



The future of trustee meetings – what do they look like?



A word from Claire

“Since the outbreak of Covid-19, the world has adapted to working remotely, with video conferences now the norm.”

The pensions industry has adapted out of necessity, but many questions remain about what the future might look like. Will meetings go back to being held face to face or do the benefits of remote working outweigh the disadvantages? What can be learnt from the experience that can be taken forward to improve the operational effectiveness of trustees and schemes? We asked a sample of trustee boards how they are planning to operate in the next 12 months.

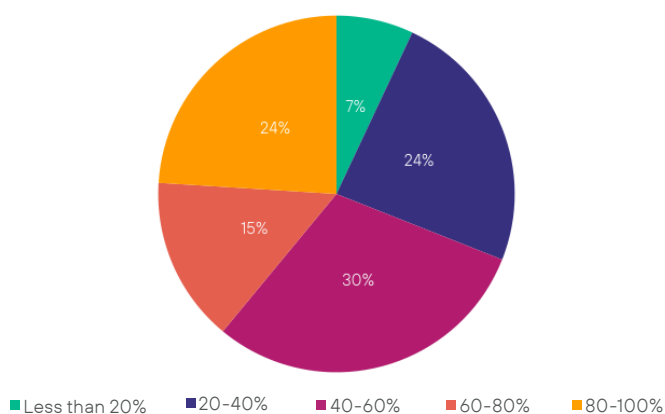


What plans are trustees making?

15% of trustee boards in our sample* already have plans to hold meetings face to face within the next 6 months, although of course this may change as government guidelines are amended. Typically, these are boards that have kept to the traditional schedule of longer, less frequent meetings, which are less conducive to an online setting.

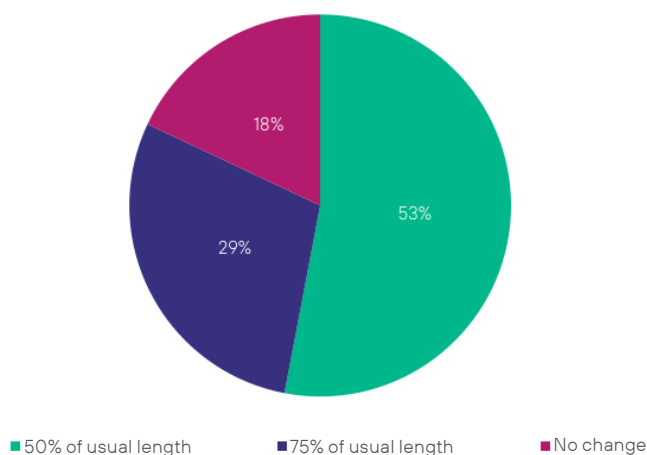
More interestingly, in a sign that ways of working have fundamentally altered, the majority of trustee boards in our sample anticipate that they will continue to hold at least some of their meetings remotely even when they can meet in person.

Proportion of meetings expected to be face-to-face (once permitted)



Reasons cited include the additional flexibility that remote meetings bring, reduction in travel time and, for many boards, reduced meeting length:

Remote meeting length



*Sample size of 35 pension schemes, survey conducted by Isio and responses provided by trustee advisers



Embracing the best bits of remote working

The lack of travel is seen as a major positive by all:

- Boards are **more flexible and can respond quicker** to the scheme needs by arranging ad-hoc meetings faster. This in turn means that business can be progressed efficiently
- **More time to prepare** for meetings and progress trustee business
- Positive impact on individual's **work life balance** and mental health
- Positive **environmental** impact

'Zoom fatigue' is real – boards have responded with more **concise and focused** meetings that can be more efficient, with agenda timings being stuck to more rigidly.

But there are downsides to meeting remotely too. It's **harder to build rapport** when new trustees or advisers join the board and there is **less opportunity for social interaction** and "small talk" in breaks and over lunch – vital to maintain an effective team. Many individuals find it **harder to focus** when not meeting face to face, and the format can **reduce the level of creativity and challenge** seen from trustees, with too many items brushed through in the interests of efficiency.

So, it's unsurprising that most boards are moving towards a structure that sees a mix of face to face and remote meetings as standard.



Making the best of both worlds

Use any time that you do have face to face wisely. As well as focusing on the more strategic questions, set aside some time for activities that are less easily done remotely, such as a team building challenge, softer skills training, or a trustee social.

Bear in mind that board meetings should be reserved for strategic decision making and an overview of how the scheme is doing relative to its objectives. The details of specific projects, such as the current hot topic of GMP equalisation, are better dealt with through dedicated sessions. Remote working may make these easier to schedule.

During remote meetings, actively encourage creativity and challenge. The chair can help here by asking for trustee opinions and challenges and ensuring everyone's view is heard equally. Consider appointing a 'devil's advocate'.

Ask trustees to come fully prepared to meetings so simple, standard papers can be taken as read. One way to do this is to indicate on the agenda, and in a summary cover page for each paper, what the key action/decision will be for the board. If trustees wish to discuss/challenge something on a paper not marked for discussion, they should flag this in advance of the meeting.

Ask your advisers to focus on the key discussion points, decisions, and actions instead of walking through papers page by page – a concise executive summary can help focus conversations. Although not yet typical in pension schemes, many corporate boards set page limits and formats for board papers.

Consider using an online board portal or other collaboration software. Once they get used to it, no one will miss the inflexible board packs which are several hundred pages long.

Most importantly, assess your board's effectiveness. This will help tease out any issues or areas where you could improve, leading to greater efficiency and crucially, better outcomes for members. The Regulator states that you should be assessing your effectiveness annually and it has become even more vital given the recent period of volatility and the need for trustees to adapt rapidly to new ways of working.

Final food for thought on things to consider once face to face meetings resume:

- Schedule a mix of remote and face to face meetings where possible
- Reserve the face time for strategic discussions and team-building
- Aim for shorter, more frequent remote meetings
- Take meeting papers as read and shorten adviser presentations
- Assess your trustee board effectiveness regularly

Get in touch if you'd like to discuss pension scheme operations, governance and effectiveness, or if you'd like further information about how to complete an effectiveness review.



Claire Whittaker
Director

Tel: 020 7123 6123
claire.whittaker@isio.com

Ellie Dobson
Senior Manager

Tel: 0161 518 4635
ellie.dobson@isio.com

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.