

WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD

16 July 2015

Training Plans for the Local Pension Board

Purpose of the Report

1. The purpose of this report is to outline the training requirements for Members the Local Pension Board (LPB).

Background

2. In accordance with The Pension Regulator (tPR) Code of Practice no.14: 'Governance and administration of public service and pensions schemes' (page 12 paragraphs 44 to 60) every individual who is a member of a LPB must:
 - a) be conversant with:
 - i. the rules of the Local Government Pension Scheme (LGPS), in other words the Regulations and other regulations governing the LGPS (including the Transitional Regulations, earlier regulations and the Investment Regulations); and
 - ii. any document recording policy about the administration of the Fund which is for the time being adopted in relation to the Fund, and
 - b) have knowledge and understanding of:
 - i. the law relating to pensions; and
 - ii. such other matters as may be prescribed.
3. These responsibilities begin from the date the LPB member takes up their role. These knowledge and understanding requirements applies to every individual member of a LPB rather than as a collective group
4. The Wiltshire Pension Fund is committed to making the appropriate training available to LPB Members to assist them in undertaking their role and where possible will provide support in undertaking that training.
5. Where a LPB member does not demonstrate their capacity to attend and complete training then the Regulations require Wiltshire Council to consider whether that member has the capacity to undertake their role on the Board.

Considerations for the Board

Degree of Knowledge and Understanding

6. The legal requirement is that Members of the LPB must be conversant with the rules of the LGPS and any document recording policy about the administration of the Fund. This is implied as a working knowledge (i.e. a sufficient level of familiarity) so that Members are aware of which legislation / polices to refer to when carrying out their role.
7. It is implicit that LPB Members understand the duties and obligations that apply to the Wiltshire Pension Fund as well as to themselves. LPB Members should be clear on the

roles, responsibilities and duties of the Board and its Members as set out in the Terms of Reference. LPB Members need to be able to identify and challenge failure to comply with the scheme rules. The rules of the LGPS would include:

- a) the Regulations;
- b) the Investment Regulations;
- c) the Transitional Regulations; and
- d) any statutory guidance referred to in these regulations.

Areas of Knowledge and Understanding

8. LPB Members should be conversant with, but not limited to the following areas:
 - a) Scheme approved policies (conflicts / reporting / record keeping)
 - b) Risk assessment / management
 - c) Scheme booklets / members communications
 - d) The role of LPB Members and the scheme manager (Wiltshire Pension Fund)
 - e) Policies in relation to discretions
 - f) Communications with scheme members and employers
 - g) Key policy documents on administration, funding, and investment (e.g. Administration strategy, Funding statement Strategy, Statement of Investment Principles)
9. LPB Members should have a breadth of knowledge and understanding that is sufficient to allow them to understand fully any professional advice the LPB is given. Members should be able to challenge any information or advice they are given and understand how that information or advice impacts on any decision relating to the LPB's duty to assist the Wiltshire Pension Fund.

Acquiring, Reviewing and Updating Knowledge and Understanding

10. This Board needs to produce a knowledge and understanding policy and framework for the acquisition and retention of knowledge and understanding for its Members. This framework will need to be a continuous cycle of identifying training requirements, leading into training design and training delivery and then the evaluation of this training to identify further requirements. This will lead to the continuous development of LPB Members.
11. Members of this Board will need to commit sufficient time in their learning and development alongside their other duties as training is an important part of the individual's role and will help to ensure that they have the necessary knowledge and understanding to effectively meet their legal obligations.
12. As Members knowledge and understanding responsibilities technically begin from the date they take up their post, training needs to start as soon as possible to start to familiarise themselves with the Regulations, key Fund documents and relevant pensions law.
13. However, there is a practical recognition that it will take a newly appointed member a reasonable period to attain the required full level of knowledge and understanding, while consideration needs to be given to the differing levels of existing knowledge that LPB Members may have already attained.

