

East Sussex Pension Fund Training Strategy

Introduction

This is the training strategy of the East Sussex Pension Fund (“the Fund”). It has been established to aid the Pension Committee, Pension Board and Officers understanding of their respective responsibilities. This training strategy sets out how these key roles within the Fund will obtain and maintain the necessary knowledge and understanding in order to fulfil their role.

Objectives

The Funds’ objectives relating to knowledge and understanding are to:

- Ensure the Fund is appropriately managed and those individuals responsible for its management and administration have the appropriate knowledge and expertise;
- Ensures that there is the appropriate level of internal challenge and scrutiny on decisions and performance of the Fund
- Ensure the effective governance and administration of the Fund; and
- Ensure decisions taken are robust and based on regulatory requirements or guidance of the Pensions Regulator, the Scheme Advisory Board and the Secretary of State for Housing, Communities and Local Government.

CIPFA Knowledge and Skills Framework – Pension Fund Committees

Although there is currently no legal requirement for knowledge and understanding for members of the Pension Committee it is the Fund’s opinion that members of the Pension Committee should have no less a degree of knowledge and skills than those required in legislation by the Local Pension Board. As at date of writing, the ongoing SAB ‘good governance’ project signals a much stronger requirement on Pension Committee members knowledge and understanding.

The CIPFA framework, that was introduced in 2010, covers six areas of knowledge identified as the core requirements:

- Pensions legislative and governance context;
- Pension accounting and auditing standards;
- Financial services procurement and relationship development;
- Investment performance and risk management;
- Financial markets and products knowledge; and
- Actuarial methods, standards and practice.

Under each of the above headings the Framework sets out the knowledge required by those individuals responsible for Fund’s management and decision making.

CIPFA Technical Knowledge and Skills Framework – Local Pension Boards

CIPFA extended the Knowledge and Skills Framework in 2015 to specifically include Pension Board members, albeit there is an overlap with the original Framework. The 2015 Framework identifies the following areas as being key to the understanding of local pension board members;

- Pensions Legislation;
- Public Sector Pensions Governance;
- Pensions Administration;
- Pensions Accounting and Auditing Standards;
- Pensions Services Procurement and Relationship Management;
- Investment Performance and Risk Management;
- Financial markets and product knowledge;
- Actuarial methods, standards and practices.

Links to The Scheme Advisory Board's Good Governance project

In February 2019 the Scheme Advisory Board commissioned Hymans Robertson to consider options for enhancing LGPS governance arrangements to ensure that the Scheme is ready for the challenges ahead and at the same time retains local democratic accountability. Following extensive consultation and engagement with the LGPS community the SAB published 2 reports. The following recommendations from the second report relate directly to the attainment of knowledge and skills;

- Key individuals within the LGPS, including LGPS officers and pensions committee members, to have the appropriate level of knowledge and understanding to carry out their duties effectively.
- A requirement for s151 officers to carry out LGPS relevant training as part of their CPD requirements to ensure good levels of knowledge and understanding.
- Administering authorities must publish a policy setting out their approach to the delivery, assessment and recording of training plans to meet these requirements.
- Relevant professional bodies to produce appropriate guidance and training modules for s151 officers and to consider including LGPS training within their training qualification syllabus.

The findings of the Good Governance Review have yet to be formally adopted in statutory form, however, this Training Strategy recognises the principles behind the recommendations and seeks to embed them into the culture of the East Sussex Pension Fund.

The Pensions Regulator's E-learning toolkit

The Pensions Regulator has developed an online toolkit to help those running public service schemes understand the governance and administration requirements set out in its code of practice 14 – *Governance and administration of public service pension schemes*. The toolkit covers 7 short modules, which are:

- Conflicts of Interests;

- Managing Risk and Internal Controls;
- Maintaining Accurate Member Data;
- Maintaining Member Contributions;
- Providing Information to Members and Others;
- Resolving Internal Disputes;
- Reporting Breaches of the Law.

The modules of the Regulator's toolkit are by their very nature generic, having to cater for all public service pension schemes. While they give a minimum appreciation of the knowledge and understanding requirements set out in the Code of Practice they do not cater for the specific requirements of the individual public service schemes.

As a result the Regulator's toolkit does not cover knowledge and skills requirements in areas such as Scheme regulations, the Fund's specific policies and the more general pension's legislation.

Pension Committee

Under the constitution of East Sussex County Council, The Pension Committee has the responsibility "To make arrangements for the investment, administration and management of the Pension Fund".

Members of the Committee must, therefore, have an understanding of all aspects of running the Fund and how to exercise their delegated powers effectively.

Members of the Pension Committee require an understanding of:

- their responsibilities as delegated under the constitution of East Sussex County Council as the administering authority for the fund;
- the requirements relating to pension fund investments;
- the management and administration of the Fund;
- controlling and monitoring the funding level; and
- effective governance and decision making in relation to the management and administration of the Fund.

There also exists a specific requirement under MiFID II¹, that those making investment decisions, must be able to demonstrate that they have the capacity to be treated as professional investors.

