

A new Pensions Board

Information for
prospective trustees
2021



The Pensions Board is in the process of restructuring – the legislation to do so has been approved by the Synod and is currently before Parliament. The changes, subject to Parliamentary approval, will take place on 1 July 2021, and include a new Board of trustees.

The role of the Board remains unchanged – we will continue to provide retirement services to those who work or serve the Church of England and campaign on responsible investment issues – but we will do so with a simplified structure. The new arrangements mean the Board will meet the high standards of governance required by our regulators and expected of the Church.

You can help us with this governance, either by standing for election or appointment to the new Board, or by nominating someone else for election. This booklet sets out the duties of a trustee, how the Board is constituted, who can nominate under each constituency, and who can stand. It also includes some of the questions we are most frequently asked from prospective candidates.

Thank you for helping us ensure that the Board is as effective as we can make it..

A handwritten signature in black ink that reads "Clive Mather". The signature is written in a cursive style and is underlined with a single horizontal line.

Clive Mather
Chair, The Church of England Pensions Board

What does a trustee do?

The main responsibilities of trustees are akin to those of non-executive directors of companies – to set and review the purpose and vision of the Board; to contribute to the development of the Board's strategy; and to hold the Chief Executive and the Executive Team to account for their performance. In addition, the regulatory framework requires the Board to take the final decision on the three-yearly valuations of the pension funds and similar issues.

As a trustee of the Pensions Board you are both a pension trustee and a charitable trustee. The trustees work with the Executive Team to ensure that the best interests of the Board's customers are met and, importantly, are secure.

Within the pension operations, this includes considering and approving the assumptions underlying the actuarial valuations of the various schemes. Most of the charitable operations are related to the provision of retirement housing to the clergy.

How many trustees are there?

Following the reforms, the new Board has twelve members.

To supplement the expertise of the trustees, we appoint non-trustee members to serve on our Committees. There are no non-trustee members of the Board.

Where do members come from for appointment/election?

The twelve members of the Board are appointed/elected as follows -

- The Chair of the Board is appointed by the Archbishops of Canterbury and York with the approval of the General Synod.
- Two people elected by the members of either the Clergy Funded Pension Scheme or the pre-1998 clergy pension scheme; one of the people must also be a member of the General Synod's House of Clergy at the time of their election to the Pensions Board. Any member of either clergy pension scheme can stand for election.
- One person elected by the members of the Church Workers Pension Fund. Any member of the CWPF can stand for election.

- One person elected by the members of the Church Administrators Pension Fund. Any member of the CAPF can stand for election.
- One person elected by the employers participating in the Church Workers Pension Fund and the Church Administrators Pension Fund.
- One person appointed by the Archbishops of Canterbury and York after consultation with the Church Commissioners and the Dioceses.
- One person appointed by the Archbishops of Canterbury and York after consultation with the Chair of the General Synod's House of Laity and the Chair of the Church of England Appointments Committee.
- One person appointed by the Archbishops of Canterbury and York after consultation with the Prolocutors of the Convocations of Canterbury and York and the Chair of the Church of England Appointments Committee.
- Three people appointed by the Archbishops of Canterbury and York for their professional expertise.

Candidates for the member-nominated trustee positions also need to show that they have met certain criteria set for each election. The criteria are determined and assessed by two existing trustees and the Chair of the Church of England Appointments Committee. This is to ensure that those offering themselves are not only eligible to stand but also understand what the role of a pensions trustee is and, importantly, what pension trustees do not do.

The criteria for the 2021 member-nominated trustee positions are set out later in this book.

Do I need to be an actuary or investment expert? And if not, what other skills are important?

In general, trustees do not need to be actuaries or investment experts, but you will need to have, or acquire, the ability to understand and discuss investment or actuarial issues.

To act as a pension trustee, you need to gain a certain level of knowledge set by the Pensions Regulator. The Regulator has devised an online study course (which is free to complete) which can give you the required standard.

