



## Report of the Section 151 Officer

Pension Fund Committee – 10 September 2020

### **LGPS National Knowledge Assessment - Results**

<b>Purpose:</b>	To present the results of the LGPS National Knowledge Assessment
<b>Reason for Decision:</b>	To ensure compliance with the CIPFA Public Sector Pensions Finance Knowledge & Skills Code of Practice and the Pension Regulator Knowledge and Understanding Requirements
<b>Consultation:</b>	Legal, Finance and Access to Services.
<b>Recommendation:</b>	It is recommended that:  1. The National Knowledge Assessment results are noted by The Committee and the Deputy S 151 Officer is delegated to identify suitable training informed by the assessment.
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#### **1 Introduction**

- 1.1 Section 248 of The Pension Act 2004, as amended by Pensions Act 2013 requires that trustees of occupational pension schemes should be trained and have the knowledge and understanding of the law relating to pensions, the role of trustees and the principle of scheme funding, investment management, scheme administration of pension benefits. Whilst there is a legal requirement for a prescribed level of knowledge and understanding for members of a Local Pension Board, this legal requirement does not apply to members of a Pension Fund Committee. Accordingly, the Pensions Committee have agreed to have regard to the Myner principles, The Pension Regulators' Toolkit, Scheme Advisory Board (SAB) and adopt the CIPFA Knowledge and Skills Framework.

In March 2000, the Chancellor of the Exchequer commissioned Paul Myners to conduct a review of institutional investment in the UK. The review was asked to consider whether there were distortions in institutions' investment decision-making. The efficiency of investment decision-making is an important driver of productivity, helping ensure that capital is allocated effectively and that managers are monitored and held accountable for performance.

- 1.2 The Pension Fund approved the Trustee training plan for both the Pension Fund Committee and the Local Pension Board at its meeting of March 2020.
- 1.3 Included in the training plan was a recommendation for members of both the Committee and Board to undertake the online LGPS National Knowledge Assessment being administered by Hymans Robertson.
- 1.4 The survey had a combined 69% participation rate for both the Local Pension Board and Pension Fund Committee who completed the online survey.

## **2 Results**

- 2.1 The Swansea results are attached at Appendix 1. Results for the all of the respondents are attached at Appendix 2. The results see, as whole, that Swansea ( both the Board and Committee) scored an average of 63% and ranked 7<sup>th</sup> out of 18 funds, with the Pension Fund Committee averaging 68.79% and the Local Pension Board averaging 58.16%.
- 2.2 The assessment identified particular areas in which the members did not perform as well, namely, Pension Administration and Investment Risk management which could inform future training and also members identified training that they would like to receive, namely risk management and Section 13.
- 2.3 Hymans Robertson have compiled a suggested training plan using the information derived from the assessment and shall agree an implementation plan with the Deputy Chief Finance Officer.

## **3 Financial Implications**

- 3.1 The financial implications of the report are that costs will be maintained within the training budget of the Pension Fund previously approved and outlined in the business plan.

## **4 Legal Implications**

- 4.1 The underlying legal framework is set out in the Report

## **5 Equality Impact Assessment Implications**

- 5.1 An EIA Screening has been undertaken and no E&EIs have been identified

### **Appendix 1- NKA Swansea Results**

### **Appendix 2 – NKA National Results**