

WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND COMMITTEE
2 December 2010

UPDATE OF MEMBERS' TRAINING PLAN

Purpose of the Report

1. The purpose of this report is to present a new Members' Training Plan for approval.

Background

2. Ensuring Members are aware of the Pension Fund's activities and that they have the skills and knowledge to, with the assistance of the advisers, make informed decisions is not only good governance but is underpinned by the Myners Principles as outlined in the Fund's Statement of Investment Principles.
3. The CIPFA Knowledge & Skills Framework (KSF) which was published last year assists by providing a framework for a more formal and structured approach to Members training. One of its primary objectives is to encourage training plans for Members that take a medium term view aligned with the major events of a Fund, namely the triennial valuation and local election cycles. The training plan needs to show any skills gap are how these are being addressed.
4. Funds are expected to adhere with the KSF and disclose in its Annual Report on a "comply or explain" basis from 2010/11 onwards. The KSF is currently voluntary but its anticipated future legislation from the Government will make this mandatory.
5. The current Members Training Plan was approved by this Committee in November 2009 following a workshop seminar which assessed the areas for Members' training needs in relation to the work of the Committee over the next four years. This Plan was completed with the final training session on 5 November 2010.
6. On 14 July this Committee agreed to undertake a 'Self Assessment' to assist in identifying areas for further development. This would inform a revised training plan for 2011 onwards.
7. It was also agreed to assess the Chairman's and Vice Chairman's training requirements by reviewing the requisite skills needed to undertake the principal responsibilities of these posts and to produce a separate plan to meet their requirements.
8. A draft Member Training Plan and Chairman's Training Plan is now included in this report for Members' perusal and approval.

Main Consideration for Committee

2009 Members Training Plan

9. The 2009 Plan covered a wide range of subjects specifically to ensure new Members to the Committee had a broad understanding of how the Wiltshire Pension Fund operated. This programme appeared successful with relatively high attendance at the sessions.

10. It's not proposed to publish attendance logs. However, this might be a requirement for Annual Reports from future legislation.

Self Assessment Returns

11. Nine Self-Assessment forms were returned from a potential fifteen, representing 60% of the Committee (including substitutes and observers). More returns would have enhanced the outcome but sufficient were received to identify at a high-level the areas where knowledge needs developing for Members as a group and this will be the focus of the new training plan.
12. The Self Assessment returns also highlight specific areas for individual Members where knowledge gaps exist. Hopefully, the training plan addresses these but where it doesn't specific training can be targeted on an individual basis.
13. The intention is to have some form of 'Self-Assessment' annually to capture any issues not currently met by the training plans.

Chairman's & Vice Chairman's – Review of Requisite Skills for Principal Responsibilities

14. A 'one to one' was undertaken with both the Chairman and Vice Chairman. This examined the principal responsibilities outlined in the role profile agreed at the meeting on 14 July 2010. This was reviewed alongside their current skills set.
15. This was a useful process and enabled specific areas for training to be developed which is shown at the bottom of the training plan.

Proposed Members Training Plan for 2011-2013

16. The proposed Training Plan for Wiltshire Pension Fund Committee Members is shown in the Appendix. This Plan incorporate the ideas, themes and preferences identified in the Self Assessment of Training Needs.
17. The Plan aims to give an indication of the delivery method and target completion date for each area identified. If the Plan is approved, then officers will start to investigate and arrange the actual training over the next few months, consulting with Members as appropriate concerning their availability.
18. The Committee is asked to approve the Training Plan, although comments and suggestions on it are obviously very welcome.
19. The KSF recommend a Members Training Plan should take a medium term view. Therefore, the new plan has been extended to cover the period from 2011-2013. This will take Members up to the next local elections for Wiltshire Council and triennial valuation in 2013.
20. The intention is to hold at least two 'in-house' training days in the year. This will be similar to this year with one in the spring and autumn focussing on specific areas.
21. This will be complemented by 'short seminars' before the Committee meetings on subjects either pertinent to the forthcoming agenda or on a subject that can best explained through a brief overview.
22. Where applicable, external conferences will be recommended to Members by the officers if they are deemed to contain appropriate content. Specific training sessions can also be

set up with investment managers either at County Hall or at their offices when required which are usually provided at no cost to the authority.

