



The PwC Trustee Pay Survey 2024

January 2025



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Background & Introduction

We are pleased to present a sample of the findings from our 2024 PwC Trustee Pay Survey.

Survey participation has increased by c.40% since 2022, which is likely to have been driven by TPR's General Code and, more specifically, the requirement to set out the principles for determining pay and the decision-making processes for payment levels within the remuneration policy.

There has been a shift in the distribution between size of participating schemes when compared to 2022, with a significant decrease to the number of schemes with asset sizes over £5bn and a large increase in schemes of up to £1.5bn. The largest increase was in schemes of between £0.5bn to £1.5bn.

Much like the rest of the world, the pensions industry continues to go through significant change, and this shows no immediate signs of slowing down.

Given the ever-growing list of project work, and limited pool of administrative resources to manage this, the ability of industry to deliver is a real concern, featuring in a number of respondents' top 3 challenges over the coming years.

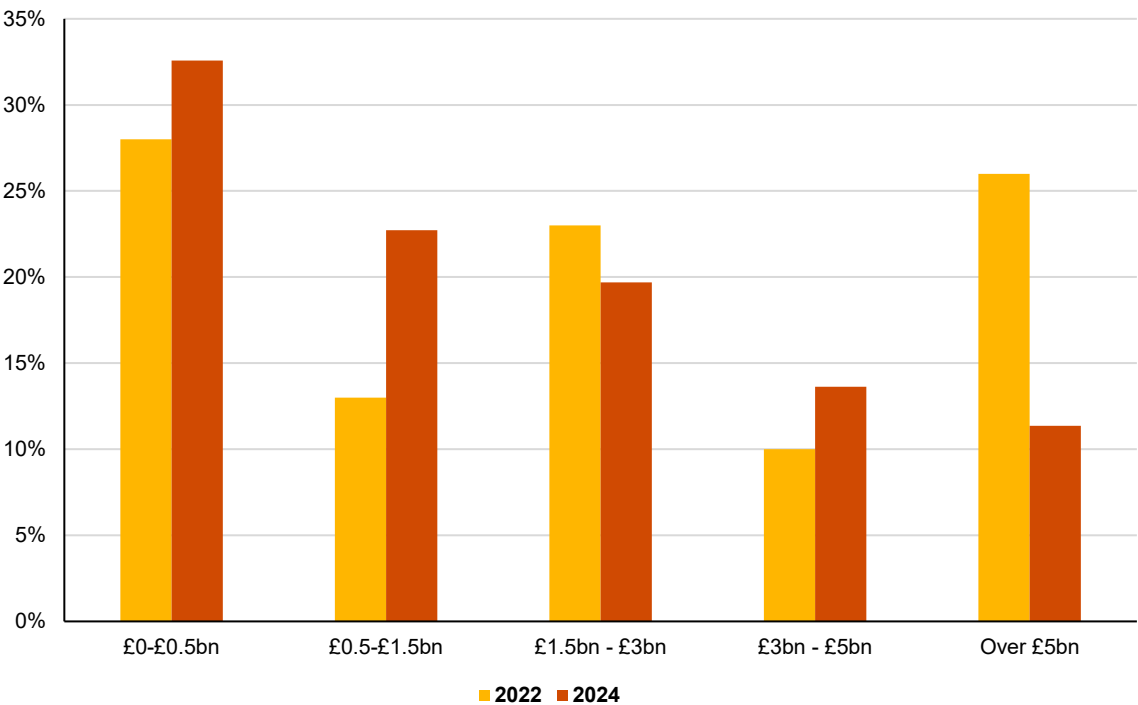
There isn't room here to mention all of the changes and challenges trustees have to get to grips with that are driving additional work, governance and monitoring. However, it is clear from this year's survey data that a significant number of our participants are concerned at the growing pace of change and their ability to remain compliant.

We hope that you find this summary report useful, and we would welcome any further questions you may have in relation to the results. The details of our Pensions Management Consulting team can also be found at the back of this report.