Expectations on Pension Committee Members

¹ Markets in Financial Instruments Directive II (2014/65/EU)

The role of Pension Committee member is an important one and there are certain expectations on those undertaking the role. These include;

- A commitment to attend and participate in training events and to adhere to the principles of this Training Strategy
- The ability to use acquired knowledge to participate in meetings and to ask questions constructively of the information provided by officers, advisers and others
- Judge the information provided in a fair and open minded way that avoids pre-determining outcomes
- Operate within the terms of reference for the Pension Committee and the elected member code of conduct

Local Pension Board

Under the constitution the Local Pension Board is required;

To provide assistance to East Sussex County Council as the LGPS Scheme Manager in securing compliance with:

- LGPS Regulations and any other legislation relating to the governance and administration of the LGPS
- requirements imposed in relation to the LGPS by The Pensions Regulator
- the agreed investment strategy
- any other matters as the LGPS regulations may specify.

The role of the Local Pension Board is to provide assistance to the administering authority to ensure that the fund is well run and complies with its legal responsibilities and best practice. The Local Pension Board does not replace the administering authority or make decisions which are the responsibility of the administering authority.

Local Pension Board members must be conversant with:

- the relevant LGPS Regulations and any other regulations governing the LGPS;
- guidance issued by The Pensions Regulator and other competent authorities, relevant to the LGPS;
- any policy or strategy documents as regards the management and administration of the Fund; and
- the law relating to pensions and such other matters as may be prescribed.

Expectations on Local Pension Board members

The training provided to members of Local Pension Boards will ensure that they are familiar with certain legal requirements with they must comply. These are listed below;

- Members must have the capacity to represent employers or scheme members, according to whether they themselves are an employer or scheme member representative;
- Members must not have conflicts of interest and must provide the administering authority with any information they require in order to ensure that conflicts do not exist or arise in future;
- Have the appropriate level of knowledge and skills to carry out their role

In addition, Local Pension Board members will be expected to demonstrate other attributes, including;

- A commitment to attend and participate in training events and to adhere to the principles of this Training Strategy
- The ability to use acquired knowledge to participate in meetings and to ask questions constructively of the information provided by officers, advisers and others
- Judge the information provided in a fair and open minded way that avoids pre-determining outcomes
- Operate within the terms of reference for the Pension Board

Chief Finance Officer (Section 151 Officer)

The Chief Finance Officer has specific LGPS related delegated powers under the constitution of East Sussex County Council. These include;

- Responsibility for implementing the policy decisions of the Pension Committee and to act for the Pension Committee in certain emergency situations where to delay buying or selling assets might be detrimental to the Fund;
- The power to approve the terms of admission agreements on behalf of the administering authority;
- The power to approve the membership of certain categories of employees of foundation schools as being eligible for LGPS membership
- To undertake any necessary actions in connection with the admission of any academies to the East Sussex Pension Fund as scheme employers

In addition, The Chief Finance Officer has the responsibility under s151 of the Local Government Act 1972 for the proper administration of the authority's financial affairs, including those relating to the LGPS fund.

It is important therefore that the individual carrying out the role of the Chief Finance Officer has an appropriate knowledge of LGPS and pension matters.

The Chief Finance Officer should be familiar with:

- The LGPS Landscape and the role of the administering authority;
- The wider legal and regulatory framework
- Key bodies and organisations
- External Scrutiny
- Employer issues including outsourcing and restructuring
- The role of the actuary

In addition the Chief Finance officer should be familiar with certain specific aspects of his or her role in respect of the LGPS, these include;

- CIPFA guidance of the role of the Chief Finance Officer in the LGPS
- Fiduciary duties
- Relevant case law
- LGPS funds in a local authority context

Head of Pensions

The Head of Pensions has responsibility for the operation of all aspects of the Fund and has delegated responsibilities in connection with the Council's role as administering authority for the East Sussex Pension Fund. Furthermore, the Head of Pensions provides expert advice and guidance to the pension committee. It is, therefore, expected that the Head of Pensions retains an exceptional level of knowledge, commensurate with the role.

The Head of Pensions should have an exceptional knowledge of;

Pensions legislations: including LGPS, wider relevant pensions and guidance

Pensions governance: including legal and constitutional matters, relevant legal bodies and performance monitoring.

Pensions administration: including administration and communications strategy, best practice in administration delivery and data management and security.

Funding and actuarial matters: including setting funding strategy, employer risk and covenant, valuations and funding reporting and scrutiny.

Accounting and auditing: including financial strategy, accounting, financial reporting and audit standards

Investment strategy: including asset allocation, pooling, performance and risk management

Financial markets and products knowledge: including MiFID II, pooling and asset classes

Procurement: Including contract management, SLA's and relationship management

Other officers responsible for the management and administration of the Fund

All individuals responsible for the management and delivery of the LGPS or who have a decision-making, scrutiny or oversight role require the appropriate training to ensure they are equipped to do their job well.

The knowledge and skills required of staff are set out in their job descriptions, including any formal qualifications required.

The exact nature and level of knowledge required will vary considerably by role.

Fund officers should have a strong understanding of:

- Relevant areas of the LGPS as required for the delivery of their role
- The processes and procedures required to successfully carry out their role
- Any pension fund or East Sussex County Council policies which apply, for example IT security, data management, equality and diversity.

Participating Employers

The success of the Fund depends on the strength of the relationship between the administering authority and the employers that participate in it. Employers have a range of responsibilities within the LGPS and must employ individuals who have an understanding of the of those responsibilities.

Employers must be able to identify individuals who have an understanding of;

- Employer discretion policies
- The role of the appointed person and the Internal dispute resolution procedure
- Their responsibilities for starters, leavers and changes to membership as set out in the Fund's administration strategy
- Their responsibilities for collecting and remitting contributions (including additional contributions)
- The reasons for leaving under the LGPS regulations
- Providing information requested by the Fund at year end or as required
- Their responsibilities with respect to outsourcing, staff transfers and reorganisations.

