



# Committee Report

## ISLE OF WIGHT COUNCIL

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| Meeting   | <b>ISLE OF WIGHT PENSION FUND COMMITTEE</b> |
| Date      | <b>14 FEBRUARY 2024</b>                     |
| Title     | <b>KNOWLEDGE PROGRESS ASSESSMENT REPORT</b> |
| Report of | <b>PENSION FUND MANAGER</b>                 |

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### Executive Summary

1. During December 2023, the pension fund promoted the Hymans Robertson Knowledge Progress Assessment survey, to support the development of a training programme for committee and board members.
2. This report presents the output from this exercise, summarising areas where additional focus may be required to support the development of committee and board members' understanding.
3. It also presents an initial training plan for discussion and agreement.

### Recommendation

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| <ol style="list-style-type: none"><li>4. That the report from the Knowledge Progress Assessment is noted.</li><li>5. That the initial training plan is considered and priorities for development are agreed.</li></ol> |
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### Background

6. The Hymans Robertson Knowledge Progress Assessment was designed to provide information on how members' collective knowledge levels are progressing since the last assessment in 2022, and to support the development of a training plan to continue improvement.

7. Committee members will be aware of both the Department of Levelling up, Housing and Communities and the Pension Regulator's push for appropriate levels of knowledge and skills for the Funds decision-making body (Committee) and oversight board (Pension Board). It is expected that the Fund can provide clear evidence of actions in this area, primarily through a Fund training strategy, training plan, training activities and ongoing assessment.
8. The survey ran locally from 5 December 2023 until Friday 19 January 2024, and was open to all committee and board members. Following several reminders, the survey was completed by three (out of eight) committee members and five (out of seven) board members.
9. The output report from the survey is presented at appendix 1 to this report.
10. Since the 2022 assessment was completed there have been a number of changes in membership of both the committee and board, so to some extent a comparison of understanding levels between surveys maybe irrelevant.
11. Despite the relatively low level of participation, particularly from committee members, the results demonstrate a good base level of collective understanding for both board and committee KPA participants and highlight a number of key areas for future development.
12. Based on the outcome of the survey, an indicative training plan has been prepared by Hymans Robertson, which is attached at appendix 2 to this report. This plan is for consideration and agreement by the committee and board but will form the basis of initial discussions between the Pension fund Manager and the council's Learning and Development Team to formalise a plan and develop a learning programme for committee and board members.

## **Corporate Priorities and Strategic Context**

13. There is nothing contained in this report which directly contributes to the priorities contained in the Isle of Wight Council [Corporate Plan 2021 – 2025](#).

### **Pension Fund Strategic Aims**

14. The primary objective of the fund is to provide pension and lump sum benefits for members on their retirement and/or benefits on death, before or after retirement, for their dependents, in accordance with the Local Government Pension Scheme (LGPS) regulations and statutory provisions. The committee aims to operate the fund in such a manner that, in normal market conditions, all accrued benefits are fully covered by the value of the fund's assets and that an appropriate level of contributions is agreed by the employer to meet the cost of future benefits accruing.
15. The fund has also agreed the following objectives, which are supported by information in this report:
  - (a) Ensure compliance with the LGPS Regulations, other relevant legislation and the Pensions Regulator's Codes of Practice.

- (b) Ensure Fund is managed, and its services provided, by people with the appropriate knowledge and understanding.

## **Local Pension Board View**

- 16. The Local Pension Board will consider this report and their knowledge and understanding requirements at its meeting on 6 March 2024.

## **Financial / Budget Implications**

- 17. The total cost of participating in the Knowledge Progress Assessment survey and the provision of the report and outline training plan as presented was £5,000.
- 18. The costs for the delivery of the training programme will be determined by both the method of delivery and the presenters of that training. As the training plan is developed a formal budget will be established and monitored.

## **Legal Implications**

- 19. Isle of Wight Council is the administering authority for the Isle of Wight Council Pension Fund. An administering authority is defined in the Local Government Pension Scheme Regulations 2013 as “a [local authority] required to maintain a pension fund under the local government pension scheme regulations”.
- 20. The Public Service Pensions Act 2013 introduced the requirement for local pension boards to be established for all public service pension schemes. The Local Government Pension Scheme Regulations 2013 (as amended) enacted this legislation.
- 21. The Pensions Act 2004 specifies the knowledge and understanding requirement for local pension board members but does not implicitly state the same requirements for pension committee members.
- 22. The government’s response to the Department for Levelling Up, Housing and Communities consultation “LGPS (England and Wales) Next steps on investments” stated that there will be an expectation that knowledge and understanding requirements for pension committee members will align with those for local pension board members.

## **Equality and Diversity**

- 23. The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

24. There are no implications for any of the protected characteristics arising from this report.
25. Any future training programme will be designed to meet, as far as possible, the individual learning preferences of all committee and board members, to encourage participation and engagement.

### **Appendices Attached**

26. Appendix 1: Hymans Robertson 2023 Knowledge Progress Assessment Isle of Wight Pension Fund.
27. Appendix 2: Draft initial training plan.

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