In order to participate in the next edition of the survey and receive the full survey report, please register your interest by clicking on the link below:

<https://www.pwc.co.uk/pensions/insights/pwc-trustee-pay-survey.html>

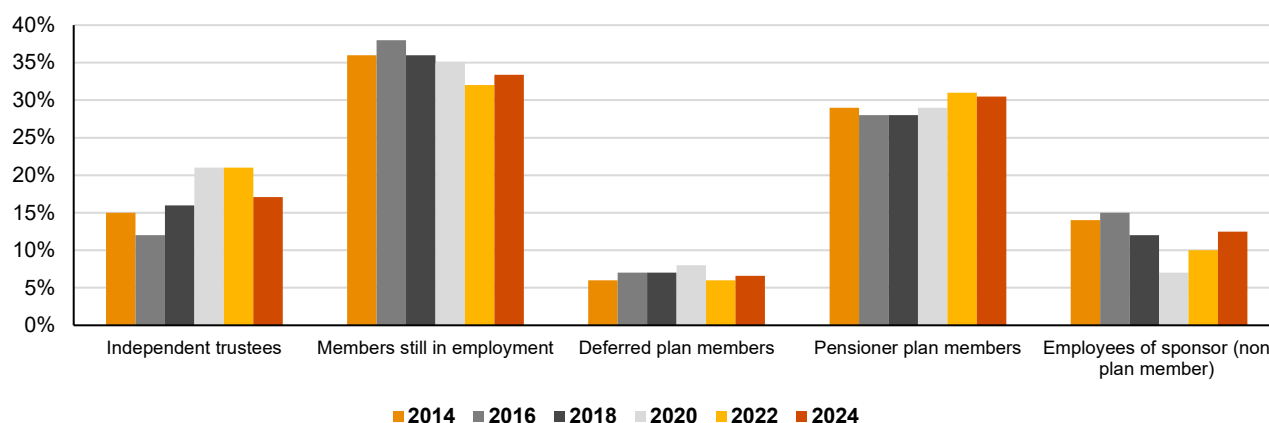
Size of respondents' schemes



Composition of the board

Representation of independent trustees has reduced slightly from c.20% of the board in 2022 to 17% in 2024. This year, the proportion of deferred and employed members has increased, with the proportion of pensioner members slightly decreasing since 2022. The representation of non-members has increased by 2% since 2022.

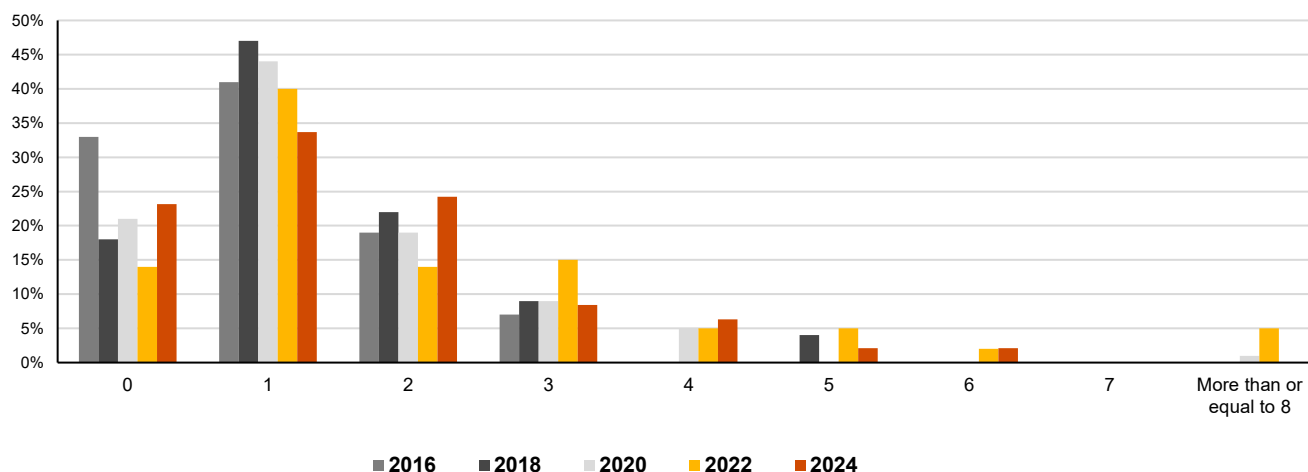
Board composition



The proportion of boards with no independent trustees has increased by 9% since 2022, based on this year's data, however most boards (77%) continue to have at least one independent trustee.