Management and delivery

To achieve these objectives, the Fund will aim for full compliance with the CIPFA Knowledge and Skills Framework (KSF) and the Pension Regulator Code of Practice to meet the skills set within that Framework. Attention will also be given to any guidance issued by the Scheme Advisory board (SAB), the Pensions Regulator and the Secretary of State.

The implementation of this Strategy and the delivery of the accompanying Training Plan will be the responsibility of the Fund's Training Officer. However, each individual with a requirement to attain knowledge and skills under this Strategy has a personal responsibility to ensure they meet the required standards and must fully engage with the process.

Training Needs Assessment

Committee and Board members, and officers covered by this Strategy will undergo a Training Needs Assessment (TNA), either following the adoption of this Strategy or upon commencing their role, whichever is later. The TNA will be used to identify areas of potential strength and weakness and will form part of developing the Fund's training plan.

Specific TNA's on particular subjects will also be carried out as and when required by the Training Officer and will be used to inform subsequent training requirements.

Level of knowledge and skills required

In developing the training plan, consideration will be given as to the level of knowledge needed for each group of individuals. For example, the committee and board may require only an "awareness" or "general understanding" of some areas while an officer may require "detailed" or "expert" knowledge of the same topic.

The levels of knowledge that will be considered when drawing up the training plan and scheduling training events will be, in ascending order;

For committee and board members:

- An awareness – i.e. recognition that the subject matter exists
- A general understanding – i.e. understanding the basics in relation to the subject matter
- A strong understanding – i.e. a good level of knowledge in relation to the subject matter (but not necessary at detailed level).

For the officers:

- A strong understanding – i.e. a good level of knowledge in relation to the subject matter (but not necessary at detailed level)
- Detailed knowledge – i.e. knowledge of all aspects of the subject matter
- Expert knowledge – i.e. in depth mastery of all aspects of knowledge in relation to the subject matter

Individual Training Plans

Training plans will contain core elements, such as the CIPFA knowledge and Skills modules and the TPA's requirements, but there will be variations within each individual's training plan to reflect their specific role and level of knowledge required.

Measuring the effectiveness of training

Following the delivery of training, each recipient of the training will be required to complete a brief written test based on the topic. The responses will be marked by the Training Officer and the results collated and used to evidence level of understanding.

The Training Officer will also maintain a log of all training events and each individuals attendance and assessment score.

Timing

Ideally, targeted training will be provided that is timely and directly relevant to the Committee and Board's activities as set out in the Fund's business plan.

Approach

This Strategy sets out how the Fund provide training to members of the Pension Committee and Pension Board. The Officers involved in the management and administration of the Fund will have their own team and personal training plans and career development objectives.

- **Induction training** - Pension Committee and Pension Board members will receive induction training to cover the role of the Fund, Pension Board and understand the duties and obligations East Sussex Council as the Administering Authority, including funding and investment matters.

Induction training will be arranged by the Training Officer and will be provided prior to the member attending their first committee or board meeting.

- **External courses** - Additionally, a number of specialist courses are run by bodies such as the Local Government Association, actuarial, governance and investment advisers as well as fund managers. Appropriate courses will be selected by the Head of the Pension Fund and the Training Officer and information circulated to members in advance. Courses will be selected for their relevance to the Training Plan.
- **Conferences** - There are also a number of suitable conferences run annually, which will be brought to members attention where appropriate. Of particular relevance are the LGA Annual Governance Conference, LGA Fundamentals Training, Pension and Lifetime Savings Association (PLSA) Conference, the Local Government Chronical (LGC) Local Authority Conference, and the Local Authority Pension Fund Forum (LAPFF) annual conference.

Appropriate conferences will be selected by the Head of the Pension Fund and the Training Officer and information circulated to members in advance. Conferences will be selected for their relevance to the Training Plan.

Additionally, consideration will be given to various training resources available in delivering training to Pension Committee and Pension Board members. These may include but are not restricted to:

- In-house and shared training events where it improves economy, efficiency and effectiveness
- Self-improvement and familiarisation with regulations and documents

- The Pension Regulator's e-learning programme
- Attending courses, seminars and external events
- Internally developed training days and pre/post meeting sessions
- Regular updates from officers and/or advisers
- Informal discussion and one-to-one sessions
- Formal presentations
- Circulated reading material
- E-learning

Flexibility

When considering training for members of the Pension Committee and Pension Board it is recognised that individuals may have different learning styles. The Fund will seek, where possible, to ensure flexibility in the manner in which training is provided to support these different learning styles.

Maintaining knowledge

In addition to undertaking ongoing training to achieve the requirements of the CIPFA knowledge and skills framework Pension Committee and Pension Board members are expected to maintain their knowledge and understanding of topical issues through attendance at internal/external events and seminars where appropriate.

Owing to the changing world of pensions, it will also be necessary to attend ad hoc training on emerging issues or on a specific subject on which a decision is to be made in the near future.

Risk Management

The delivery of this training strategy is at risk in the event of-

- Frequent changes in membership of the Pension Committee or Pension Board
- Poor individual commitment
- Resources not being available
- Poor standards of training
- Inappropriate training plans

These risks will be monitored, recorded and cross referenced with attendance details and assessment scores by the Training Officer and reported to the Pension Committee and Pension Board if their impact is likely to prevent the East Sussex Pension Fund from achieving the objectives of this Training Strategy.

