Guidance for trustees

Sample board skills matrix

The Pensions Regulator

Sample board skills matrix

This example board matrix will help you record the skills, knowledge, understanding and experience of the whole trustee board. It is not intended to be an exhaustive list of matters you should consider, and the skills required will vary depending on the size and complexity of your scheme.

You should base your skills matrix on the objectives you've agreed in your business plan and think about the knowledge, skills and competencies your board will need to achieve them. You should also consider any upcoming exercises or projects which may require additional skills and experience, for example preparing for a change in law or a change in service provider.

Once you have identified the skills and experience you need, you should prioritise those which are essential for your board to effectively manage the scheme over the next year. You should also identify which are critical, which will help mitigate risks, which are essential for all trustees to meet and how others may be achieved by the collective board.

The trustees should assess themselves against the skills in this matrix to identify gaps, which can be addressed either through training, using advisers or gaining experience and expertise from a provider or employer in an advisory role. For example, you may consider inviting non-trustees from the business with a specific skill or experience to sit on a sub-committee, or appoint an adviser to work with you on a specific project for a limited period of time.

Sample questions

Key:	Excellent		Good		Some		Limited		None	
Select the skills required and at what level for each trustee by ticking the relevant box using the key above as a guide	Essential or desirable	Trustee 1	Trustee 2	Trustee 3	Trustee 4	Trustee 5	Trustee 6			
Behaviours										
Demonstrates consistent attendance at board meetings										
Always prepared for meetings. Reads board papers in advance and is prepared to engage and ask questions.										
Contributes and facilitates discussion to develop ideas										
Communicates clearly and openly to secure understanding										
Able to work effectively with other board members of varying experience and understanding										
Works collaboratively and establishes good working relationships										
Committed to the objectives of the scheme										
Motivated and enthusiastic and able to convey this to others										
Takes responsibilities for actions										
Identifies risks and threats and appropriate action										
Questions and challenges when necessary, to further board understanding and develop problem-solving										

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Behaviours ctd							
Uses judgement and common sense in making informed decisions							
Undertakes learning and development to improve trustee skills and is aware of own strengths and weaknesses							
Understands, and is committed to, the objectives of the scheme							
Acts with transparency and integrity, and manages personal conflicts of interest							
Accountabilities							
Detailed knowledge of the role and responsibilities of trustee board members and all those involved in running the scheme							
Understanding of, and has access to, the register of delegations							
Understanding of, and has access to, the register of trustee discretionary decisions							

Key:	Excellent		Good		Some		Limited		None	
Select the skills required and at what level for each trustee by ticking the relevant box using the key above as a guide	Essential or desirable	Trustee 1	Trustee 2	Trustee 3	Trustee 4	Trustee 5	Trustee 6

Knowledge and understanding							
Has completed the Trustee toolkit or equivalent learning, which meets the relevant TKU requirements							
Demonstrates evidence that knowledge has been kept up to date							
Assessed own knowledge and understanding against current TKU scope guidance: www.tpr.gov.uk/trustees/ongoing-learning-and-development.aspx							
Understands the duties of occupational pension scheme trustees, including the pensions and trustee legislative framework, common law in the UK and how this applies to the scheme							
Awareness of Myner's principles of investment governance							
Awareness and understanding of TPR's codes of practice and guidance and how they apply to the scheme							
Awareness and understanding of GDPR							

Key:	Excellent		Good		Some		Limited		None	
Select the skills required and at what level for each trustee by ticking the relevant box using the key above as a guide	Essential or desirable	Trustee 1	Trustee 2	Trustee 3	Trustee 4	Trustee 5	Trustee 6

Scheme specific knowledge							
Has a working knowledge of, and has access to, the trust deed and rules including any amending deed							
Has a working knowledge and access to member booklets and announcements							
Has a working knowledge and access to the latest statement of investment principles							
For DB schemes, has a working knowledge and access to the latest statement of funding principles where the scheme is subject to Part 3 of the Pensions Act 2004							
Understands the scheme's investments in relation to diversification and risk							
Has a working knowledge and access to the scheme business plan							
Awareness and understanding of the scheme's conflicts of interest policy							
Awareness and understanding of the scheme's risk register							
Understanding of the priorities of risks on the register relating to likelihood and impact on members							
Has an understanding and access to contracts with advisers							

Key:	Excellent	Good	Some		Limited		None	
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Scheme specific knowledge ctd							
Has a working knowledge and access to the scheme's internal dispute resolution process							

Skills							
Demonstrates practical problem-solving skills							
Experienced in evaluating board decisions and participating in board performance reviews							
Contract management							
Demonstrates analytical skills							
Demonstrates strategic and creative thinking							
Demonstrates attention to detail							
Absorbs and analyses large quantities of information							
Demonstrates influence and consensus building skills							
Demonstrates active listening skills							

Key:	Excellent		Good		Some		Limited		None	
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Experience The items below cover areas of experience which the trustee board as a whole may want access to, either from trustees on the board or through advisers.							
Relevant experience of sitting on governance boards							
Strategy development experience							
Pensions industry experience							
Pension administration experience							
Financial management experience							
Investment experience							
Legal experience							
Communications/marketing/media experience							
Professional trustee experience							
Experience of prioritising, assessing and mitigating risk							
Experience of HR and payroll practices							

How to contact us

www.tpr.gov.uk

www.trusteetoolkit.com
Free online learning for trustees

www.pensionseducationportal.com
Free online learning for those running public service schemes

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