

Report to: **Pension Board**

Date: **16 November 2017**

By: **Chief Finance Officer**

Title of report: **Annual Review of Pension Board Training Plans**

Purpose of report: **To undertake an annual review of the Pension Boards Training Plan**

RECOMMENDATIONS – The Board is recommended to:

- 1) note the progress of the implementation of the current Members Training Plan;**
 - 2) approve the Board Members Training Plan as proposed in Para 3;**
 - 3) agree to complete the Pensions Regulator online toolkit within the 12 months.**
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1. Background

1.1 Members of the Pension Board are required to ensure they are adequately trained and equipped with the appropriate skills and knowledge with which to discharge their duties. As part of the Pension Act 2013 and the Pensions Regulator's Code of Practice, the Pension Board is required to approve a training policy to implement appropriate training for Pension Board members.

1.2 The Pensions Regulator's *Code of Practice no.14 - Governance and administration of public service and pensions schemes* states that every individual who is a member of the Board must:

- be conversant with:
 - the rules of the Local Government Pension Scheme (LGPS), in other words the Regulations and other regulations governing the LGPS; and
 - any document recording policy about the administration of the Fund which is for the time being adopted in relation to the Fund, and
- have knowledge and understanding of:
 - the law relating to pensions; and
 - such other matters as may be prescribed.

1.3 The Pension Regulator has developed their own online toolkit for Board Members of public service schemes to develop their knowledge and understanding.

1.4 The Chartered Institute of Public Finance and Accountability (CIPFA) has also issued the guidance *Local Pension Board – A Technical Knowledge and Skills Framework* which is intended to complement tPRs Code of Practice (see Appendix 1). This Framework outlines the approach required for a Fund to establish and maintain policies for acquiring and retaining knowledge to support Board Members while also providing an assessment tool for individuals to measure and monitor their development progress.

2. Training Undertaken in the last 12 months

2.1 The Pension Board has undertaken the following training in the last 12 months:

Date	Training Description	Board Members
26/10/16	<ul style="list-style-type: none">• Triennial Valuations and Understanding Liabilities• Roles of the Pension Regulator• Pensions legislative & Governance	4
18/11/16	Annual Employers Forum	5
26/01/17	<ul style="list-style-type: none">• LGPS discretions & policies• Safeguarding the Fund's Assets• Developing Investment Strategies Statement• Role of the Global Custodian – Northern Trust	7
13/06/17	Environmental, Social and Governance (ESG) Training Day	5
29/09/17	<ul style="list-style-type: none">• Role of the Board/Committee within the ACCESS LGPS Pool;• Updates from the Pension Fund Regulator.	3

3. Proposed Training Plan

3.1 The following trainings activities (*detailed on page 24-25 of the Committee/Board forward plan 2017-18*) are recommended:

Date	Proposed Training Description
Jan 2018	Pensions Governance
March 2018	Pension Administration
October 2018	Pensions Accounting and Auditing Standards
November 2018	Annual Employers Forum/ Investment Performance

4. Considerations for the Board

The Pensions Regulator Online Public Service Toolkit

4.1 The Pensions Regulator has set up a toolkit for anyone involved in the governance and administration of the public service pension schemes, specifically aimed at pension board members. This covers all the areas of governance and administration that need to be focussed on, namely:

- Reporting duties
- Internal controls and managing risks
- Record Keeping
- Communicating to members
- Publishing scheme information
- Maintaining contributions
- Pension Board conflicts of interest and representation
- Resolving internal disputes
- Reporting breaches of the law

4.2 This is split into 9 modules, and can be done at one's own pace and completed by undertaking a set of multiple choice questions. The target is for each representative of the Board to have completed this within the next 12 months. Therefore, with each module taking around 1 hour, it should be possible for members of the Board to complete this by October 2018. The toolkit can be found at the following website:

www.thepensionsregulator.gov.uk/public-service-schemes

4.3 Board Members will be required to evidence that this training has been completed. This can be done by sending the Pensions Regulator development record certificate, which can be downloaded on completion, to the Head of Pensions.

CIPFA – A Technical Knowledge and Skills Framework

4.4 This CIPFA Framework (see Appendix 1) ensures that all the complex areas of pension administration that extend across several disciplines – from accountancy and audit, to areas of investment and actuarial finance, as well as knowledge of the legislative and governance environment – are covered. CIPFA highlights 8 key areas of core technical competence:

- Pension legislation
- Public sector pensions governance
- Pensions administration
- Pensions accounting and auditing standards
- Financial services procurement and relationship management
- Investment performance and risk management
- Financial markets and product knowledge
- Actuarial methods, standards and practices

Support

4.5 If a Member feels that a specific training need has not been met, or further training is needed, then contact the Head of Pensions who can either arrange a 1:1 session or suggest further appropriate training. There are a range of networking events, newsletters and briefing notes that will be made available to Members as appropriate.

Next steps

4.6 Once the 2018/19 Training Plan is agreed, Pension Board Members will be informed of the future dates for the internal training sessions, and be made aware of any relevant courses or conferences as they arise and will be included within the Forward Work Plan. A reminder will also be sent to all Members to complete the Pensions Regulator online Toolkit.

5. Annual Reporting

5.1 In compliance with the Pension Act 2013, Members of the Board are required to undertake appropriate training to enable them to perform their duties as a representative effectively. This suggests that the Council identifies appropriate training and development activities to support Board Members and encourages them to attend.

5.2 The Pension Fund Annual Report will include information on members training. As a minimum, this will contain information on the number of members undertaking particular training and the type of training provided.

6. Conclusion and recommendation

6.1 The Board is recommended to:

- 1) note the progress of the implementation of the current Members Training Plan;
- 2) approve the Board Members Training Plan as proposed in Para 3;
- 3) agree to complete the tPR on-line toolkit within the 12 months.

IAN GUTSELL

Chief Finance Officer

Contact Officer:	Ola Owolabi, Head of Pensions
Tel. No.	01273 482017
Email:	Ola.Owolabi@eastsussex.gov.uk

Background Documents

None