Reporting and Compliance

In line with the CIPFA Code of Practice a disclosure will be made in the Fund's Annual Report and Accounts that covers:

- How the Knowledge and Skills framework has been applied.
- What assessment of training needs has been undertaken.

- What training has been delivered against the identified training needs.

Budget and costs

A training budget will be agreed with the Pension Committee and costs fully scoped.

All direct costs and associated reasonable expenses for attendance of external courses and conferences will be met by the Fund, provided that the Scheme Manager's prior approval is sought before incurring any such expenses (other than routine costs associated with travelling to and from Pensions Board/Committee meetings) and appropriate receipts are sent to the Scheme Manager evidencing the expenses being claimed for.

Effective date

This strategy comes into effect from **[insert date]**.

Review

This strategy will be reviewed every 2 years, and if necessary, more frequently to ensure it remains accurate and relevant.

Signed by

_____ (Section 151 officer)

_____ (Head of Pensions)

_____ (Chair of Pension Committee)

_____ (Chair of Pension Board)

Roles and responsibilities of the Chair of the Pension Committee

The Pension Committee has delegated authority on the matters set out in Section 9 of Part 3 of East Sussex County Council's constitution. This includes the power "To make arrangements for the investment, administration and management of the Pension Fund."

It is the role of the Chair of the Pension Committee to ensure that the Committee carries out its role effectively, in line with its terms of reference and in accordance with the relevant legislation and guidance.

Compliance with the Constitution

As an elected member of East Sussex County Council The Chair of the Pension Committee must comply with the requirements of the constitution and should be satisfied that the Committee is run in accordance with the following codes and protocols;

- Members' Code of Conduct
- Code of Conduct and Conflict of Interest Policy
- Code on Member/Employee Relations
- Protocol on Decision Making
- Advice to Members Serving on Outside Bodies

Main Responsibilities of the Chair

- To Chair Pension Committee meetings and ensure their effectiveness
- To provide effective leadership in the development of the Fund's policy, strategy, business planning and budget setting.
- To provide effective leadership in the implementation of effective service delivery and the Fund's approved policies and strategies.
- To develop good working relationships with The Chair of the Pension Board, the Chief Finance Officer and the Head of Pensions in order to ensure that the Fund's interests are represented.
- To act as a spokesperson and represent the Fund at a local and national level.

Training and knowledge and skills

Under MiFID II (Markets in Financial Instruments Directive) local and public authorities are deemed to be retail investors, unless those making investment decisions can satisfy a qualitative test, that allows them to be treated as a professional investor. The test requires the Pension Committee to satisfy those providing investment services that it possesses the expertise, experience and knowledge required to be capable of making its own investment decisions and understanding the risks involved.

The Fund operates a Training Strategy which requires that committee member's knowledge and skills are measured, monitored and maintained to ensure they have a relevant understanding of the matters required to carry out their role effectively. Committee members must invest sufficient time in their learning and development in order to reach the required standard.

The Chair's additional responsibilities in respect of knowledge and skill are to;

- ensure that all Committee members fully understand and appreciate their role and responsibilities
- promote a culture of learning among Pension Committee members and ensure that the Fund's training strategy is adhered to.
- ensure that all Committee members are developed both as a group and as individuals, to enable them to perform their duties effectively
- ensure that the ongoing training on relevant issues and developments meets the needs of the Committee members.

Roles and responsibilities of a member of the Pension Committee

The Pension Committee has delegated authority on the matters set out in Section 9 of Part 3 of East Sussex County Council's constitution. This includes the power "To make arrangements for the investment, administration and management of the Pension Fund."

It is the role of a member of the Pension Committee is to participate fully and effectively in discharging the Committee's terms of reference.

Compliance with the Constitution

As an elected member of East Sussex County Council a member of the Pension Committee must comply with the requirements of the constitution and should be satisfied that the Committee is run in accordance with the following codes and protocols;

- Members' Code of Conduct
- Conflict of Interest Policy
- Code on Member/Employee Relations
- Protocol on Decision Making
- Advice to Members Serving on Outside Bodies

Expectation on Committee members

As well as the general expectations of an elected member of East Sussex County Council, those individuals sitting on the pension committee are expected to;

- Run the pension Fund for the benefit of all participating employers and members
- Contribute to the development and maintenance of effective governance and internal controls for the Fund
- Make decisions and set the Fund's objectives and strategy
- Effectively monitor and oversee advisers and those carrying out scheme activities

Training and Knowledge and skills

Under MiFID II (Markets in Financial Instruments Directive) local and public authorities are deemed to be retail investors, unless those making investment decisions can satisfy a qualitative test, that allows them to be treated as a professional investor. The test requires the Pension Committee to satisfy those providing investment services that it possesses the expertise, experience and knowledge required to be capable of making its own investment decisions and understanding the risks involved.

The Fund operates a Training Strategy which requires that committee member's knowledge and skills are measured, monitored and maintained to ensure they have a relevant understanding of the matters required to carry out their role effectively. Committee members must invest sufficient time in their learning and development in order to reach the required standard.

East Sussex Pension Fund

Role description for the Local Pension Board Chair

Role Summary

The role of the Chair is to provide leadership and direction to the pension board.

The Chair's aim is to enable the pension board to fulfil their responsibilities in respect of the governance of the East Sussex Pension Fund ("the Fund") in accordance with the Public Service Pension Scheme Act 2013 ("PSPA13"), legislation governing the Local Government Pension Scheme ("LGPS") and the Code of Practice issued by The Pensions Regulator ("TPR").