There continues to be a low percentage (10%) of boards with more than 3 independents, and the majority of boards continue to have 1; however, the number of boards with 2 independents has increased from 14% to 24% since 2022. The continuation of a large proportion of schemes with at least 1 professional independent, and the increase to some with 2, is consistent with the ongoing drive to professionalise pension trustee boards.

Number of independent trustees



Trustee pay

Breakdown of which trustees are paid

Trustee Pay	2020	2022	2024
Pay at least one trustee	97%	100%	71%
Pay the Chair of Board and other trustees	83%	62%	35%
Pay only Chair of Board	5%	7%	22%
Pay other trustees but not the Chair of the Board	9%	24%	14%
Pay only the independent trustees	9%	18%	28%
Pay only the pensioner trustees	10%	5%	26%

The proportion of participating schemes paying at least one trustee increased up to 100% between 2018 and 2022, however this year it has reduced to 71% for the schemes that participated in the survey. The number of schemes that only pay the Chair of Board has increased again, and by 15% when compared to 2022.

There has been a significant decrease (27%) of boards that pay the chair and other trustees, as well as a 10% decrease to those that pay trustees but not the Chair of Board and those that pay only the independent trustees.

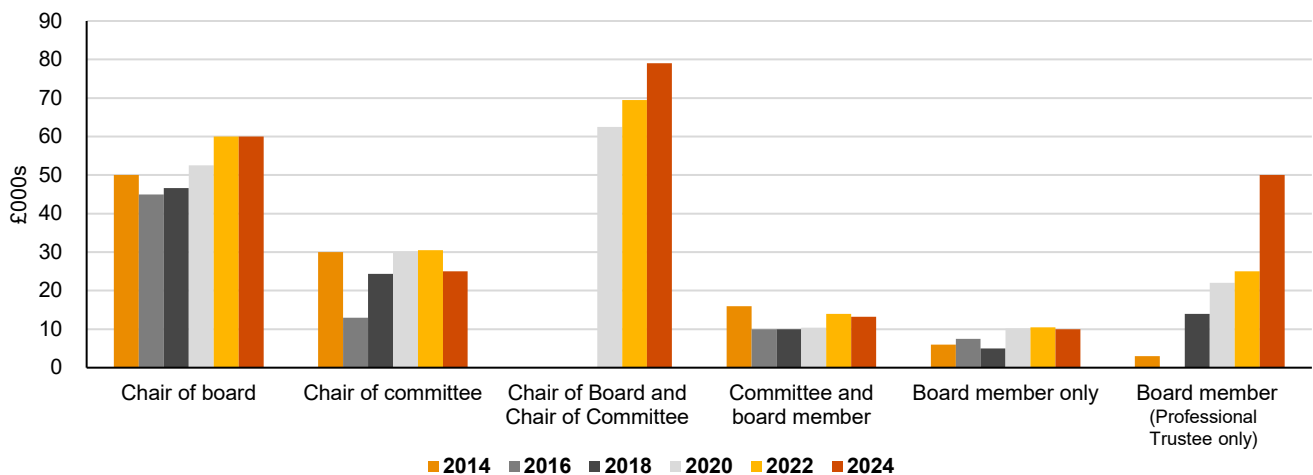
This year, there has been a 21% increase in the number of boards that only pay pensioner trustees.



