



## **LOCAL PENSION BOARD – 16 SEPTEMBER 2019**

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

#### **PENSION FUND TRAINING POLICY**

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

1. The purpose of this report is to seek the Board's views on a draft Training Policy for members of the Local Pension Committee and Local Pension Board.

##### **Background**

2. The Pensions Regulator (TPR) identifies good governance as essential for a pension scheme to be successful. The following extract from TPR's website explains the link to training:

“There is a clear link between good governance and good fund performance so it is an essential part of effective scheme management. Without good governance, you are unlikely to achieve good outcomes for members. Good governance is about having motivated, knowledgeable and skilled people involved with running the scheme. It's also about having the right structures and processes to enable effective, timely decisions and risk management, and to provide clear scheme objectives. It helps you to effectively oversee:

- administration and record-keeping
- investment and funding (in local government schemes)
- communications with members

You should spend time and resources getting your scheme governance right. This will help you to minimise risk and maximise opportunities for your scheme and your members. Investing in good governance is likely to save you in the long run, delivering good value for members and employers, and improving member outcomes.”

3. TPR places specific responsibilities on Pension Board members, they must:
  - be conversant with (i.e. have a working knowledge of) your scheme rules and any document recording policy about the administration of your scheme
  - have knowledge and understanding of the law relating to pensions scheme rules and administration policies
  - You must have a working knowledge of your scheme rules and documented administration policies in enough detail to know where they are relevant to an issue understand and if necessary challenge any advice that you're given.

4. This paper introduces a draft Training Policy for the Leicestershire County Council Pension Fund (attached as Appendix 1) for consideration by the Local Pension Board. This has already been considered by the Local Pension Committee on the 5 July 2019.

### **Next Steps**

5. A Training Needs Assessment questionnaire is attached as Appendix 2 to assess the current knowledge of individual members of the Pensions Committee and Pension Board. The results of the questionnaire, together with the current priorities for the Fund, will be used to decide on the approach and topics of training offered. A final Training Policy will be presented to the Local Pension Committee and Board for approval later in 2019.
6. Training has been provided and recorded on the Local Pension Board training programme log. This is attached as Appendix 3 and may be useful for Members when they complete the Training Needs Assessment questionnaire.
7. The Pensions Manager will set up personalised training plans for all Board Members, recording learning activities required and achieved. This will be regularly monitored and brought to the Board at least annually.
8. Officers will, on a regular basis, inform Committee and Board members of relevant training opportunities, including:
  - Face-to-face sessions provided by external bodies e.g. Local Government Association, Pensions and Lifetime Savings Association.
  - Face-to-face sessions held internally, delivered by officers and/or the Fund's providers e.g. actuary, investment advisers, investment managers. Sessions may be held jointly with both Committee and Board, or held separately, depending on priorities and availability. Some sessions may be held adjacent to scheduled meetings and may be linked to specific issues on the agenda.
  - Recommended reading material to keep up-to-date with pensions issues.
9. In addition, induction training will be made available for all new members of the Committee and Board, including potential substitute members.
10. The Pension Fund will meet reasonable expenses that are incurred by members of the Committee and Board that are incurred as a result of training, having regard to the Administering Authority's Members' Allowance Scheme.

### **Recommendation**

It is recommended that the Local Pension Board comment on the draft Training Policy and all Members complete the Training Needs Assessment questionnaire.

### **Equality and Human Rights Implications**

None.

### **Appendices**

Appendix A - Training Policy for the Local Pension Committee and the Pension Board

Appendix B - Training Needs Assessment

Appendix C - Local Pension Board Training Programme

**Background Papers**

None

**Officers to Contact**

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