The Chair will work closely in partnership with the Scheme Manager (East Sussex CC) in relation to the following matters:

- Securing compliance with LGPS regulations and other legislation relating to the governance and administration of the Scheme and any statutory pension scheme that is connected with it;
- Securing compliance with requirements imposed in relation to the scheme and any connected scheme by The Pensions Regulator;
- Ensuring any breach of duty is considered and reported under the scheme's breaches procedure,
- Such other matters as the scheme regulations may specify.
- Assisting the Scheme Manager to ensure the effective and efficient governance and administration of the scheme.

The Chair will be expected to use their skills, knowledge and experience to help the Local Pension Board reach sound conclusions and recommendations. This will involve scrutinising Board papers, leading discussions, focusing on key issues, and providing advice and guidance requested by the Board.

In addition to the general responsibilities of a Local Pension Board member, the Chair has a number of tasks specific to their role.

1. Main Responsibilities of the Chair

- providing leadership to Board members and developing the strategy and policy of the Local Pension Board
 - planning the annual cycle of board meetings and setting the agendas
 - chairing and facilitating the Local Pension Board meetings, ensuring that all voices and opinions are heard and judging when consensus is reached
 - monitoring that recommendations made at Local Pension Board meetings are considered and where necessary implemented
 - liaising with the Head of Pensions and the Chair of the Pension Committee to maintain an overview of the Fund's affairs and providing support as appropriate
 - reviewing and appraising the performance of the Local Pension Board
 - to receive timely advice on new developments relevant to the LGPS and pensions in general and consider whether the Fund is complying with them
 - ensuring that the Local Pension Board's reporting requirements are met including, for example, to The Pensions Regulator and the Scheme Advisory Board
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- balancing the views and needs of the participating employers and the scheme members
- ensuring that that The Local Pension Board complies with relevant policies, including but limited to those on conflicts of interest, reporting breaches and East Sussex CC's code of conduct.

Training and knowledge and skills

- ensure that all new board members fully understand and appreciate their role and responsibilities
- promote a culture of learning among Local Pension Board members and ensure that the Fund's training strategy is adhered to.
- ensure that all board members are developed both as a group and as individuals, to enable them to perform their duties effectively
- ensure that the ongoing training on relevant issues and developments meets the needs of the board members.

2. Qualities expected of the Chair

- leadership skills with the ability to effectively chair meetings
- articulate in writing and speech with the ability to prepare formal papers and speak at public occasions
- sufficient gravitas and sensitivity to operate effectively at all levels internally and externally
- commitment to the role
- integrity, strategic vision and good independent judgement
- a willingness to devote the necessary time and effort to the duties of the Chair
- ability to help formulate recommendations
- good communication skills
- tact and diplomacy
- willingness to speak one's mind and listen to the views of others
- understanding of the legal responsibilities and liabilities of a Local Pension Board member

3. Desirable experience and knowledge

- knowledge and experience of governance or management of work based pension schemes and the regulatory bodies involved
- a good knowledge of the local government pension scheme
- an awareness of the legislation relating to the operation of local authorities
- prior experience of committee/trustee work
- the law relating to pensions as it applies to the LGPS
- any matters which are prescribed in regulations.

4. Time consideration

The pension board meets at least 4 times a year.

In addition to board meetings, contact electronically or by telephone will be necessary.

The time commitment for the Chair is expected to be [xx] days per month, on average.

East Sussex Pension Fund

Role description for the Local Pension Board Vice Chair

[Note the constitution allows the Governance Committee to appoint a Vice Chair but there is no vice listed in the Board's membership]

Role Summary

The role of the Vice Chair is to provide support to the Chair of the Local Pension Board and act as a substitute in the event that the Chair cannot be present.

The Vice Chair will work closely in partnership with The Chair and the Scheme Manager (East Sussex CC) in relation to the following matters:

- Securing compliance with LGPS regulations and other legislation relating to the governance and administration of the Scheme and any statutory pension scheme that is connected with it;
- Securing compliance with requirements imposed in relation to the scheme and any connected scheme by The Pensions Regulator;
- Ensuring any breach of duty is considered and reported under the scheme's breaches procedure,
- Such other matters as the scheme regulations may specify.
- Assisting the Scheme Manager to ensure the effective and efficient governance and administration of the scheme.

The Vice Chair should make a strong contribution to Local Pension Board meetings and be senior voice around the table.

In addition to the general responsibilities of a Local Pension Board member, the Vice Chair has a number of tasks specific to their role.

1. Main Responsibilities of the Vice Chair

- acting as a sounding board for the Chair to discuss ideas and provide a second opinion
- deputising for the Chair at meetings or external events
- providing a senior voice at Local Pension Board meetings and demonstrating the values expected of a member of the East Sussex Local Pension Board.
- to speak one's mind and listen to the views of others
- understanding of the legal responsibilities and liabilities of a Local Pension Board member

2. Time consideration

The pension board meets at least 4 times a year.

In addition to board meetings, contact electronically or by telephone will be necessary.

The time commitment for the Vice Chair is expected to be [xx] days per month, on average.

East Sussex Pension Fund

The role and responsibilities of the employer representative on the Local Pension Board

In accordance with the Public Service Pensions Act 2013 (“PSPA132), the East Sussex Pension Fund (“the Fund”) operates a Local Pension Board. The Board comprises 3 scheme member representatives, 3 employer representatives and an independent chair.