Trustee pay (continued)

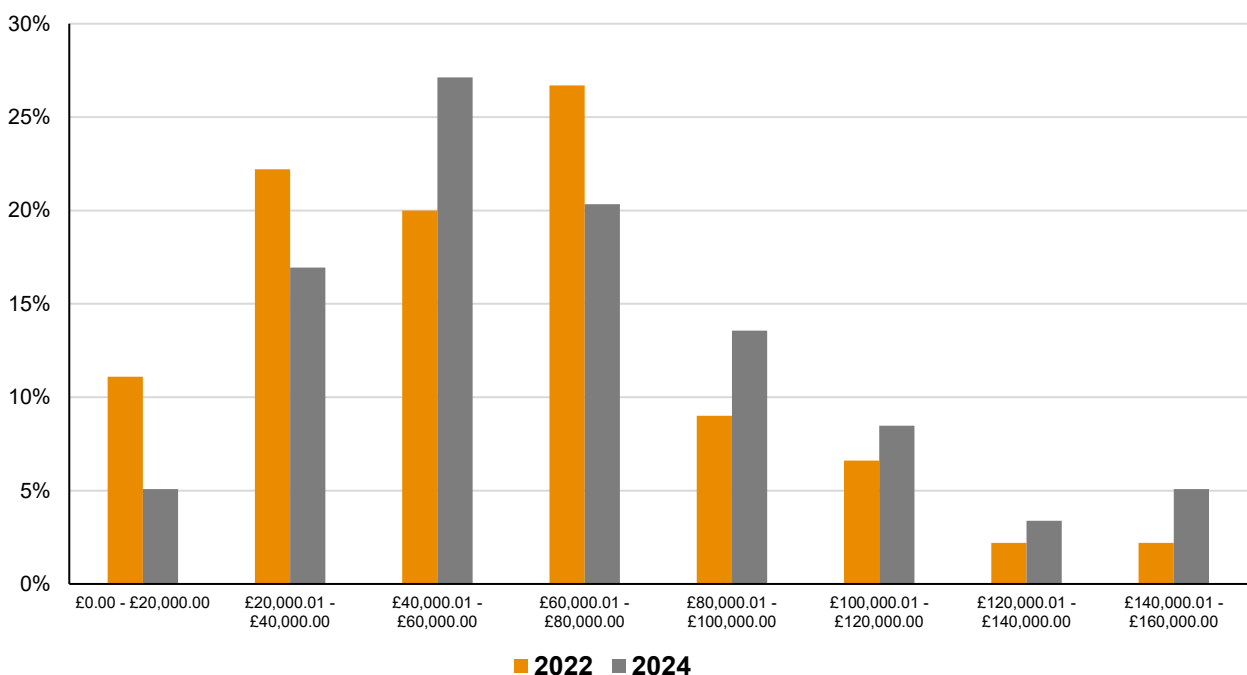
In the median quartile, the pay of those holding both the role of Chair of Board and Chair of Committee has increased by nearly £10,000 when compared to 2022. While the pay of Board members has remained broadly the same, the pay of Board members that are professional trustees is over £25,000 higher when compared to 2022, reflecting the skills and expertise they bring to the role.

Median quartile



The distribution of the pay of the Chair of Board has shifted from 2022, and the range has significantly broadened, with pay of some Chairs exceeding £110,000pa for the first time and ranging up to £160,000. There has also been a significant increase in the number of Chairs being paid between £40,000 and £60,000 and a reduction in those paid up to £40,000 and between £60,000 - £80,000.

