

CREATING A LEGACY
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PENSIONS AND RETIREMENT
CONFERENCE 2026



Together, we're ready to build the future of pensions

On 28 April, almost 400 experts and thought leaders from across the industry joined us at our Pensions and Retirement conference in London.

United under our theme of 'creating a legacy', delegates from both the public and private pensions sector were encouraged to press pause on the day job and think boldly about the future of pensions. Building on last year's themes, the event focused on readiness: how trustees, employers, providers and policymakers can respond to the changes already underway and turn ambition into action. We explored how to advance our thinking, tackle complex challenges and create an environment where pensions can thrive for decades to come, with better outcomes for members at the heart.

Our Head of Pensions, Catherine McFadyen, opened the day urging our delegates to keep the following front of mind: **what legacy will we leave behind, and are we ready to deliver it?**



Mind over money: how behavioural science is reshaping pensions decisions



Host: Kathryn Fleming, Partner and Head of DC Consulting

Panellists: Dr Hayley James, Centre for Personal Financial Wellbeing, Emily Trant, Stream, Jenny Hazan, Legal & General and Dilara Uyduran, Hymans Robertson Personal Wealth

The day kicked off with a discussion on how people behave when they make decisions about pensions and saving. We've moved beyond theories of rational choice, as people aren't perfectly rational. We all have biases: prioritising today over the future, disengaging when things seem overwhelming or complicated, and the 'social proof' we get from seeing what those around us are doing.



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It was the most impressive pensions event I've ever been to - high quality, balanced, great depth, great mix of attendees.

Richard Zugic,
Chief Financial Officer, Clara-Pensions

Every decision is made in the context of a life with financial pressures, events and emotions. And every life is different. Not everyone can or wants to save and spend in the same way as the next person. There are lots of reasons for that – most of them to do with income.

Most people working in the pensions industry fit the type who typically save: someone in a steady job with income that increases over their life. The most senior pensions decision-makers are likely to be among the 20% of UK taxpayers earning more than £50,000 a year. Yet, they're building a system for the other 80%, who might be a financial world away.

Any deviation from the 'typical saver' profile makes it harder to save. So people with experience of career breaks, redundancy or insecure work might not be represented among the decision-makers; neither are those with one or more part-time jobs. Then there are the 25 million UK adults who don't have a consistent income from one month to the next. It's no wonder that half of working people say they're worried about not having enough money for retirement, while delaying or avoiding saving. When your worry is putting food on the table today, you're not thinking of retirement decades in the future, no matter how much the pension specialists want you to.

The pensions industry can't give everyone a steady income, but it can help people to think differently. Initiatives like auto-enrolment and financial education have helped to a point, but we need to do more. We can only build a system that works for most people if we consider a wider spectrum of life journeys than we do now, and foster trust by following through on plans.

The panel wrapped up by encouraging us to look for ideas outside the pensions world, get out of our comfort zone and be curious. Although we can be pensions influencers, it's good to remember that our experiences and views probably don't represent those of most people.



AI in practice: transforming pensions through better member experiences



Host: Dan McMahon, Head of Technology and Innovation, Hymans Robertson Personal Wealth

Panellists: Ted Mackereth, Just Group, Jo Darbyshire, Local Pensions Partnership Administration and Scott Finnie, Hymans Robertson

This session focused on practical use cases for AI rather than the technical detail or speculation, and how this can help organisations create a stronger legacy for members. AI-enabled automation could give people more time to talk to members. This is important when members are making decisions that might be irreversible.

Pensions administrators have hundreds of thousands of member interactions every year. They're already using AI for back-office tasks like minute-taking and are exploring areas like routing queries and member identity verification.

One of the biggest areas of promise for AI is working with data. For example, finding trends in member queries, whether they come through phone conversations or emails. But the data must be good. 'Garbage in, garbage out' has always applied. AI adds another layer of complexity, as non-deterministic models can still produce the wrong answer even with good data. Pensions administrators know that much of their data isn't of the quality it needs to be.