This paper sets out the role and responsibilities of employer representatives on the Local Pension Board.

Employer representatives play an important part in the governance and administration of the Fund, by providing representation for participating employers. Although sitting on the Board as employer representative, those carrying out the role have a primary responsibility to assist the Scheme Manager (East Sussex County Council) to secure compliance with all relevant pensions law. The role of employer representative will therefore be of value to all stakeholders in the fund including participating employers, members of the Fund and East Sussex County Council, as the Administering Authority.

Role Summary

The role of the employer representative will be to ensure the Fund is complying with legislation relating to its governance and administration, its own rules and any requirements of The Pensions Regulator.

The aim is to enable the Local Pension Board to fulfil its responsibilities in respect of the governance of the Fund in accordance with the PSPA13, legislation governing the Local Government Pension Scheme (“LGPS”) and relevant Codes of Practice issued by the Pension Regulator.

The role involves working closely in partnership with the Scheme Manager in order assist in relation to the following matters:

- Securing compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme and any statutory pension scheme that is connected with it;
- Securing compliance with requirements imposed in relation to the scheme and any connected scheme by The Pensions Regulator;
- Ensuring any breach of the law is considered and the Fund’s procedure for reporting to the Pensions Regulator is adhered to;
- Such other matters as the scheme regulations may specify;
- Assisting the Scheme Manager to ensure the effective and efficient governance and administration of the scheme.

Responsibilities of the Employer Representative

Employer representatives must provide the Scheme Manager with any information required so that they can be satisfied that they do not have a conflict of interest. A member who becomes aware of a potential conflict of interest involving themselves or another pension board member or prospective member, must comply with the Fund’s conflict of interest policy. Anyone with a conflict of interest may not be appointed to the pension board or, if already a member when the conflict arises, will be asked to resign.

An employer representative must have the capacity to represent the Fund’s employers and is expected to be available to attend all pension board meetings, unless apologies are sent in advance and accepted by the Board.

There will be 4 meetings per annum. In the event of persistent non-attendance, their tenure will be reviewed by the Chair to the pension board in liaison with the Scheme Manager.

Training and knowledge and skills

The law requires Local Pension Board members to have knowledge and understanding of relevant pensions law and to have a working knowledge of the Local Government Pension Scheme and statutory guidance supporting it. An employer representative's responsibilities start from the day of appointment.

Employer representatives also need to be familiar with the Fund's documented policies including, but not limited to those covering, administration, communications, funding, investment and breaches of the law.

Employer representatives should be aware of the range and extent of pensions law that applies to the Local Government Pension Scheme and have enough understanding of the law to recognise when and how it impacts on their responsibilities.

The Fund operates a Training Strategy which requires that Local Pension Board members' knowledge and skills are measured, monitored and maintained to ensure they have a relevant understanding of the matters required to carry out their role effectively. Local Pension Board members must invest sufficient time in their learning and development in order to reach the required standard.

Tenure

The term of office for Board members shall be 4 years or such time as resolved by the Governance Committee. The Governance Committee may agree an extension to terms of office up to a further 2 years after which there shall be a further appointment process. Reappointment of existing members is permitted.

Expenses

Actual expenses incurred in attending pension board meetings or incurred will be reimbursed. Expenses incurred in performing other duties as a pension board member will only be reimbursed if first agreed with the Scheme Manager.

East Sussex Pension Fund

The role and responsibilities of the scheme member representative on the Local Pension Board

In accordance with the Public Service Pensions Act 2013 (“PSPA132”), the East Sussex Pension Fund (“the Fund”) operates a Local Pension Board. The Board comprises 3 scheme member representatives, 3 employer representatives and an independent chair.

This paper sets out the role and responsibilities of scheme member representatives on the Local Pension Board.

Scheme member representatives play an important part in the governance and administration of the Fund, by providing representation for scheme members. Although sitting on the Board as scheme member representative, those carrying out the role have a primary responsibility to assist the Scheme Manager (East Sussex County Council) to secure compliance with all relevant pensions law. The role of scheme member representative will therefore be of value to all stakeholders in the fund including participating employers, members of the Fund and East Sussex County Council, as the Administering Authority.

Role Summary

The role of the employer representative will be to ensure the Fund is complying with legislation relating to its governance and administration, its own rules and any requirements of The Pensions Regulator.

The aim is to enable the Local Pension Board to fulfil their responsibilities in respect of the governance of the Fund in accordance with the PSPA13, legislation governing the Local Government Pension Scheme (“LGPS”) and relevant Codes of Practice issued by the Pension Regulator.

The role involves working closely in partnership with the Scheme Manager in order assist in relation to the following matters:

- Securing compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme and any statutory pension scheme that is connected with it;
- Securing compliance with requirements imposed in relation to the scheme and any connected scheme by The Pensions Regulator;
- Ensuring any breach of the law is considered and the Fund’s procedure for reporting to the Pensions Regulator is adhered. Such other matters as the scheme regulations may specify.
- Assisting the Scheme Manager to ensure the effective and efficient governance and administration of the scheme.

Responsibilities of the Scheme Member Representative

Scheme member representatives must provide the Scheme Manager with any information required so that they can be satisfied that they do not have a conflict of interest. A member who becomes aware of a potential conflict of interest involving themselves or another pension board member or prospective member, must comply with the Fund’s conflict of interest policy. Anyone with a conflict of interest may not be appointed to the pension board or, if already a member when the conflict arises, will be asked to resign.