23. From time to time, relevant briefing notes will be emailed to Members (with copies held on the Members secure area of the Pension Fund website) by officers. Occasionally, webcasts and videos are made available that are specific enough to the Fund and may be of interest to Members and again will be forwarded on by officers occasionally.
24. For Members who wish to further their knowledge, there are specific courses that can be attended. The Local Government Pension Committee Annual LGPS Fundamentals 3 day course has been attended and well received by Members of this committee and details will be provided by Officers when the next dates become available.

Training Logs

25. Although there is no requirement to publish training logs these will be kept moving forward as reference of Members attendances at conferences and training sessions along with a brief analysis of individuals potential future training needs.
26. This will be useful for development of future training plans and, if it becomes legislation, to be published in the future.

Financial Implications

27. An allowance is made in the Pension Fund Administration Budget each year for Members training. It is anticipated to maintain this for the next three years to ensure this important area of governance is resourced when looking at the budget for 2011-12 onwards.

Risk Assessment

28. This report addresses the risk *PEN017: Lack of Expertise on the Pension Fund Committee* identified elsewhere on this agenda. The whole purpose of having and implementing a formal training plan is to reduce the risk of Members making decisions on issues on which they do not have the necessary level of knowledge. This in turn reduces the risk of weak governance and of bad investment decisions. We must remember that, although Wiltshire Council has the statutory responsibility as the Administering Authority, we are in fact administering the scheme on behalf of around 65 employer bodies.

Environmental Impact of the Proposals

29. This is no environmental impact of these proposals.

Proposals

30. The Committee is asked to approve the attached Members' Training Plan.

DAVID ANTHONY
Head of Pensions

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Unpublished documents relied upon in the production of this report:

NONE

WILTSHIRE PENSION FUND COMMITTEE – MEMBERS' TRAINING PLAN – NOVEMBER 2011-2013

TRAINING NEED	PROPOSED DELIVERY METHODS							COMPLETION TARGET DATE
	Member's Handbook	Members' Briefing Notes (Electronic)	Short Seminars (before Committee meeting)	Internal Training Events (Internal & External Speakers)	External Conferences & Training Seminars	E-Learning (eg. Webcasts, Videos)	One-to-One Briefing with an officer	
GENERAL TRAINING								
General overview of LGPS	✓							Completed
Members' individual needs on specific areas arising during the year		✓			✓	✓	✓	As required - notify Head of Pensions
Specific items on committee agendas		✓	✓					As required
SPECIFIC ISSUES IDENTIFIED FROM MEMBERS SELF ASSESSMENTS								
General Pension Framework								
<ul style="list-style-type: none"> LGPS discretions & policies Implications of the Hutton Review 		✓	✓	✓	✓			31-Oct-11 30-Apr-11
Pensions Legislation & Governance:								
<ul style="list-style-type: none"> Roles of the Pension Regulator, Pension Advisory Service & Pension Ombudsman in relation to the scheme Review of Myners principles and associated CIPFA & SOLACE guidance 		✓		✓				30-Apr-12 30-Apr-12
Pension Accounting & Auditing standards:								
<ul style="list-style-type: none"> Accounts & Audit regulations and the legislative requirements 			✓					31-Oct-11
Financial Services procurement:								
<ul style="list-style-type: none"> Current public procurement policy & procedures UK & EU procurement legislation 				✓				31-Oct-11 31-Oct-11
Investment Performance & Risk Management:								
<ul style="list-style-type: none"> Monitoring asset returns relative to liabilities Myners principles of performance management Setting targets for committee and how to report against them 					✓			Invite to be circulated to relevant ones 31-Oct-12 31-Oct-12 31-Oct-12
Financial markets & products knowledge:								
<ul style="list-style-type: none"> Refresh the importance of setting investment strategy Limits placed by regulation on investment activities in the LGPS Understanding of the operations of the fixed income manager Understanding of Alternative asset classes 			✓	✓		✓		31-May-12 Visit to WAM by 30-Apr-11 30-Apr-11

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Actuarial methods, standards and practices: <ul style="list-style-type: none"> • Considerations in relation to outsourcings and bulk transfers • Triennial Valuation refresher 			<ul style="list-style-type: none"> ✓ ✓ 					31-Oct-12 30-Apr-10
CHAIRMAN / VICE CHAIRMAN TRAINING								
<ul style="list-style-type: none"> • Fund benchmarking • Stakeholder feedback • Appreciation of changes to scheme rules 					<ul style="list-style-type: none"> ✓ 		<ul style="list-style-type: none"> ✓ 	31-Oct-11 31-Oct-11 Invite to be circulated to relevant ones