Organisations need to give data quality the same importance as data security. To ensure that the right benefits are paid to the right people at the right time, data must be complete, consistent and correct, whether or not it's feeding AI.

Other risks of AI use are well known, and users must manage these. Just as a fast car needs good brakes, the use of AI needs the right safeguards and governance, not least so that people can trust how it's being used.

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It's a brilliant event. I overheard several people saying that it's the only event that is forward looking and takes risks in the industry and I agree completely.

Rosalind Connor,
Partner, Temple Bright

Members are using AI of their own accord, whether administrators like it or not. Two obvious risks here are bad decisions based on an answer from an AI chat, and putting personal financial information where it might not be secure. Administrators can tell members about the risks, but they can also discourage the perceived need to use AI, by talking to members so they're reassured they understand the information needed to make decisions.

Although we see much emphasis on AI for its own sake, we should start with the need rather than the technology. How an organisation prepares for adoption is important, and that often means work on data, processes, people and governance. AI isn't a silver bullet. But it can improve efficiency and allow administrators to focus more on relationships with members. Used well, it can help organisations build a stronger legacy – delivering better outcomes and experiences for the long term.



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We came away feeling energised, and excited, so great to be able to attend. Many thanks! We would love to see this go from strength to strength! Well done all!

Natasha Moore,
Co-founder, Moore Squared



A legacy of resilience: navigating strategy with flexibility



Hosts: David Walker, Chief Investment Officer, and Ben Fox, Senior Investment Consultant

Building resilient portfolios

What can Taiwan's tallest building teach us about portfolio construction? Perhaps more than you'd think. Taipei 101 stands in one of the world's most volatile earthquake zones, but it's designed to ride out the shocks and stay standing. It also needs to withstand typhoons and the aftershocks of tsunamis – no small ask.

These risks are unpredictable, much like market volatility. We can't avoid what the market throws at us, but we can plan for it. And with the right foundation, counterweights and discipline, a diversified portfolio, like Taipei 101, stays upright when the world moves.

Our new scenarios framework: building portfolio resilience

This is where scenario testing comes into its own. We've developed a new scenarios framework to test for resilience in a structured way, decomposing shocks into their impact on inflation and growth. For scenarios in each of the quadrants we'd identified, below, the impact on funding outcomes will vary greatly, depending on whether your scheme is immature, mature, running on or targeting buy-out.



How do we apply these scenarios in practice?

An open scheme

Let's translate that theory to practical portfolio design. For open schemes, such as LGPS, a key objective is to generate long-term, inflation-beating returns. When it comes to strategic asset allocation, that's likely to mean a higher allocation to equities and private markets. There would also be some high-yield bonds, for diversification and generating income, and stabilising assets, such as broader fixed income. If we map this portfolio to our quadrant of scenarios, an open scheme like this has a lot of exposure to inflation-beating assets, but the stagnation scenario is less well covered. In this scenario, growth assets would fall and bonds would rally.

Factoring in current market positioning, our preferred metrics are telling us equities are expensive. We're therefore underweight equities in favour of an overweight to bonds. For the latter, yields have risen dramatically in recent years and, in our view, offer good value. This will act to build resilience, alongside ensuring all portfolios are well diversified to reduce risk without compromising returns.

A closed scheme

A closed scheme is likely to have a very different objective – to match its liability cashflows and generate some outperformance. A typical allocation might include liability-driven investments and investment-grade credit and high yield (public and private assets) for matching liability cashflows; and equities and real assets, for growth.

Here, when mapping the portfolio, the stagnation scenario is well covered. But stagflation – and inflation shocks generally – need to be addressed. For this type of scheme, being underhedged to interest rates gives resilience to higher inflation scenarios. If the underhedge isn't too significant, then funding level volatility can still be managed. Holding floating-rate to fixed-rate credit gives further inflation resilience, and reflects a preference we have just now within credit allocations, given how tight credit spreads are.