For the member-nominated trustee positions, completion of certain units may be required as part of the nomination process. However, we recommend that all candidates before standing for election or appointment study the initial modules of the Trustee Toolkit. Each module has a multiple-choice test at the end to assess understanding of the material.

Our work is complex; you therefore need to be able to assess and see through complicated and difficult issues, work constructively with a diverse group of trustees, and exercise a good degree of common sense.

Would you find experience in social housing useful?

We provide retirement housing to retired clergy households, and particularly welcome and encourage candidates standing who have skills and expertise in the field of social or retirement housing/social housing finance.

Diversity

We take diversity amongst the Board membership seriously and see a wide-ranging diversity at Board level as an important element in achieving our purpose, vision and values.

We vote against companies who do not include certain characteristics such as gender balance or ethnic minority individuals in their governance. We want to ensure that the Board's composition at least meets what we expect in others as well as the people we serve.

We welcome applications and nominations from people with disabilities, women, ethnic minorities, the LGBT+ community, all parts of the country, all professional backgrounds and across the age ranges.

For appointments to the Board, we ensure we have at least one ethnic minority candidate on the shortlist.

Is churchmanship important?

No. The administration of pension schemes and the provision of retirement housing are free of issues relating to churchmanship.

How many times a year does the Board meet?

The Board meets five times each year, including a 24 hour overnight residential session. During the pandemic this has mostly been online, but we are hopeful that some meetings will be in person again soon, albeit that these may have appropriate social distancing arrangements in place.

In addition, most members serve on at least one of the four Committees. The Committees meet between three or four times each year depending on the level of business; some committees also hold residential sessions.

When is the Board meeting in 2021/22?

The Board is planning to meet on the following dates –

29/30 June 2021
30 September 2021
9 December 2021
3 March 2022
5 May 2022
28/29 June 2022
29 September 2022
8 December 2022

What's the time commitment if I am elected?

The time commitment required is between 15 and 20 days per annum, to allow adequate time to prepare for and attend meetings of the Board and its Committees, and to undertake necessary training.

Do I get paid?

The role is non-executive and unpaid.

Travel and other expenses are paid within guidelines set for all staff and trustees of the National Church Institutions.

I have had financial difficulties in the past, can I still stand?

Maybe - Section 178 of the Charities Act 2011 and section 29(1) of the Pensions Act 1995 set out various statutory disqualifications.

If, for example, you are an un-discharged bankrupt or entered into certain other voluntary agreements with creditors, you cannot stand; the full criteria can be found here [Trustee eligibility declaration form \(publishing.service.gov.uk\)](https://publishing.service.gov.uk) .

Can I talk to an existing trustee about their experience?

We have included the profiles of two members of the Board in the following pages. If you have questions, would like to know more about being a trustee, or would like to be put in touch with an existing trustee to learn about their experience, please contact

Lee Marshall, Chief of Staff
lee.marshall@churchofengland.org

A copy of our Annual Review can be found on the Church of England Website.

Member-nominated trustee positions

In order to stand for one of the four member-nominated trustee positions available in 2021, you must show that you –

- are a member of the relevant pension scheme and are not barred from taking up office as a pension or charity trustee by statute. We may carry out an Experian Credit Check to confirm the latter, and you will need to consent to us doing so if necessary.
- have been nominated by two members of the relevant pension scheme
- have completed a Declaration of Interests Form setting out your other directorships, trusteeships and relationship with any of the Board’s advisers (a list can be supplied if necessary), and that of any members of your immediate family.
- show evidence that you have studied and completed successfully the following modules of the Pensions Regulator’s Trustee Toolkit
 - Introducing pension schemes
 - The trustee’s role
 - Running a scheme
- recognition that
 - the role is non-executive and unpaid;
 - trustees act with collective responsibility and are not elected to “represent” the members of the pension scheme to which they belong, but act for the interests of all the beneficiaries of the pension schemes; and
 - trustees work within the values of the National Church Institutions including, excellence, respect, integrity and diversity and inclusion.

