

## **LOCAL PENSION BOARD**

**14 DECEMBER 2015**

### **REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

#### **LOCAL PENSION BOARD MEMBERS - KNOWLEDGE AND UNDERSTANDING**

##### **Purpose of the Report**

1. To inform the Board of the structure of future training for members of the Local Pension Board.

##### **Background**

2. In April 2015 new governance rules introduced the requirement for pension schemes to have Local Pension Boards. The Local Board for the Leicestershire Local Government Pension Scheme was established and two meetings prior to this meeting have already taken place.
3. At the initial meeting on 19 June 2015 the Pension Manager gave a presentation to members of the Board outlining the provisions of the Local Government Pension Scheme and the work the Pensions Section does.
4. On 18 March 2015 external trainers and officers provided a joint training session for members of the Local Pension Committee and Local Pension Board.
5. To support Local Pension Board members, The Pension Regulator (TPR) has produced a draft code of practice note No. 14 entitled "Governance and administration of public service pension schemes". This draft code, a copy of which is attached as Appendix A, includes at pages 12 to 17 a section on the knowledge and understanding required by pension board members.

##### **Legal requirements**

6. There is a requirement for members of the Local Pension Board to have a working knowledge of the scheme regulations and relevant policy documents and a sufficient understanding of the law relating to pensions and any other matters which are prescribed in regulations in order to enable the member to properly exercise their functions as a member of the board.

### Practical guidance

7. There is an expectation that Schemes should establish and maintain policies and arrangements for acquiring and retaining knowledge and understanding to support their board members. Schemes should designate a person to take responsibility for ensuring that a framework is developed and implemented. The Pension Manager has responsibility for this in relation to the Leicestershire Local Pension Board.
8. To assist, develop and review training requirements a personal training and skills needs analysis form has been developed and will be maintained by the Pension Manager. The form is appended to this report as Appendix B
9. Whilst the draft code details training requirements of board members, practically even when working in the Pension Section, it takes many years to be fully conversant with pension regulations and related pension legislation. It will therefore take time for board members to gain knowledge and understanding. TPR has recognised this and has developed an e-learning programme, the public service toolkit online learning, to assist Board members.
10. Board members are recommended to complete the public service toolkit on-line programme to gain knowledge and understanding in order for fulfil their role on the Local Pension Board.
11. Whilst officers will assist members with understanding individual training needs and will provide as much training as possible, individual board members have a personal responsibility to ensure that they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a member of the pension board.

### Training to accompany e-learning

12. To accompany the on-line training a programme of training is being developed as follows;
  - Local Board Members were invited to attend the Local Pension Committee on 13 November 2015.
  - The Pension Manager will provide a training session for members on the main Local Government Pension Scheme legislative changes on 9 December 2015.
  - The Pension Investment Manager will provide a training item at the Local Pension Board meeting on 14 December 2015.
  - On 26 February 2016 Members are invited to attend the Pension Board meeting to hear from the Pension Fund Actuary on the scheme valuation.
  - Training items will continue to be included on future Local Pension Board agendas.

## **Recommendation**

It is recommended that:

- a) The report be noted.
- b) Members of the Local Pension Board complete the public service toolkit online learning programme.

## **Equal Opportunities Implications**

None specific

## **Background Papers**

Public Service toolkit online Learning Programme

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

## **Appendices**

Appendix A - Governance and administration of public service pension schemes code of practice number 14

Appendix B - Personal training and skills needs analysis form

## **Officers to Contact**

Ian Howe – telephone (0116) 305 6945

Chris Tambini – telephone (0116) 305 6199