Defined contribution scheme

And for defined contribution (DC) investors, the risks change through the journey. In the early years, contributions dominate returns, so the most important factor is how much you contribute. Paying into your pension pot each month smooths asset volatility. If markets fall, you're buying into more attractive market values. The key is to invest in growth assets that deliver long-term inflation beating performance. That means significant equity allocations alongside private markets. As you approach retirement, asset returns dominate outcomes, so asset volatility matters more and needs to be managed. However, many members are likely to remain invested through retirement, potentially for decades. So don't de-risk too early and too aggressively. Keep returns on the table, but diversify your investment strategy to manage volatility and sequencing risk.

Key takeaways

A good portfolio absorbs shocks and strategic asset allocation anchors it. Diversifiers act as counterweights, balancing the portfolio and spreading risk. Rebalancing keeps it tuned, as you adapt to emerging risks and opportunities.

Defined contribution stream sessions

Consolidation, concentration and competition: the investment playbook for a £100bn DC master trust



Host: Anthony Ellis, Partner and Head of DC Trustee

In this session, we looked outside the UK to explore whether larger funds have historically delivered stronger investment outcomes. Australian superfunds provided a key reference point. The data suggests that large-scale funds have been able to turn size into sustained absolute and relative outperformance.

Large superfunds have exceeded their benchmarks and converted operational scale into better net outcomes for members. This contrasts with the UK master trust experience, where the present analysis shows little or no correlation between fund size and three year annualised returns. At present, UK master trusts have not converted scale to superior performance but it's still relatively early days in the evolution of these scaled up strategies.

What about private markets?

Private markets were identified as one area where scale has historically mattered. Evidence indicates that Australian superfunds with a higher allocation to private markets have achieved stronger outcomes. This reflects access, execution capability and long-term capital deployment rather than asset class exposure alone.

However, private markets must be approached carefully. As schemes move to 'super scale', disciplined governance and execution become even more important to avoid crowding, diluted opportunities and weaker underwriting standards.

What really makes a difference at £100bn?

What ultimately differentiates successful large funds is not headline size, but investment capability and execution. We explored four key themes:

1. First, leading funds invest heavily in internal teams, giving them greater choice over implementation and allowing them to remove unnecessary layers of intermediation and cost.
2. Second, scale enables structural efficiency, not just by fee reduction, but shared infrastructure, due diligence and platforms across very large pools of capital. Australian examples such as IFM show how standardisation can improve outcomes across an entire system.
3. Third, bargaining power allows large funds to exert influence over costs and terms on an ongoing basis, rather than relying solely on periodic manager fee negotiations.

4. Fourth, sophisticated active portfolio management – distinct from stock-picking – enables funds to allocate dynamically across asset classes, manage private market vintages and in some cases operate a genuine total portfolio approach, as seen in Canadian pension models.

Governance and market structure are significant, too. Typically super scale funds operate with clear accountability for investment outcomes, supported by transparency and public performance comparison.

By contrast, the UK system involves multiple overlapping actors - trustees, consultants, providers, platforms and asset managers all having some influence on strategy.

The session concluded with a view that scale could drive better value for money, higher adequacy and improved retirement outcomes. But these gains will only be realised if trustees demand that scale delivers better performance, regulators support stable market frameworks, and communications with members are radically simplified. Improving outcomes depends as much on how the system is built and communicated as on how big it becomes.



Removing barriers to effective DC decumulation



Host: Shabna Islam, Head of DC Provider Relations

Panellists: Helen Ball, Sackers, Aimée Denham, Vidett and Geoff Marchment, Aviva

When they come to retire, most members want more help rather than more choice. Trustees and employers can give them the guidance and support they need to make the complex and consequential decisions around retirement. But how can we improve decumulation design so it works alongside support?

Trustees will soon have a duty to help guide their pensioners' retirements, with increasing focus on default retirement solutions. Doing so isn't easy, especially when retirement is very personal, rather than a one-size-fits-all scheme for members. Trustees need to look at the membership of their own scheme and prioritise based on those needs. Each scheme must balance flexibility and stability, and simplicity and choice, in the right way for its members.

