

MEETING	PENSION BOARD
DATE	14 OCTOBER 2024
TITLE	HYMANS ROBERTSON NATIONAL KNOWLEDGE ASSESSMENT
PURPOSE	Providing information about the National Knowledge Assessment
RECOMMENDATION	Note the contents of the report and participate in the assessment.
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1. Introduction

The Local Government Pension Scheme (LGPS) is a vital component of the public sector, providing retirement benefits to millions of employees across the UK. As the landscape of pension management evolves, it is essential for stakeholders to stay informed and equipped with the necessary knowledge to navigate the complexities of pension schemes. Hymans Robertson's LGPS National Knowledge Assessment (NKA) serves as a valuable tool in this regard. This paper outlines the benefits of the NKA and its significance for LGPS stakeholders.

2. Enhanced Knowledge and Understanding

The LGPS National Knowledge Assessment is designed to improve the understanding of key pension topics among LGPS stakeholders, including Pension Committee and Pension Board members. By participating in the assessment, individuals can identify knowledge gaps and areas for improvement, leading to a more informed decision-making process.

3. Standardisation of Knowledge

One of the primary benefits of the NKA is the establishment of a standardised knowledge framework across the LGPS. This ensures that all stakeholders have a consistent understanding of essential topics, such as investment strategies, regulatory requirements, and risk management.

Standardisation fosters better communication and collaboration among stakeholders, ultimately leading to more effective governance of pension funds.

4. Identification of Training Needs

The assessment provides valuable insights into the collective knowledge of LGPS stakeholders. By analysing the results, organisations can identify specific training needs and tailor educational programs accordingly. This targeted approach to training ensures that resources are allocated efficiently and that stakeholders receive the support they need to enhance their expertise.

5. Improved Governance and Compliance

A well-informed governance structure is crucial for the effective management of pension funds. The NKA equips trustees and decision-makers with the knowledge required to fulfil their fiduciary duties and comply with regulatory standards. By enhancing governance practices, the assessment contributes to the long-term sustainability and integrity of the LGPS.

6. Benchmarking and Best Practices

The NKA allows organisations to benchmark their knowledge levels against industry standards and best practices. This comparative analysis encourages continuous improvement and motivates stakeholders to strive for excellence in their roles. By learning from peers and adopting best practices, LGPS funds can enhance their overall performance and service delivery.

7. Support for Strategic Decision-Making

In an increasingly complex financial environment, strategic decision-making is paramount for the success of pension funds. The insights gained from the NKA empower stakeholders to make informed choices regarding investment strategies, risk management, and fund administration. This informed approach ultimately leads to better outcomes for scheme members and beneficiaries.

8. Conclusion

Hymans Robertson's LGPS National Knowledge Assessment is a vital resource for enhancing the knowledge and understanding of LGPS stakeholders. The 2024 assessment has begun last month, and each member should have received an e-mail from Hymans in respect of the assessment.

The assessment will give the fund an insight into our Committee and Board's collective knowledge levels, as well as benchmarking scores against other participating Funds. There are eight key areas assessed which are critical for meeting the good governance standards expected of the scheme. Each member also receives their own individual scores. Some of the areas covered include: The Role of the Committee and Pension Legislation, Investment performance and Risk Management and Pensions Governance.

The assessment is an online multiple-choice questionnaire and will take around 15 - 20 minutes to complete.

This information can be used to create targeted training plans for members, based on the knowledge gaps identified. The assessment also provides detail of the engagement levels of the Committee and Board, as well as the spread of knowledge in each of these eight areas.

Once the assessment has concluded Hymans will produce a national report that includes analysis on the current UK-wide LGPS Committee and Board landscape compared to previous NKA results.