Annual pay for Chair of Board

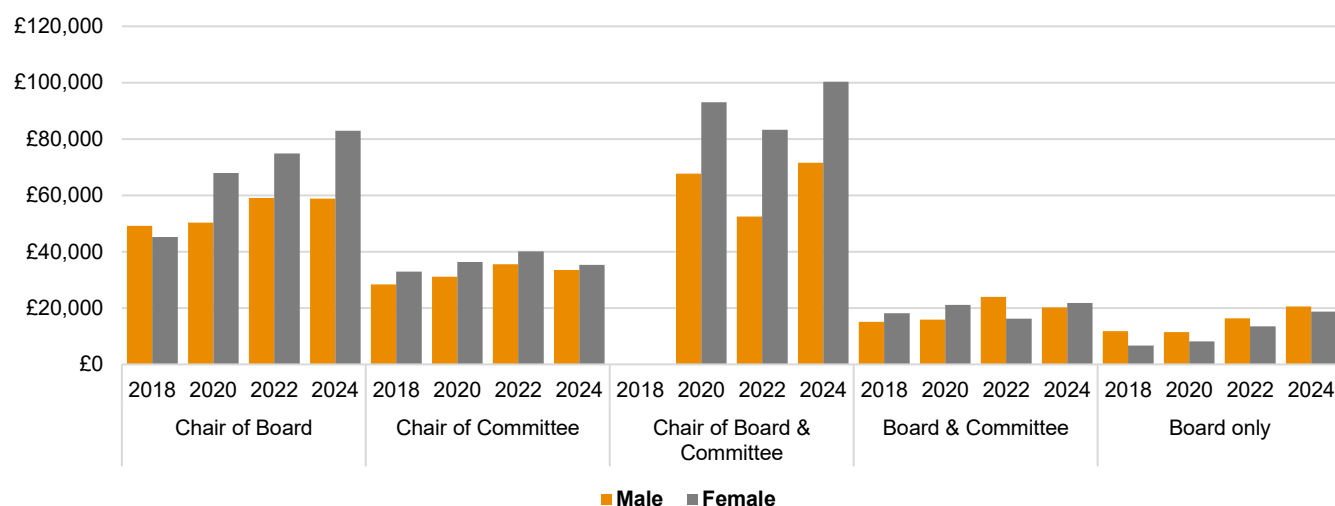


Gender pay analysis

Although females remain underrepresented on the board, they are paid more on average than males across the majority of roles for all schemes this year, with the exception of Board Only members where males are paid c.£21,000 and females are paid c.£19,000. Pay has also increased for females when compared to the 2022 results across all roles with the exception of Chair of Committee, which has reduced from c.£40,000 to c.£35,000.

The difference between pay of females and males continues to be more pronounced for those holding the Chair of Board and both Chair of Board and Chair of Committee roles, with females being paid c.40% more than their male counterparts.

Average core pay



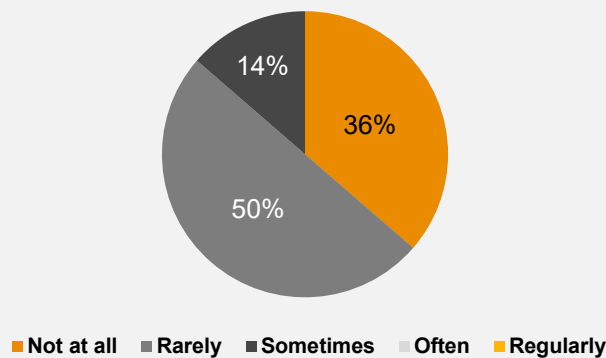
Artificial Intelligence

For the first time we have taken the opportunity to understand how and the extent to which AI is being used. The data shows that only 14% of participants sometimes use AI and it is rarely or not used by other participants, which is perhaps a result of the lack of confidence in using the technology. No participants considered themselves quite or extremely confident.

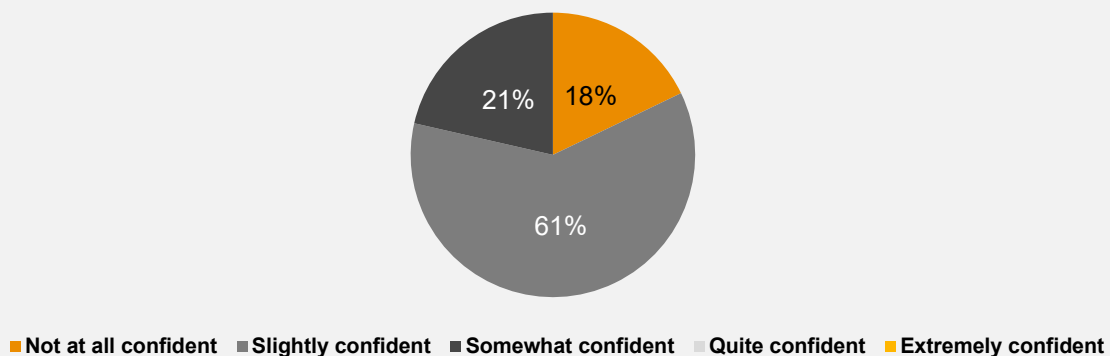
The results show that the top three areas in which participants believe AI can be best used is in relation to administrative tasks, fraud detection and prevention and member experience.