What one member needs might be different from what another member needs, even in the same scheme, it's a challenge to have one option that works for all, and we shouldn't aim for that. Rather than perfection, we should aim for improvement: 'imperfect personalisation' rather than a unique solution for each person.

How the solution is presented to members matters too. They need to both understand and trust it. They won't understand something that's complicated or has a lot of decision points. They won't trust something if they don't have confidence in the trustees and employers who designed it. That trust isn't built overnight, but through every member interaction in the lead-up to retirement.

An obvious starting point is communications. Members must have information in a way that they can understand and use it to make informed decisions – not just when they retire, but throughout their retirement. However, communication alone isn't enough; it needs to sit alongside a design that's simple, member-focused and practical to deliver.

Three principles should underpin any approach.

1. Keep it simple so members can understand it.
2. Stay focused on members' income needs, flexibility and confidence.
3. And aim for better, not best, because progress matters more than perfection.



Adequacy: a pension strategy that works for every member



Host: Hannah English, Partner and Head of DC Corporate Consulting

Panellists: Alexandra Miles, L&G Asset Management and James Smith, Hymans Robertson

Are higher minimum contribution rates the key to improving retirement adequacy? Hymans' Hannah English chaired a debate between Alexandra Miles of L&G Asset Management and our own James Smith to explore how the industry should respond to the pressing challenge of pensions adequacy.

The debate opened with a poll, where most delegates agreed that contribution rises are the key solution to the adequacy crisis, setting the tone for a lively debate.

Tasked with arguing in favour of the motion, Alexandra made the case that higher contributions are a must. The latest Department for Work and Pensions (DWP) data shows that half of DC members are contributing just 8%, which is adequate only in limited circumstances. People aren't saving for long enough periods, saving too little relative earnings and renting in retirement. Many are sleepwalking into a retirement that falls short of their expectations.

Alexandra argued that higher contributions, introduced gradually and sustainably, are one of the few reliable ways to improve long-term outcomes. We know that auto-enrolment has notably increased participation. This is system design, rather than individual motivation, driving results. Modest increases over time, such as annual 1% rises, are a practical way to strengthen adequacy without creating a sudden shock for employees or employers.

Another solution is earlier auto-enrolment, perhaps at 18 rather than 22. If pension saving begins too late, the burden of catching up in midlife becomes much heavier. This is especially relevant for those navigating retirement with only DC savings to rely on.



I loved the chance for conversations about DB, DC, CDC and LGPS to all happen in the same place, with people from across all sectors of the industry.

Joe Craig,
Development Lead, Quietroom



The opposing view

Arguing against the motion, James Smith was tasked with setting out the case that the answer is more nuanced, rather than presenting a single or universal solution. He didn't reject the value of higher contributions altogether. He challenged the idea that they're the primary or universal solution. He argued that pensions adequacy isn't the same as retirement adequacy.

Many savers, particularly in midlife and among higher earners, may have access to other resources such as housing wealth, a partner's assets or future inheritances. Research from the Social Market Foundation shows that while over half of Gen X aren't saving enough for retirement, only 15% are without other financial means. Measuring retirement readiness solely through pension balances can present an incomplete picture.

James also spoke convincingly about affordability. He warned that blanket contribution increases could have unintended consequences, particularly for lower-paid, younger and part-time workers. If contributions rise too quickly, some members may opt out altogether or face greater short-term financial strain, including higher levels of debt. In that context, he argued for a more sequenced and targeted approach. This includes defining adequacy more carefully, improving member education and informed choice, making better use of defaults and risk management, and considering interventions such as carers' credits or smarter decumulation support. Focusing too heavily on contribution levels alone risks masking wider weaknesses in the system.

A final poll reflected this shift in thinking. While a majority still believed contribution rises are key, more delegates recognised that a broader set of interventions is needed. The lively debate showed no silver bullet that'll solve the adequacy challenge. Higher contributions are part of the answer, but the discussion made clear that other interventions are needed to ensure that any money that does enter the pensions system works hard for the member and doesn't risk 'leaking' out due to broader inefficiencies in the system. An effective response will combine higher contributions with better design and data while acknowledging people's lived experiences, because different members will need different routes to a good retirement outcome.