A scheme members representative must have the capacity to represent all of the members in the Fund and is expected to be available to attend all pension board meetings, unless apologies are sent in advance and accepted by the Board. There will be 4 meetings per annum. In the event of persistent non-attendance, their tenure will be reviewed by the Chair to the pension board in liaison with the Scheme Manager.

Training and knowledge and skills

The law requires Local Pension Board members to have knowledge and understanding of relevant pensions law and to have a working knowledge of the Local Government Pension Scheme and statutory guidance supporting it. A scheme member representative's responsibilities start from the day of appointment.

Scheme member representatives also need to be familiar with the Fund's documented policies including, but not limited to those covering, administration, communications, funding, investment and breaches of the law.

Scheme member representatives should be aware of the range and extent of pensions law that applies to the Local Government Pension Scheme and have enough understanding of the law to recognise when and how it impacts on their responsibilities.

The Fund operates a Training Strategy which requires that Local Pension Board members' knowledge and skills are measured, monitored and maintained to ensure they have a relevant understanding of the matters required to carry out their role effectively. Local Pension Board members must invest sufficient time in their learning and development in order to reach the required standard.

Tenure

The term of office for Board members shall be 4 years or such time as resolved by the Governance Committee. The Governance Committee may agree an extension to terms of office up to a further 2 years after which there shall be a further appointment process. Reappointment of existing members is permitted.

Expenses

Actual expenses incurred in attending pension board meetings or incurred will be reimbursed. Expenses incurred in performing other duties as a pension board member will only be reimbursed if first agreed with the Scheme Manager.

Decision Making : LGPS Governance matrix

Area	Task	Committee	Pension Board	Investment Pool	S151 Officer	Fund Officers	Advisors
Fund mission, objectives and beliefs	Develop Fund Mission Statement	Oversight	Specific Input	N/A	Recommend	Recommend	Specific Input
	Agree Fund Mission Statement	Approve	Oversight	N/A	Agree	Agree	Advise
	Develop Fund objectives for Governance, Funding, Investment and Delivery	Oversight	Specific Input	N/A	Recommend	Recommend	Specific Input
	Agree Fund objectives for Governance, Funding, Investment and Delivery	Approve	Oversight	N/A	Agree	Agree	Specific Input
	Consider and agree Fund beliefs	Approve	Oversight	N/A	Recommend	Recommend	Advise
Fund Risk Management	Agree the risks facing the Fund	Approve	Oversight	N/A	Recommend	Recommend	Advise
	Agree risk mitigations	Approve	Oversight	N/A	Recommend	Recommend	Advise
	Approve regular risk register reports	Approve	Oversight	N/A	Recommend	Recommend	Specific Input
	Define investment strategy (including ESG considerations)	Approve	Oversight	Specific Input	Advise	Advise	Advise
	Identify how you deal with upside / downside events	Notified	Notified	Specific Input	Advise	Advise	Advise
	Review of Fund covenant arrangements	Approve	Oversight	N/A	Advise	Advise	Specific Input
Governance functions	Agree Governance Manual/Framework	Approve	Oversight	Notified	Advise	Advise	Advise
	Monitor and input into the Valuation process	Oversight	Notified	Notified	Specific Input	Specific Input	Approve
	Sign off valuation results	Approve	Oversight	N/A	Recommend	Recommend	Advise
	Confirmation of annual MIFID II position	Oversight	Oversight	N/A	Agree	Agree	Notified
	Review of Fund discretionary policies	Oversight	Oversight	N/A	Recommend	Recommend	Specific Input
	Agree changes to Fund discretionary policies	Approve	Oversight	N/A	Agree	Agree	N/A
	Review of various policy statements and strategies	Oversight	Oversight	N/A	Recommend	Recommend	Specific Input
	Agree revisions to policy statements and strategies	Approve	Oversight	N/A	Agree	Agree	N/A
	Adequate training completed for Pension Committee and Pension Board	Agree	Agree	N/A	Recommend	Recommend	Specific Input
	Ensure adequate Pension Committee and Pension Board meetings are held	Agree	Agree	N/A	Oversight	Recommend	N/A
	Fund Delivery (Administration functions)	Agree/review delivery model (in-house, shared service, outsource)	Approve	Oversight	N/A	Recommend	Recommend
Agree scope and nature of administration service		Approve	Oversight	N/A	Recommend	Recommend	Advise
Agree administration processes		Notified	Oversight	N/A	Notified	Agree	Advise
Completion of Year-end exercise		Notified	Oversight	N/A	Notified	Agree	N/A
Issue annual benefit statement		Notified	Oversight	N/A	Notified	Agree	N/A
Issue annual allowance pension savings statements		Notified	Oversight	N/A	Notified	Agree	N/A
Compile and publish Fund Annual report		Approve	Specific Input	N/A	Agree	Agree	Specific Input
TPR - Reporting breaches of the law to the Pensions Regulator*		Oversight	Oversight	N/A	Oversight	Oversight	Oversight
LGPS Investment	Agree asset allocation	Approve	Oversight	Specific Input	Advise	Advise	Specific Input
	Agree allocations to new asset classes	Approve	Oversight	Specific Input	Advise	Advise	Specific Input
	Agree Investment strategy statement	Approve	Oversight	Specific Input	Advise	Advise	Specific Input
	Confirm partner LGPS Investment pool for Fund	Approve	Specific Input	Specific Input	Recommend	Recommend	Specific Input
Employer Related Decisions	Set employer contribution rates	Approve	Oversight	N/A	Advise	Advise	Recommend
	Set admission policy	Approve	Oversight	N/A	Advise	Advise	Specific Input
	Set cessation policy	Approve	Oversight	N/A	Advise	Advise	Specific Input
	Set bulk transfer policy	Approve	Oversight	N/A	Advise	Advise	Specific Input
	Approve new employers to the Fund	Approve	Oversight	N/A	Advise	Advise	Specific Input
Monitoring and Oversight	Monitor Investment strategy (context of market outlook, covenant and funding)	Oversight	Oversight	Specific Input	Recommend	Recommend	Specific Input
	Monitor the Fund's Investment pool performance	Oversight	Oversight	Advise	Specific Input	Specific Input	Specific Input
	Monitor fund managers ESG and sustainability policies	Oversight	Oversight	Advise	Specific Input	Specific Input	Specific Input
	Monitor the Funds administration management and delivery performance	Oversight	Oversight	N/A	Advise	Advise	Specific Input

