

# Reviewing Trustee Effectiveness

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Like any successful business, a pension scheme needs an effective board in order to fulfil its ultimate objective of delivering successful member outcomes. The Pensions Regulator ("TPR") encourages trustee boards to take a critical look at their own performance.

This is very evident in its 2021 consultation on the new Code of Practice (the "new Code") for pension scheme governance, which will result in the introduction of some new requirements for trustees. The proposed new Code seeks to shine a spotlight on the importance of pension scheme governance and encourages trustees to give priority to this important aspect of scheme management, which TPR views as the bedrock of any well-run scheme.

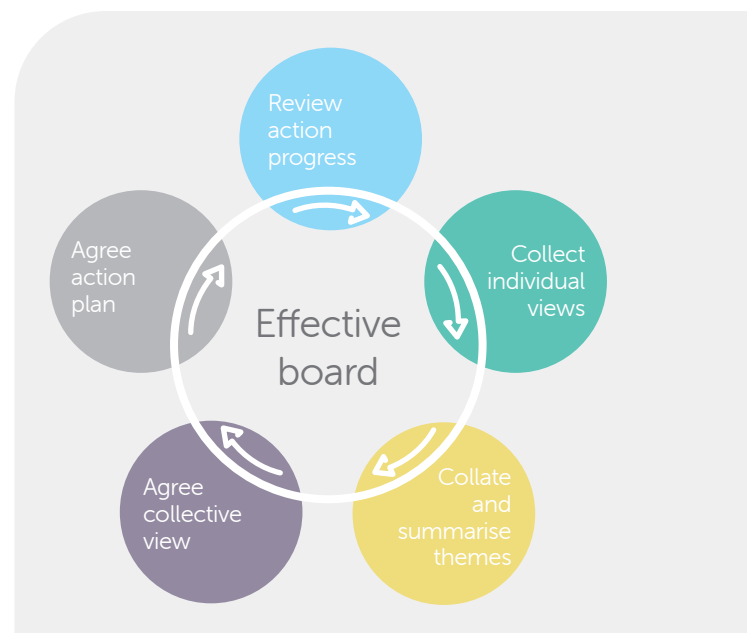
But with pension issues becoming ever more complex, how can trustees ensure they are operating effectively and making efficient use of their time and resources?

In preparation for the introduction of the new Code, we believe that trustees should start reviewing their board effectiveness now. After all you can't have an effective system of governance without being effective as a board.

## How is effectiveness reviewed?

Barnett Waddingham has developed its Trustee Effectiveness [GAPS](#) Survey. This seeks to collate individual trustees' views on what is [Good](#), [Adequate](#) or [Poor](#) about the way in which they operate, together with [Suggestions for improvement](#).

Information-gathering is useful but the most important stage of any such review is what the trustee board does with the findings. The real value comes from drawing conclusions and agreeing an action plan in the context of the strategic objectives for the scheme.



The output of the **GAPS** Survey will be presented to the trustees, allowing them to review and debate their thoughts and opinions on various aspects of how they manage the scheme and operate collectively. We will then use our breadth of experience of working with all size of schemes to help trustees decide where their opportunities and challenges lie and what to do about them.

... We recommend that the feedback session takes  
... place outside of a regular trustees' meeting to  
... allow complete focus away from other trustee  
... business and encourage full engagement.

## How we can help

If you have not recently carried out a trustee effectiveness review, now is a good time to schedule one into your business plan over the next few months. This will be a great springboard to get you in the right governance mind-set to address emerging issues that will form the final new Code.

Using an independent specialist resource such as Barnett Waddingham's Pension Management team means you can focus on the thinking and share Barnett Waddingham's experience of clients who may be facing, or have faced, similar issues to you.

If you would like more information about trustee effectiveness reviews or how we can support you in any other governance challenges to help you get ready for the new Code, please contact your usual Barnett Waddingham consultant. Alternatively you can contact our Pension Management team via the following:

✉ [pensionmanagement@barnett-waddingham.co.uk](mailto:pensionmanagement@barnett-waddingham.co.uk)

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