

# What makes a good scheme secretary?



For a trustee board to function smoothly and effectively, a good scheme secretary is essential. It's a critical role, like a company secretary, and needs the right combination of experience, skills and personal characteristics. So what does make a good scheme secretary?

The most effective scheme secretaries are those who are able to focus entirely on the role. Often they will come from a broader background within pensions so they bring relevant expertise and experience, but are not conflicted by other roles and responsibilities.



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## The person

The trustees should be able to act as an effective executive committee – so what's needed is a proactive scheme secretary, who keeps everything moving smoothly. As you might expect, excellent organisational and multitasking skills, together with the ability to work well under pressure, are essential. However, crucially, you also need someone who can build effective relationships with trustees, advisers, members and sponsor - and understand the dynamics at work between them. Then, of course, you also need to be familiar with how pension

schemes work, and the importance of effective governance. In a perfect world, the scheme secretary would be supported by a larger team with a diverse range of pensions expertise and technical knowledge.

Being able to present complex issues in a clear and precise manner ensures that board members can make timely and informed decisions. Knowing how the chair likes to work and the preferences of individual trustees helps ensure people do what they're supposed to, when they're supposed to - and take being chased more kindly when necessary.



## The approach

Many believe that a pension scheme secretary is a purely administrative function. Nothing could be further from the truth. It is a complex role, requiring a strategic mind, excellent inter-personal skills, a firm hand and a drive for continual improvement.

A good scheme secretary should:

- manage the scheme's strategic and operational plans, and understand how they interact
- always remain aware of the overall goals of the scheme, with particular regard to future funding objectives
- monitor budgets and control costs as far as delegations allow
- flag up any potential issues to the chair
- make sure everyone knows what they are supposed to be doing, for example sub committees need to be clear about their terms of reference and delegated powers
- be aware of different levels of knowledge within their trustee group and train and support trustees both when they join and ongoing
- ensure the chair has been fully briefed on all issues, always has relevant information to hand and is clear when and where decisions are required
- make sure papers are correct, clear, concise and easy to digest, so trustees are able to make informed decisions

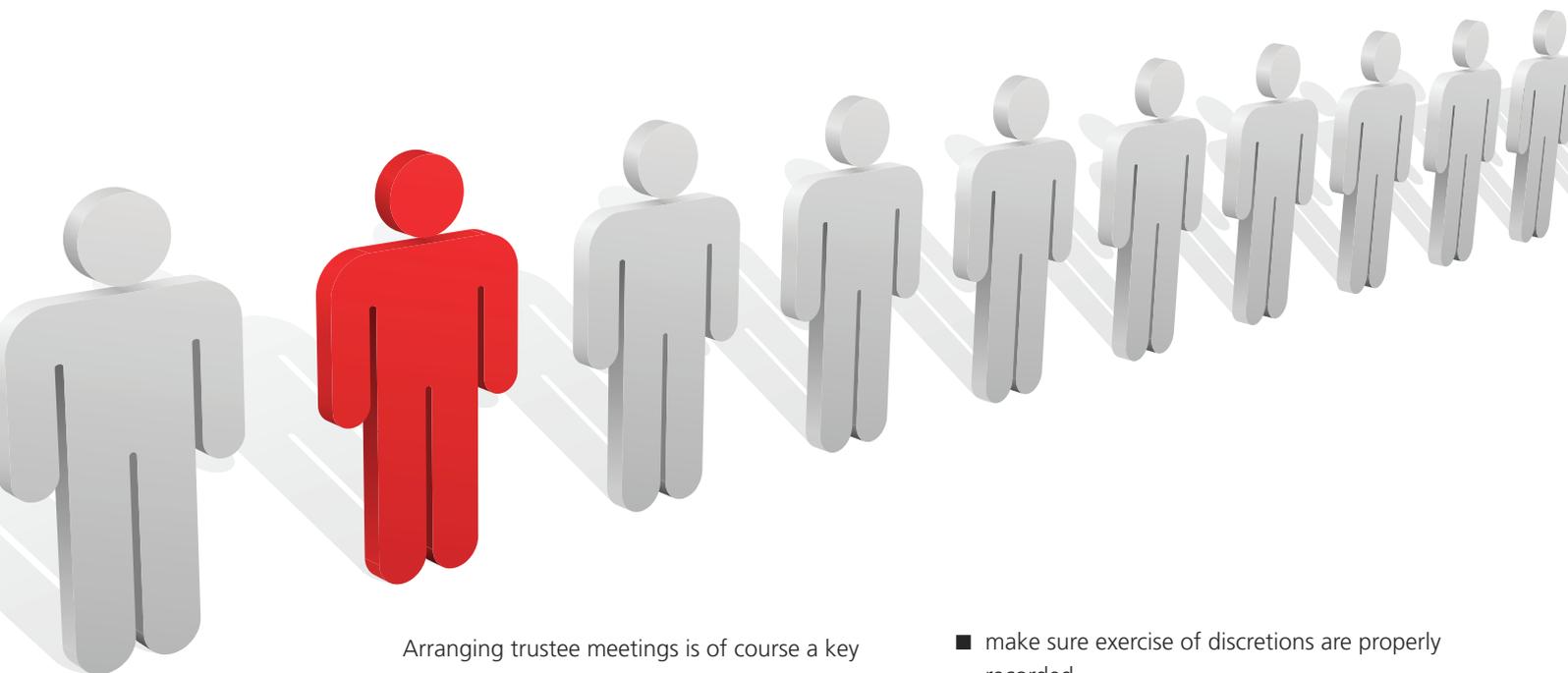
- act as a focal point to resolve any trustee related issues
- suggest ways to improve processes to make the board more efficient, for example by switching from hard to soft copy meeting packs