In addition to the above, you will need to supply an “election address” of no more than one side of A4 (minimum font size 12) with a photograph and your date of birth. In the event of a contested election, this will form part of the voting papers sent to all eligible members in the election.

Meet our Trustees

Nikesh Patel was appointed to the Board in March 2018 by the Archbishops of Canterbury and York, after consultation with the dioceses. He is a member of the Investment Committee.



What made you put your name forward for appointment?

I had worked with trustees of pension funds for my whole career, but either as an investment adviser or asset manager. Trustees must deal with much broader issues than these alone, and I felt that I could broaden my own knowledge and personal development in seeking a trustee appointment, and offer my experience and expertise as an actuary and investor in return. The CEPB in particular appealed because of the relatively unique characteristics of its approach: a focus on ESG and responsible investment, and an innovative approach to actuarial funding, as well as an incredibly welcoming set of trustees for a first time NED.

What is most challenging about being a trustee?

Knowing when not to speak. Our meetings are very well briefed with a thorough set of discussion papers and recommendations, and there is a substantial amount of business to complete at each meeting. I often find that the other trustees have already expressed what I would have said, and so there is little need to delay proceedings by adding a further voice, especially as any major questions or concerns are encouraged to have been raised directly with the executive before the meetings occur.

A second challenge is in recognition that the CEPB is more than a traditional DB scheme; there are unique benefit structures, non-pension benefits and of course a large organisation with its own set of employees for whom the CEPB is responsible - and this takes some additional adjustment from a traditional pension fund trustee context alone. In situations like 2020, the CEPB has spent as much time on its duties as an employer as it has as a trustee to the pension funds.

How much time do you devote to the Board's business?

This has varied from year to year. In my first year with the Board, and my first year as an NED, I spent around 30 full days on Board business (including preparation time, and time spent on 'catching up' on historic business, training and development). This has reduced to around 18-22 days since then, with the variation to do with roles on committees and working groups (and accepting some absences from meeting)

Meet our Trustees

Maggie Rodger has been a Board member since January 2016 and was elected by the members of the Church Administrator's Pensions Fund. She chairs the Audit and Risk Committee and is a member of the Pensions Committee.



What made you stand for election?

I was approaching retirement as the Finance Director of a local hospice and was a trustee for the Pensions Trust. Despite my best intentions not to take up any other voluntary roles for at least six months, the letter arrived seeking nominations for the Member Nominated Trustee for the Church Administrator's Pension Fund and I put my name forward. Having begun to learn about being a trustee with the Pensions Trust, I felt it seemed right to give my time to assist my former colleagues at Church House.

What do I enjoy most about my role?

I enjoy working with the other people on the Board and learning from their skills and experience. Also, as a trustee working with several schemes, means the same themes inevitably arise, but in a different way so it is challenging to apply learning from one situation to the other.

What is most challenging about being a trustee?

Balancing the needs of the members and the quality and affordability of the management of the schemes. As a member of the Board there is also the added dimension of the charitable funds and housing schemes.

In meetings we have lots of expert advice but our task as trustees is to ask the right questions to provide a rigorous challenge about what is appropriate for the Board.

What skills do I bring?

I worked for the National Church Institutions for around 20 years so had the advantage of knowing the various inter-relationships between the various Church bodies. After I left the NCIs, I worked for a charity and was elected as a Member Nominated Trustee of the Pensions Trust. As part of that, I completed the Pensions Regulator's Trustee Toolkit and other training, I also gained experience in running pension schemes for charities and others. As Finance Director for the charity, I also needed to run a number of consultations with staff members about changes to their benefits, so had experience from the employer perspective too.

How much time do you devote to the Board's business?

I sit on the Board's Pensions Committee so, together with the Board meetings, have meetings on around 8 to 10 days per year. Preparing for meetings, plus generally keeping abreast of developments in the pensions world through attending some training, reading newspapers etc means the total is nearer 20 working days – the preparation though can be done in the evenings or at a time to suit.