* as required, when any breach is considered to be "material"

EAST SUSSEX PENSION FUND: TRAINING PLAN 2020/21

Training event	Committee and Board responsibilities	Investment update	Pensions legislation	Pensions governance
CIPFA Framework	No	No	Yes (module 1)	Yes (module 2)
Scheduled Date	(date tbc)	(date tbc)	(date tbc)	(date tbc)
Delivered by	Eversheds			
Committee	Yes	Yes	Yes	Yes
Board	Yes	Yes	Yes	Yes
Outline of Content	tbc	Private Equity & Infrastructure, and the role of Asset Allocation in enhancing the profile of long run returns	<p>A general understanding of;</p> <ul style="list-style-type: none"> • The overall legislative framework • Scheme-specific regulations and guidance • LGPS discretions and the formulation of policies • Latest changes to LGPS rules 	<p>A general understanding of;</p> <ul style="list-style-type: none"> • The role of the admin authority • The role of MHCLG, the Pensions Regulator, the Pensions Ombudsman • The role of the Scheme Advisory Board • The role of Pension Committees in relation to the fund, the admin authority, employing authorities, scheme members and taxpayers. • The role of the s151 officer and the monitoring officer • The Myners' Principles • The role and responsibilities of LPB members. • The Fund's stakeholders and their interests • The consultation, communication and involvement options available to stakeholders • Monitoring and managing Fund risk • Managing conflicts of interest • Reporting breaches of the law.

Training event	Pensions administration	Pensions accounting and auditing standards	Pensions services procurement and relationship management	Investment performance and risk management
CIPFA Framework	Yes (module 3)	Yes (module 4)	Yes (module 5)	Yes (module 6)
Scheduled Date	(date tbc)	(date tbc)	(date tbc)	(date tbc)
Delivered by				
PSB	Yes	Yes	Yes	Yes
PAB	Yes	Yes	Yes	Yes
Outline of Content	<p>A general understanding of;</p> <ul style="list-style-type: none"> • Best practice in pensions administration eg performance and cost measures. • Fund policies relating to member data maintenance and record-keeping processes, internal dispute resolution, contributions collection and scheme communication and materials. • Discretionary powers • The pension administration strategy • Pensions taxation • An understanding of AVC arrangements, including investment 	<p>A general understanding of;</p> <ul style="list-style-type: none"> • Accounts and Audit Regulations and legislative requirements relating to internal controls and accounting practice • The role of internal and external audit • The role played by third party assurance providers. 	<p>A general understanding of;</p> <ul style="list-style-type: none"> • Public procurement policy and procedures and the roles of key decision-makers and organisations. • The main public procurement requirements of UK and EU legislation. • The nature and scope of risks for the pension fund and of the importance of considering risk factors when selecting third parties. • How the pension fund monitors and manages the performance of service providers. 	<p>A general understanding of;</p> <ul style="list-style-type: none"> • The importance of monitoring asset returns relative to the liabilities and a broad understanding of ways of assessing long-term risks • The Myners' principles of performance management and the approach adopted by the administering authority. • The range of support services, who supplies them and the nature of the performance monitoring regime. • A general understanding of the structure, operation and purpose of the investment pooling arrangements, including the structure of the relationship with the other participants within the pool

	choices, investment performance and payment schedule.			
Training event	Financial markets and products knowledge	Actuarial methods, standards and practices		
CIPFA Framework	Yes (module 7)	Yes (module 8)		
Scheduled Date	(date tbc)	(date tbc)		
Delivered by				
PSB	Yes	Yes		
PAB	Yes	Yes		
Outline of Content	<p>A general understanding of;</p> <ul style="list-style-type: none"> • The risk and return characteristics of the main asset classes • The role of these asset classes in long-term pension fund investing. • The importance of the fund's ISS and investment strategy decisions. • the workings of the financial markets and of the investment vehicles available to the pension fund and the nature of the associated risks. 	<p>A general understanding of;</p> <ul style="list-style-type: none"> • The role of the actuary • The valuation process (including the FSS and inter-valuation monitoring) • Early and ill-health retirement monitoring • New employers and cessations • Outsourcings and bulk transfers • Employer covenant 		

	<ul style="list-style-type: none">• the limits placed by regulation on the investment activities of local government pension funds.• how the fund interacts with the taxation system in the UK and overseas in relation to investments.			
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