Defined benefit stream sessions

Delivering long-term value for members through collective savings



Host: Lisa Deas, Partner

Panellists: Adrian Boulding, Vesta Pensions,
Simon True, Clara-Pensions and
Louise Lindsay, SAUL

In a world of DC pensions, could an employer find better long-term value through an open DB scheme, a superfund or collective DC (CDC)? Representatives of all three made their case.

A defined benefit (DB) scheme that's open to both accrual and new members is a rare thing today. Most open scheme members know this, or they at least know that they have something good. A scheme that will still be here long into the future is crucial for building trust

and keeping members engaged. It's also a valuable addition to an employer's reward proposition. It gives a long-term framework for managing risks and can help employees have adequate retirements.

A scheme that doesn't intend to stay open might be able to join a superfund. This market is expected to grow and diversify – even the five transactions under Clara's 'bridge to buy-out' model have all been different. A superfund seeks to use consolidation to bring down administration and governance costs, and access asset classes that only a large investor can. External capital could reduce funding volatility, and under Clara's model, members end up with an annuity backed by the stringent insurance regime – perhaps even with a benefit uplift along the way.

The employer removes the scheme from its balance sheet and isn't on the hook for deficit reduction payments or running costs.

CDC aims to combine the best of DB and DC. Its main selling point is the potential for members to get more income for the same employer spend than in a DB or DC scheme, through a higher-risk investment strategy and risk pooling. A CDC scheme is set up to target pensions rising in line with the cost of living, although increases may be lower in downside scenarios. Crucially, employers don't have to pay deficit reduction contributions, so CDC offers members an annual pension without creating an ongoing obligation for employers. A CDC scheme has little external capital and reserves, either from the employer or external investors.



Investment legacy unlocked: flexibility that delivers



Host: Emma Garrett,
Senior Investment Consultant

Panellists: Kathryn Graham, independent,
Mark Thompson, independent and
Anna Lynskey, Bank of England

For DB schemes, improved funding and recent regulatory changes have created more flexibility when it comes to endgame investing. Run-on is no longer theoretical – the new DB funding code and reality of surplus-sharing means we're moving away from the idea that DB schemes should be disposed of asap. This lively discussion was held under Chatham House rules.



Risk transfer – your members are your legacy



Host: Donna Prince, Head of Member Experience for Risk Transfer

Panellists: Ash Roberts, Pension Insurance Corporation (PIC) and **Kat Jarvis,** Rothesay

In this session, Donna and her panel explored what it means to consider the member experience in a risk transfer transaction. They discussed putting members first, and providing a good member experience.

Trustees have always put members at the heart of their decisions. All decisions ultimately aim to improve member security. As pensions become more complex, trustees want to help members be informed and have a good experience.

Member experience is still important after a scheme buys out and its members become annuity policyholders with an insurer. Once this happens, trustees step away and can no longer directly influence administration.

Trustees should find out about insurers' approaches to member experience. But first, they should understand what members want and need.

Rona's story

Rona Train, a Hymans consultant who retired last year, shared her retirement experience. Even as a pensions expert, she found the process stressful and complicated. At retirement, Rona had not only her own pensions to manage, but also her husband's. She didn't go through her retirement with an insurer, but the themes she talked about should be similar for all pension schemes.

Not just a cog in machine

Rona's experience wasn't typical of most people retiring. But she felt a lack of empathy from some administrators – just another member being put through a standard process, when her needs were more complex.

Quality of communications

Communications were inconsistent, even between schemes with the same administrator. Getting separate information from each scheme is bad enough, but that information is often impenetrable, or delivered differently. The important things that the member needs to know are lost among detail that's much less relevant.

The method of communication

Everyone's needs are different and change over time. An administrator should offer a variety of channels, and avoid pushing members towards one. Some expect digital access; others might value a phone conversation, especially when the emotional aspects of retirement are coming to the fore.