The survey indicates that there is still some way to go to explore and understand AI capabilities and, importantly, reliability before confidence can build and more tools deployed.

To what extent have you used Artificial Intelligence (AI) based tools or solutions?

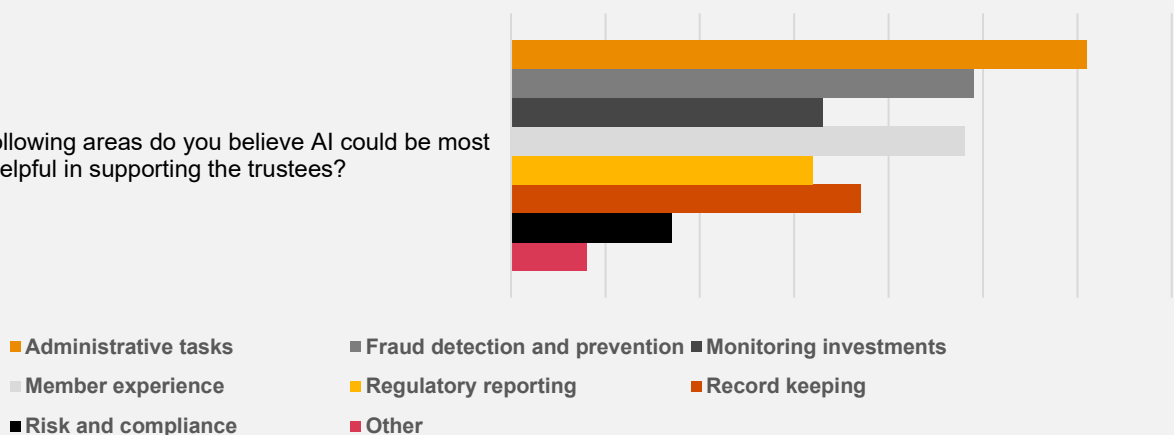


How confident are you in using AI and its applications?



How can AI support Trustees

Which of the following areas do you believe AI could be most helpful in supporting the trustees?



Pensions Management Consulting

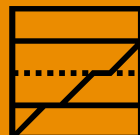
This report was produced by PwC's Pensions Management Consulting team (PMC), led by Simon Bourke. Our team is dedicated to working with trustees to demonstrably improve their ability to deliver an effective and compliant pension service to members.

PMC's core service offerings include:



Design

Design and support in the transition to service delivery models based on best practice that optimises effectiveness and efficiency.



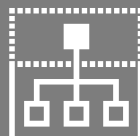
Benchmarking

We maintain an extensive database of data against which we can compare leading suppliers' services and costs, whether these be administration, actuarial, legal or investment.



Predictive analytics

Our predictive analytics tools can provide visibility and insight into pension scheme membership demographics.



Project management

We provide hands on support and project management of the implementation of any change project.



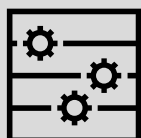
Provider selection and support

We provide varying levels of support throughout the process of procurement of third-party service providers, from initial engagement with the market through to contract negotiations and implementation.



Quality assurance

We provide independent assessments of the changes our clients or their service providers implement and provide recommendations or remedial actions where required.



Implementing change

We support clients through complex operational change, whether this is due to a change of administration supplier, the administration platform or the broader suite of services and processes used to support the pensions operation.

PwC Pensions Management Consulting:
<https://www.pwc.co.uk/pensions/management-consultancy.html>
PwC pensions services: <https://www.pwc.co.uk/pensions.html>

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Thank you

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