Providing support to the trustees to help ensure all statutory requirements are met is vital. To do this effectively, the secretary needs to be aware of all relevant codes of practice from the Pensions Regulator and any other best practice guidelines. They should keep a comprehensive plan of all the main events in the scheme year, such as preparation of annual report and accounts, member-nominated trustee nominations and dates for reporting to HM Revenue and Customs. A good scheme secretary will agree and deliver a business plan that includes all relevant legal and regulatory requirements.

## The day job

In case it wasn't already clear – the role of scheme secretary is not simply that of a note taker. To be truly effective, it has to be someone's day job. They need to think for the trustees and act in their interests, as being a trustee can be an onerous responsibility. Often many of the day-to-day delivery tasks are delegated to the scheme secretary. It is vital that the diverse aspects of this role are all properly covered - from the logistics of effectively arranging meetings to ensuring the correct level of governance. ▶

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Arranging trustee meetings is of course a key responsibility. A good scheme secretary will ensure that dates are planned well in advance (ideally several months ahead) and suitable venues are booked, as well as:

- confirm meeting room details and refreshments a few weeks ahead, ensuring any dietary requirements are properly catered for
- send reminders at least ten working days beforehand – making allowance for any bank holidays
- make sure trustees know where they are going (with a map if appropriate!), have an itinerary for the day and know who to contact should there be any issues
- fully brief all advisers and presenters to ensure they are clear about which items to cover and who the trustees are, as well as timings and any administrative details for the day
- provide the venue with a list of attendees and the time they are due to arrive – together with instructions as to whether they should be shown in to the meeting on arrival or wait to be collected

Of course, the role does not stop there. It is equally important to ensure that each meeting runs smoothly and all objectives are achieved. The list of things a good scheme secretary does continues...

- be organised – discuss and plan the agenda with the chair in advance of the trustee meeting and then circulate it to the trustees and advisers for comment so that everyone is properly prepared for the relevant discussions
- chase any outstanding action points in good time. Good practice would be to review actions regularly so they are progressing or completed, as appropriate
- help maintain proper conduct at meetings by ensuring quorums are met and conflicts of interest are considered

- make sure exercise of discretions are properly recorded
- always have to hand any scheme documents that might need to be referred to
- encourage the trustees to participate and have their say, whilst assisting the chair in keeping the meeting on schedule
- produce accurate minutes which provide an evidential trail of matters discussed

The things a secretary shouldn't do are just as important. Here are some of my suggestions:

- don't be afraid to speak out if something is wrong or you suspect there is a problem
- don't overstep the parameters of your authority and responsibility
- don't sit on things - deliver by the date you promise and if you can't meet that date, tell the trustees in advance

Perhaps most importantly - don't assume anything has been done - always double check. ■

### KEY MESSAGES

- **A good scheme secretary must have the right combination of organisational, collaborative, strategic and diplomatic skills**
- **An excellent working knowledge of current legal and compliance requirements is vital**
- **Gaining the trust of the trustee board and respect of scheme advisers quickly is a must**
- **Managing and meeting expectations needs to become second nature**
- **The ability to project calm on the surface, even when paddling hard under the water, is essential**