Content of communications

Most retirees just want to know how much money they're getting. They appreciate simple messages to keep them informed and help with decisions; they don't appreciate jargon and lots of technical detail. Written communications can be improved in many ways, from document structure to sentence length. It's crucial to keep in mind how a member reads a document, their reading age, and what they do and don't know. Beyond written materials, videos might work well for some members, as can helplines dedicated to specific questions.

What insurers are doing

Rothesay and PIC prioritise policyholder experience, and are developing their approach.

They're investing in clearer, more accessible communications. For example, retirement packs have the main information at the front and use plain language. They also offer videos to explain topics like DB and DC benefits or tax-free cash options. An insurer can't give financial advice, and Kat emphasised the importance of pointing members to sources of guidance and support.

Both insurers said that member interactions shouldn't be constrained by call handling targets, so a member has enough time for a meaningful conversation. Ash noted that members don't always know the right questions to ask, so teams probe a member's needs to give relevant support. Customer insight work is informing a range of communication channels.

The insurers described initiatives like policyholder events, internal oversight to ensure a consistent experience, and sharing insights with the market.

The message is that trustees should make member experience a criterion for insurer selection. If they know what's important to their members and how an insurer can deliver that, they gain confidence that their members will be taken care of long after the trustees have stepped away.



LGPS stream sessions

What the LGPS can learn from the wider pensions market



Host: Andrew McKerns, Principal Governance and Administration Consultant

Panellist: Laura Andrikopoulos, Partner

The Local Government Pension Scheme (LGPS) is undergoing generational governance changes in areas of decision making, service delivery and oversight, eg pools will provide investment advice and manage fund assets. In this session, Andrew looked to the private sector with partner Laura Andrikopoulos, who looks after governance in the wider pensions market, to consider what lessons could be learned.

Fiduciary management is a great place to start. By using a fiduciary manager, trustees can delegate investment decisions and implementation to them, setting high-level strategy themselves. Trustees can sometimes find it difficult to 'let go' of the investments when they've been engaged with that side of the process for many years. But where they've been able to quickly gain benefits, delegate to their fiduciary manager and step back, it's worked well. In short, the dynamic between trustee and provider is critical.

The LGPS changes include individual training requirements for Pension Committee members, which has parallels with the trustee knowledge journey in the wider market, where it's known as TKU: trustee knowledge and understanding. The private sector has had detailed guidance on this since 2004, and all new trustees must comply with the regulated Trustee Toolkit. Meanwhile, most schemes now use professional independent trustees (PITs). These PITs sit as experts on pension scheme boards, which has improved overall knowledge and skills. We see this development as positive because private sector schemes are getting more complex, and the role of trustee is now rather onerous. So, having professional experts integrated into boards has helped deal with the extra complexity, as most medium to large schemes have at least one PIT. The new 'independent person' role in the LGPS is hoped to fulfil a similar role.

The new world of the LGPS also creates potential conflicts of interest. In the private sector, all schemes have a conflicts policy, a register of interest, etc. Essentially, you never get rid of these conflicts completely in any part of the pensions industry. As in the LGPS, it's about having robust processes in place to deal with conflicts.

We've still to work out what oversight changes will look like: this will depend on what specific Pension Committees are looking for. However, it's a job for the senior LGPS officer, a position created by the new rules, to decide what's most effective.

When it comes to communication, the legislation may be clear about what's required, but it's important that everyone in the authority understands too. It's essential to get your stakeholder engagement right. This has been done well in the wider pension market, and it's clear what's expected of trustees.

Ultimately, if the new changes bring about better governance of funds in the LGPS, that'll be a lasting legacy for every part of our industry.



