

WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND COMMITTEE

14 SEPTEMBER 2012

OFFICERS' TRAINING PLAN

Purpose of the Report

1. The purpose of this report is to update Members on the training plans being implemented for officers as part of the CIPFA Knowledge & Skills Framework (KSF).

Background

2. In recent years the level of skills, knowledge and experience required for decision making has increased significantly for the scheme. Much work has been done recently to improve the skills and knowledge of this Committee leading to the updating of its Members Training Policy in December 2010 to align it with the CIPFA's KSF for elected members.
3. However, the Committee will always depend on the expertise of those who support them, so CIPFA's KSF also encompasses pension practitioners and this paper provides an update on how this is being incorporated into the appraisal cycle for officers.
4. The CIPFA KSF assists by providing a framework that outlines what is expected of them and identifies the levels of skills and knowledge they need to be effective in their work.

Main Consideration for Committee

Scope of the Framework

5. The KSF covers a range of posts that are typically represent the roles found in public sector pension's finance. The following posts are applicable to the Wiltshire Pension Fund.
 - Director of Finance
 - Head of Pensions
 - Pension Manger
 - Fund Investment & Accounting Manager
 - Accounting Technician
 - Investment Officer
6. The KSF focuses on six areas of knowledge and skills identified as core technical requirements although competence and understanding in these areas will vary depending on the type and seniority of the role. They are:
 - a) Pensions legislative & governance context
 - b) Pensions accounting & auditing standards
 - c) Financial services procurement & relationship management
 - d) Investment performance & risk management
 - e) Financial markets & products knowledge
 - f) Actuarial methods, standards & practices.
7. It is critical the Fund can achieve competence in all areas across the pension team. An awareness of the key issues and controls and an effective approach to delegation and

monitoring are the most essential requirements for the more senior officers, for example, for the Director of Finance.

8. Detailed knowledge and skills related to pension scheme administration are largely excluded from this framework. Although an important area, there are other professional bodies active in this area offering specific qualifications in pension scheme administration. The focus of the recent restructure has been to encourage development of this knowledge within the benefits team.

Officers Reviews & Assessments

9. The Fund already has a framework for developing staff to further their knowledge. All officers undertake an annual appraisal at least once a year with an interim half yearly review in line with Wiltshire Council's policy. This is the main area for reviewing performance, setting targets and agreeing areas for training and development. The KSF now provides a more formal structure for assessing pension specific skills for the appropriate officers to complement the current appraisal process.
10. To achieve the standards set out in the KSF, the relevant Fund's officers (outlined above) have undertaken training needs assessment against the framework standards. This has been achieved using the KSF assessment tool developed by Hymans Robertson in conjunction with the CIPFA Pension Network.
11. This electronic tool consists of modules designed to test (largely multiple choice & short answers) the breadth of knowledge of the individual in all of the areas considered relevant to their role. The results of these assessments have then been reviewed by the Head of Pensions and a tailored training development plan agreed with each officer. These training plans will be incorporated into the appraisal training programmes and their next review meeting to ensure both processes are aligned.
12. These training plans will make full use of the 'Knowledge Library' database also supplied by Hymans Robertson as part of the KSF toolkit with additional sources of information, advice and further training being utilised for more detailed knowledge in specific areas where required.
13. It can now be confirmed that all relevant officers have undertaken the assessment and training plans set. These will now be reviewed at each appraisal meeting to ensure training targets are being achieved and new requirements identified.
14. The Pension Fund Annual Report includes a statement signed by the Director of Finance outlining compliance with CIPFA's KSF which reports on officers and Members training and skills reviews undertaken during the year.

Financial Implications

15. A budget of £10k is built into the Pension Fund Administration Budget each year for officers' development and training.

Risk Assessment

16. This report addresses the risk *PEN011: Lack of Expertise on the Pension Fund officers* identified elsewhere on this agenda. The purpose of the officers training programme being aligned to the CIPFA KSF is to reduce the risk of poor governance and administration due to them not having the necessary and most up to date level of skills and knowledge.

Environmental Impact of the Proposals

17. This is no environmental impact of these proposals.

Proposals

18. The Committee is asked to note the on-going activities in relation to officers' training.

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Unpublished documents relied upon in the production of this report: NONE