

WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD

14 January 2016

Training Plans for the Local Pension Board

Purpose of the Report

1. The purpose of this report is to outline the technical knowledge and skills framework for the Local Pension Boards (LPB) and propose a Training Plan for approval.

Background

2. As outlined in the July 2015 report to the Board, the Pension Regulator (tPR) Code of Practice no.14: 'Governance and administration of public service and pensions schemes' states every individual who is a member of a LPB must:
 - 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
 - have knowledge and understanding of:
 - i. the law relating to pensions; and
 - ii. such other matters as may be prescribed.
3. TPR have developed their own on-line toolkit for Board Members of public service schemes to develop their knowledge and understanding.
4. CIPFA have also issued the following guidance "Local Pension Board – A Technical Knowledge and Skills Framework" which is intended to complement tPRs Code of Practice (see Appendix 3). 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.
5. Following the meeting of the LPB in July and October 2015 it was:
 - agreed that all Members of the Board complete a self-assessment form to identify any areas which require further training and develop a LPB training programme;
 - agreed that all LPB Members complete the on-line tPR e-learning public service toolkit;
 - recommend that LPB Members (depending on experience) attend the LGE 3 day Pensions Fundamental Course as an introduction to the LGPS;

- agreed that LPB Members are updated of relevant conference that may be useful to attend;
- to develop and keep up-dated a LPB Members' Handbook to complement all training undertaking and become a live document being a single reference source for Members;
- to continuously review training plans with an aspiration to have all Board members fully trained within 12 months;
- to share training events with the Pension Fund where possible to support a positive working relationship and save resource;
- agreed that training policies embrace flexible ways of learning;
- agreed the Head of Pensions take responsibility for ensuring the knowledge and understanding framework is developed and implemented; and
- agreed that Board members pass details of any additional training/conference attended to Head of Pensions to include in the training logs.

Considerations for the Board

tPR On-line Public Service Toolkit

6. TPR have 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 disputes
 - Reporting breaches of the law
7. 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 Member of the Board to have completed this within 12 months of appointment. Therefore, with each module taking around 1 hour, it should be possible for members of the Board to complete this by July 2016.
8. The tPR toolkit can be found at the following website:

<http://www.thepensionsregulator.gov.uk/public-service-schemes.aspx>

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

CIPFA – A Technical Knowledge and Skills Framework

10. This CIPFA Framework 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 highlight 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

11. CIPFA also outline that a programme should be in place for Board Members to acquire and maintain knowledge levels. This is built around the following process which has been adopted by this Fund:

- Assessment and Planning
- Training
- Support
- Monitoring & Reporting

Assessment and Planning

12. The Self-Assessments returns issued to Members in September 2015 were based on the CIPFA toolkit guidance and covers each area of knowledge outlined above. There was a 100% response from Board Members and the results consolidated in Appendix 1.

13. Each area of knowledge was then reviewed by officers and given a priority of either high, medium or low based on knowledge levels across Board Members. As the legislation requires each individual member to have knowledge and understanding on the scheme and its legislation, any category where “No Knowledge” was reported was highlighted as a high priority.

14. When planning how to address the training priorities, the method of training delivery was considered and split into the following categories:

- Members Handbook
- Members Briefing Notes / Board Papers
- Short Seminars (at Board Meetings)
- Internal Training Sessions
- External Conferences or Training Events
- The Pension Regulator Public Sector Service Toolkit & other E-learning methods
- One to One briefing with officers

15. Consideration was also given to the appropriate delivery method taking account of the current forward work plan and Pension Committee training plans. High priority areas will

be mainly delivered through specific short seminars at the LPB meeting or through an internal training session held jointly with the Pension Fund Committee. Lower priority areas will be delivered through a combination of other delivery methods. The proposed method for each area is shown on the right hand side of Appendix 1.

16. All training delivered internally will be included in the Member's handbook which will build up as a single reference source.
17. Particular appropriate conferences and webcasts will be highlighted to LPB Members where appropriate. It is recommended that Members attend the LGE 3 day Fundamental courses which take place in the autumn. Officers will provide further details when dates are released for 2016.

Training Plan

18. Using the information in Appendix 1 from the Self-Assessment returns a consolidated LPB Members Training Plan has been produced (Appendix 2). Where possible training will take place jointly with the Pension Fund Committee. For internal courses, the aim is to have a training workshop day in the spring and autumn each year, with an investment 'Away Day' held in the summer.
19. The Plan runs from 2015, as a couple of areas of training along with the Induction day have already taken place. The end date of 2017 is in-line with the plan for the Pension Fund Committee Members.

Support

20. If a members 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. Members should now all be on the Hymans Robertson circulation list.

Monitoring & Reporting

21. The CIPFA Framework requires this to be a continual process. Following the completion of the Training Plan Members will be reassessed on their knowledge and skills levels to inform future plans.
22. Training Logs will be maintained by the Head of Pensions and this along with the agreed Training Plan will be published in the LPB's Annual report.
23. Therefore, it's important that Members update the Head of Pensions with any additional training along with any changes to their experience for their personal biography to be amended.

Next steps

24. Once the Training Plan is approved, LPB Members will be informed of the dates for the internal training sessions, and be made aware of any relevant courses or conferences as they arise. The short seminars during the LPB meetings are already scheduled as part of the Forward Work Plan. A reminder will also be sent to all Members to complete the tPR on-line Toolkit.

Environmental Impact of the Proposal

25. Not applicable.

Financial Considerations & Risk Assessment

26. There are no significant financial implications from this report. The costs of providing training to the LPB has already been included in the budget projections elsewhere on this agenda.

27. 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

28. There are no material legal implications from this report. Implementation of the Training Plan and Framework ensures Board Members meet the statutory requirements outlined in the scheme regulations.

Safeguarding Considerations/Public Health Implications/Equalities Impact

29. There are no known implications at this time.

Reasons for Proposals

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

Proposals

31. The Board is asked to:

- a) approve the attached Board Members Training Plan as proposed in Appendix 2;
- b) note the Framework for Training outlined in this report; and
- c) complete the tPR on-line toolkit within 12 months of their appointment.

MICHAEL HUDSON
Treasurer to the Pension Fund

Report Author: David Anthony, Head of Pensions

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