The LGPS successes: strengths, impact and lessons



Host: Robbie McInroy, Partner and Head of LGPS Client Consulting

Panellists: Maria Espadinha, Pensions UK, Jeremy Hughes, Local Government Association and Rachel Wood, West Sussex Pension Fund

Against a backdrop of mixed narratives, the LGPS is stronger than ever. Funding levels, governance standards and wider societal contributions have all advanced. Funds are better placed to deliver sustainable, high-quality pensions while offering employers an affordable and meaningful staff benefit to support essential public-service delivery. This session explored the successes behind that progress and what the future of pensions, including the private sector, can learn from the LGPS experience so far.

Impact: scale, reach and responsibility

The size, reach and impact of the LGPS are testament to its success: from its 8million members, one in three households across the UK has a financial stake in it. That's before considering the nearly £100bn the scheme invests in the UK economy. But to ensure the LGPS can bridge between scale, efficiencies and innovation while maintaining its member outcomes, we need to engage with the broader industry and the Pensions Commission on discussions about adequacy. It's important to remember that the LGPS supports the lowest paid in society as an anchor for their retirement. Meanwhile, few schemes have made progress like the LGPS on sustainability, stewardship and responsible investment. Over 75% of LGPS funds have built-in Environmental, Social and Governance (ESG) requirements. And over 60% have a net-zero target. This doesn't conflict with a fund's fiduciary duty, and the broader industry could and should learn from this.

Efficiency and sustainability: value and resilience

Scale and impact on their own aren't a legacy: a system must have an efficient and sustainable record. Over 10, 20 and 30 years, the LGPS has consistently delivered 7–8% returns, which compares favourably with financial indicators like GDP growth and industry peer groups. That strong asset position has been reflected in reductions of employer contribution rates. In terms of intergenerational fairness, we're leaving the LGPS in a better position than we found it. The LGPS has been around for over 100 years, it shares risk and it was set up for the greater good.



Excellent conference with great content, speakers and attendees. Well done all at Hymans.

Joanne Holden,
Head of trusteeship, Pi

Fairness and adequacy: who the LGPS is really for

A pension scheme's legacy must be judged by its member outcomes. The adequacy of the LGPS is grounded in its DB structure. It's also predominantly designed for a female, low-paid workforce, so it's been pleasing to see that the LGPS across England and Wales has incorporated gender pensions gap analysis across all its funds. While the LGPS is classified as a public sector scheme, it has a much bigger variety of roles and working patterns than that implies. It's diversity of membership isn't well recognised by some commentators.

Navigating political intervention: delivery under scrutiny

The LGPS operates in a deeply political environment, with scrutiny and direction from all angles. But by any standards the fast-paced reforms of last 18 months have been challenging. To navigate political intervention and keep things moving forward, LGPS funds should embrace working more closely together and share good practice, especially where regulations and guidance are vague.

Too often, the LGPS is seen as a policy problem to be fixed. But we want it to be seen as a gold standard (rather than gold plated!). A global example of how to deliver fair, adequate pensions efficiently, sustainably and at scale.





It was extremely well run from start to finish. All the Hymans speakers were excellent and engaging.

Claire Misata,
Head of Business Development, Smart Pension



Really enjoyed the conference and looking forward to next years already.

Nicci Wyborn,
Senior Pensions Consultant,
Pinsent Masons Pensions Solutions

From principle to practice: applying fiduciary oversight to LGPS pools



Host: Iain Campbell, Partner and Head of LGPS Investment

Panellist: Tom Stockley, Aretas Trustees

Within the LGPS, government reforms are creating relationships that are similar to fiduciary management in the private sector. The pools will play a vast role, taking on investment decisions that sat historically with Pensions Committees. In other words, they'll have huge influence on your investment outcomes.

Why oversight?

Because pool arrangements are mandated by the government, you'll need to make sure your pool is doing a good job for you. With the wide array of investment decisions moving from funds to pools, such as active versus passive or which funds to invest in, pool oversight is, effectively, your only method of managing pool risk. The important thing is to ensure this oversight role is well defined.

The delegated authority on a vast array of investment decisions is comparable fiduciary management in the private sector, with private sector arrangements of this scale always having oversight arrangements in place. Committees could take useful lessons from fiduciary oversight when considering how to monitor their pools.

