

Governance transformation delivers 25% cost improvement

Client Context

A UK defined benefit pension scheme with approximately £250 million in assets and around 3,000 members appointed IGG to support a significant governance transformation.

The scheme was closed to both future accrual and new entrants, with a cohort of active deferred members maintaining a final salary link. Following a governance review, the Trustee sought to simplify its governance arrangements, strengthen strategic oversight and improve value for money.

Challenge

The Scheme's governance arrangements had evolved over many years, creating a large and increasingly complex operating model. The Trustee Board consisted of eight members supported by multiple sub-committees, while meeting agendas had become increasingly adviser-led rather than focused on the Trustee's strategic priorities.

Long-standing adviser appointments had also resulted in expanding scopes of work and increasing costs over time. Budget management provided limited visibility of expenditure, making it more difficult to effectively track spend, challenge costs and assess whether the Scheme was receiving value for members.

IGG's Outsourced Governance team was appointed to undertake an overarching governance review, considering the structure, processes and adviser arrangements supporting the Trustee and identifying opportunities to create a more focused and efficient operating model.

At a glance



Scheme size

£250m

**defined benefit
pension scheme**



Membership

3,000

members



Challenge

**Governance
transformation**

**to strengthen strategic
oversight and value for
money**



Outcome

**25%
reduction**

**in annual scheme
expenditure in year one**



Solution

The governance review identified a series of opportunities to simplify the Scheme's operating model and strengthen Trustee oversight.

Following the review, the Trustee Board reduced from eight members to three through retirements and the expiry of existing terms of office, with a Professional Trustee appointed as co-trustee. The existing sub-committee structure was removed, enabling decisions to be taken more efficiently, while ownership of meeting agendas moved firmly to the Trustee to create a clearer focus on governance, strategy and effective decision-making.

As part of the wider governance and adviser review, IGG also strengthened financial oversight. A fully documented and trackable budget was introduced, individual adviser budgets were benchmarked to assess value for members, and ongoing monitoring and scrutiny of spend provided greater transparency and cost certainty.

Existing adviser appointments were reviewed with a focus on the Scheme's "must haves" rather than "nice to haves", helping ensure adviser resource and expenditure were aligned with the Trustee's priorities.



Result

The governance transformation created a more streamlined operating model, reducing the time commitment required from the Trustee, advisers and sponsoring employer while strengthening the Trustee's control over strategic priorities.

Trustee meetings reduced from two days to half a day, with advisers attending by invitation where they could add genuine value. Enhanced budget management, adviser benchmarking and ongoing scrutiny of expenditure provided greater transparency and cost certainty, contributing to an approximately 25% reduction in annual Scheme expenditure in the first year, with further reductions achieved in year two.

The result was a more efficient governance framework that strengthened strategic oversight, delivered long-term value for members and enabled the Trustee Board to focus its time on the decisions that mattered most.

IGG Delivered



Governance
transformation



25% reduction in
annual scheme
expenditure



Strategic Trustee
leadership



Enhanced budget
oversight

Why This Matters for Pension Schemes

Trustee Boards are facing increasing regulatory expectations, growing stakeholder complexity and greater pressure on internal resource. Delivering effective governance requires experienced support, clear coordination and robust governance processes that keep activity moving and enable Trustees to focus on strategic decision-making.

For many Schemes, maintaining the right level of governance resource can be challenging, particularly during periods of change, increased workload or competing priorities. Outsourced governance provides flexible access to experienced Scheme Secretaries and governance professionals, helping strengthen governance arrangements, build greater resilience and provide the right expertise when it is needed.



IGG's role

IGG acts as a trusted governance partner, providing experienced Scheme Secretaries and governance professionals who become an extension of your Trustee Board.

Our support can be tailored to your scheme and existing team, from interim or co-sourced resource through to a fully outsourced governance service.

- ✓ Experienced Scheme Secretarial and governance support
- ✓ Trustee meeting and governance management
- ✓ Effective adviser and stakeholder coordination
- ✓ Governance planning, records and action tracking
- ✓ Support through regulatory change and strategic projects

The result is experienced, flexible governance support that keeps activity on track while allowing Trustees to focus their time where it adds most value.



The value

Outsourcing provides immediate access to experienced governance professionals without the need to increase permanent resource, with the wider IGG team providing additional expertise, resilience and continuity.

With IGG's Outsourced Governance Services, schemes can benefit from:

- Flexible support that can scale as needs change
- Greater resilience and reduced key-person risk
- Access to wider specialist expertise
- Stronger governance coordination and oversight
- More Trustee time focused on strategic priorities

Whether experiencing a gap in governance resource, navigating significant change, undertaking a major strategic project or looking to strengthen existing governance arrangements, IGG can provide the right level of support at the right time.



Clare Kember

Trustee Director | Head of Outsourced Governance

clare.kember@weareigg.com