Knowledge and Understanding for Pension Committee Members

14. The legal requirement for knowledge and understanding for Members of a LPB does not apply to Members of a Pension Committee. However, the requirement serves as a useful benchmark for the knowledge and understanding that a member of a decision-making Pension Committee should have. Therefore, a good starting point is the Pensions Committee's existing knowledge and understanding policy already in place, which could be incorporated to cover both the Pensions Committee and the LPB to avoid unnecessary duplication. However the requirements of the LPB may at time differ.
15. The Pension Committee programme is based on an self-assessment exercise, to identify individuals knowledge gaps which is then used to formulate a Members Training Programme.

Next steps – agree a training strategy

16. The delivery of training is key to the successful implementation on the training strategy. There are a number of different formats that can be used to deliver training including LPB Members handbook, briefing notes, short seminars at or before meetings, internal training events, external training events, conferences, E-learning, webcasts, reading of trade magazines and one to one briefings.
17. It is also a requirement that assessments are made of individual training needs and records keep to measure the implementation of the strategy.
18. The induction day held on 30 June 2015 provided an overview to Members of the role and context of the LPB along with details of the LGPS and specifically the background to the Wiltshire Pension Fund and its key documents and policies.
19. The next step would be for all Members to complete a self-assessment to help identify key areas to build upon and assist in shaping a bespoke training programme for both individuals and the Board. These programmes will be annually reviewed to ensure the correct level of skills and competencies are maintained.

Training Plans

20. Therefore, following the induction day, it is proposed a self-assessment form is completed by all Members of the Board in attempt to identify any areas which require immediate further training on.
21. Using the results from the self-assessment, a LPB training programme will be developed, incorporating the Pension Fund Committee Members Training Plan (see Appendix).
22. It is recommended that LPB Members attend the LGE 3 day Pensions Fundamental Course as an introduction to the LGPS. This is a 3 day course spread over several months (September to December) covering all the key areas of the LGPS and provides a thorough understanding of the scheme, its legislation and an appreciation of the different areas of work. Those Members with current experience may wish to attend only those days which they feel need further training on.
23. It is also recommended that all LPB Members complete the on-line tPR e-learning trustee toolkit. This is split into modules which can be done at one's own learning pace and is completed by undertaking a set of multiple choice questions for each section. They should effectively assist in meeting the knowledge and understanding issues dealt with in the Regulator's Code of Practice.

24. The Wiltshire Pension Fund will also keep Members of updated of relevant conference that may be useful to attend and can make the bookings.
25. The intention is to develop and keep up-dated a LPB Members' Handbook to complement all training undertaking. This will be a live document updated for all new areas of training as they are delivered, being a single reference source for Members.
26. LPB Members will be required to ensure they record all further continued development once they have attained a requisite level, including conferences and courses attended.
27. The LPB needs to also designate a person to take responsibility for ensuring that the knowledge and understanding framework is developed and implemented. This can be either a member of the LPB or an external person, for example an officer of Wiltshire Council. As all training development will need to be recorded and potentially published as part of the annual reporting process it is felt that officers of Wiltshire Council would be best placed to collate this information.

Environmental Impact of the Proposal

28. Not applicable.

Financial Considerations & Risk Assessment

29. There are no significant financial implications from this report. The costs of providing training to the LPB has already been included in the 3 years budget projections.
30. The development and implementation of a training policy will ensure LPB Members have sufficient knowledge and understanding to carry out their duties effectively.

Legal Implications

31. There are no material legal implications from this report.

Safeguarding Considerations/Public Health Implications/Equalities Impact

32. There are no known implications at this time.

Reasons for Proposals

33. To ensure the LPB is able to develop a training policy to meet the statutory requirements of ensuring all its Board Members have capacity to fulfil their obligations associated with their role.

Proposals

34. The Board is asked to note the proposed basis for the development of a training policy as outlined in paragraphs 20 to 28 and for a programme to be tabled for approval at the October meeting.

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