Success in this new world includes a number of things, most notably having trust in your pool. The pools must communicate with you clearly, while being transparent, ie there must be effective engagement with your pool. In short: you'll need to know what the pools are doing and why, which requires information.



What information do you need?

Getting your oversight provider to give you the information required and writing it into documentation are essential. Without the information from the pool, you can't do the analysis you need to do to monitor it properly.

In terms of your pool-monitoring reporting, you'll need this to provide different levels of information at different frequencies. For quarterly reporting, this should be a high-level check, with key updates, personnel changes or performance issues at your pool. Annual reporting will be more in depth, including measurement of progress against business plan and deep dive performance assessments of funds. Meanwhile, triennial reporting will be a comprehensive look at the pool's structure, governance and business strategy – whether the pool continues to be you need it to be, and if it's delivering on your fund's needs.

How will you receive your information?

You need to consider how you'll bring the information into your fund and act on it, but it's important to consider what works for you. Will the info go straight to your Pensions Committee, for example? Or would it go to the senior LGPS officer, so they can handle the detail and deliver the bigger picture to the Committee? Many funds are considering their governance structures, given the wider changes in the LGPS, you should consider pool oversight as part of that process.

What's next?

In short, get going! Ultimately, oversight is too important to ignore, even if it's just your fund or a small group of funds in your pool that address it. It'll be a learning curve for all concerned, but you need effective oversight, starting now. Other funds can catch up with you later. This is an opportunity not only to leave a positive and lasting legacy for the LGPS but also to be ready for the new world we're moving into.

Final plenary session



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Really enjoyed the conference and gave me food for thought, not least to look at my own arrangements.

Ann Rigby,
Trustee Director, BESTrustees Limited

A shared pensions legacy: shaping a system that works for everyone



Host: Calum Cooper, Partner and Head of Pension Policy Innovation

Panellists: Lord David Willetts, Resolution Foundation, Dr Suzy Morrissey, Pensions Policy Institute and Will Sandbrook, Nest Insight

This session was all about the big picture, how can pensions policy work across generations? One in three adults in the UK don't have £500 of emergency savings. If you're renting in retirement, you're two and a half times more likely to be a pensioner in poverty. Last year at this event, an Independent Pensions Commission was on our wish list. Now that we have one, we collectively need to explore how we can help them point the way to pensions that are fairer, sustainable and more adequate without risking the gains of auto-enrolment.

The panel agreed that neither the state pension nor current DC arrangements are sustainable. Originally estimated by the Office for Budget Responsibility at around £5bn a year, the triple lock is now projected to cost about £15.5bn a year by 2029–30, roughly three times higher than expected. In private pensions, the move from DB to DC has shifted the risk to today's younger people, and essentially broken the intergenerational contract. Finding ways to share risk in DC, such as collective DC schemes (CDCs), is surely a priority.

The panel then tackled a thorny question - is real change possible? There's work underway to make CDCs more viable, and the framework of auto-enrolment shouldn't be overlooked. A structured framework has allowed a lot of the younger workforce to start regular pension savings. With that in place, smart public policy objectives could provide flexibility and do more to support people's financial resilience. This is something the Resolution Foundation is actively exploring, and Nest Insights has successfully trialled. Specifically having up to £1,000 of the pension pot standing as a 'rainy day' fund for people who don't have savings to fall back on.

Moving from the big picture to data, the panel then explored pinch points, in terms of adequacy. There's a disparity in earnings, which feeds through to pensions. Some groups are overrepresented, in terms of what they're drawing from the state. The ideal would be a system that captures diversity of life experience and yet offers a simple and elegant solution. Our current system makes assumptions about paid employment throughout a person's life, which we need to challenge. As things stand, if you're part-time or have multiple jobs or are self-employed, for example, auto-enrolment isn't serving you well. Collectively, we need to examine every design feature and interrogate it to determine who's being served, and who's missing out and how we can improve.

Get in touch

If you'd like to explore any of these themes further, please get in touch with one of the session presenters, or [get in touch here](#). We'd love to hear from you!