of the trustees are fit for purpose.



Consider the extent and need for professional trustees.



Put in place an ongoing monitoring framework.



Compare your pension scheme governance and alignment with company governance principles.



Recommend improvements/changes to further enhance governance effectiveness.



Support in implementation of changes.

THE BENEFITS OF STRENGTHENING TRUSTEE EFFECTIVENESS

Your ability to demonstrate you have carefully considered your governance model and are providing regular reviews bring benefits, including:



Enhanced governance and effectiveness, supporting better member outcomes.



Consistency with wider corporate governance policies.



Collaborative relationships with trustees.



Alignment with regulatory direction of travel.

HOW CAN WE HELP?

Our consultants are governance experts with experience across the pensions market. We provide ad hoc and ongoing governance services to over 100 clients ranging from smaller schemes to multi-billion-pound arrangements.

For further information contact:



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