

LEICESTERSHIRE COUNTY COUNCIL PENSION FUND TRAINING POLICY

Introduction

1. This policy demonstrates to stakeholders the Local Pension Committee's (Committee), the Local Pension Board's (Board), and Officers' recognition of the importance of knowledge and understanding of pension issues in the effective management of the Leicestershire Pension Fund ('the Fund').
2. This policy, and regular training, is deemed necessary due to:
 - the distinction of fiduciary duty owed to the Fund, compared to members and officers usual business.
 - the complexity of pension and investment issues.
 - inevitable changes in the membership due to the election cycles.
 - the Fund being treated by investment managers as a professional client and requirement to comply with the Markets in Financial Instruments Directive II
 - the potential consequences of not administering the Fund in an appropriate manner.
 - Responsible investing, net zero and how the Fund achieves this.
3. In addition the Terms of Reference for the Committee and Board state that members 'must demonstrate to the Administering Authority their capacity to attend and prepare for meetings or to participate in required training.'
4. This policy applies to all members and substitute members of the Committee, Board, and officers involved in the management of the Fund.

Core Knowledge Areas

5. The Fund adopts the principles contained within the Chartered Institute of Public Finance and Accounting (CIPFA) published guidance on Pensions Knowledge and Skills in 2021.
6. The guidance identifies eight core areas where appropriate knowledge and skills should be achieved and maintained:
 - a. Pensions legislation and guidance
 - b. Pensions governance
 - c. Funding strategy and actuarial methods
 - d. Pensions administration and communications
 - e. Pensions financial strategy, management, accounting, reporting and audit standards
 - f. Investment strategy, asset allocation, pooling, performance, and risk management
 - g. Financial markets and products

- h. Pension services procurement, contact management and relationship management

Local Pension Committee and Local Pension Board Requirements

7. For the Committee and Board, members are not expected to become technical experts, and levels of knowledge will vary depending on experience and time served. Ultimately the aim is that the breadth of knowledge and understanding achieved should be sufficient to allow members to understand fully any advice they are given, to challenge that advice if it seems sensible to do so and to enter fully into all decision-making processes.
8. As set out in the Pensions Act 2013 Board members have a personal responsibility to have an appropriate level of knowledge and understanding for the purposes of enabling them to exercise properly their function in assisting the Administering Authority in ensuring the effective and efficient governance and administration of the LGPS including, securing compliance with LGPS Regulations, other legislation and the requirements of the Pensions Regulator.
9. The Committee also have a collective responsibility to have appropriate knowledge and understanding to satisfy the Markets in Financial Instruments Directive II. It is further understood that it is the policy direction that Committee members have the same individual responsibility for knowledge and understanding as the Board. This plan reflects best practice and expected future requirements at this time.
10. The depth of understanding required will vary depending upon the issues expected to be faced by the Fund and whether the individual is involved with the Pension Committee or the Pension Board. For example financial markets and investment strategy will be most relevant to Committee members and Pension's administration matters most relevant to Board members.

i. On Appointment

11. Upon appointment to Board or Committee (including substitutes), members must:
 - be provided with an information pack providing key documents and strategies related to the Committee or Board.
 - undertake induction training with officers before taking up their role.
 - be provided access to LGPS Online Learning Academy which contains LGPS specific learning modules which reflect the eight core knowledge areas set out above and complete recommended modules as set out by Officers.

ii. Ongoing Commitment to Training

12. An assessment of the training needs of the members of Committee and Pension Board and relevant officers will be undertaken annually to inform the programme of training, and will be reported to Committee and Board. In line with this individual training plans will be developed.
13. Training Needs Analysis will allow officers to provide training plans depending on level of experience. A rolling Training Plan will be developed, which will take into account individual training needs, topical issues, such as when decisions are required in relation to complex issues, or in new areas not previously considered, as well as general awareness.
14. Training will be provided in a variety of ways, using methods including:
 - In-house training sessions provided by officers or external providers, either before, during or after meetings.
 - Group training sessions, including group Hymans LGPS Online Learning Academy (LOLA) sessions.
 - Individual completion of the on-demand Hymans LOLA modules.
 - External training opportunities through conferences, webinars and seminars such as those organised by the Local Government Association and LGPS Central.
 - Circulation of reading material, including Committee and Board report and minutes.
 - The Fund's Information Pack which contains relevant Fund policies and documents.
15. At a minimum, within 6 months of appointment, or a refresh of e-learning, all members are expected to complete all LOLA modules within the Training Plan. Requirements of timescales of completion in year are reported annually. The Fund recognises different training styles of members and therefore provides for flexibility in approaches taken to completion.
16. Board and Committee members have expressed a preference for joint training sessions with officers using the LOLA. This is reflected in the training plan but if members are not able to attend these sessions, then individual completion of the modules will be required.

iii. Other External Training Opportunities

17. A number of external training opportunities take place across the year. Further information will be provided to Committee members when opportunities become available, as well as any other suitable events. Further details of these will be circulated by officers and will be paid for by the Pension Fund.

Fund Officer Requirements

18. It is important that Officers in the Fund have the necessary skills and knowledge to carry out the tasks of managing the Fund's investments and administering the payment of benefits.
19. The knowledge and skills required of staff are set out in their job descriptions, including any formal qualifications required for the role. The Officers should be familiar with the requirements of the CIPFA Code of Practice on Knowledge and Skills and should have knowledge of the six areas of the framework.
20. Alongside access to the Hymans LOLA system, officers will attend relevant training events and seminars during the year to ensure they remain up to date with latest requirements. In addition, officers are also required to keep up to date with relevant issues affecting the pension fund.

Cost

21. Where there is a cost involved in providing the training this will be met directly by the Fund.

Key Risks

22. The key risks to the delivery of this policy are outlined below. The Chairmen of the Committee and Board, with the assistance of Fund Officers, will monitor these and other key risks and consider how to respond to them.
 - Changes to Board or Committee membership.
 - Poor attendance and/or lack of engagement at training and/or formal meetings by members and/or officers resulting in a poor standard of decision making, administration and/or monitoring.
 - Insufficient resources being available to deliver or arrange the required training.
 - The quality of advice or training provided not being of an acceptable standard.
 - The requirements placed on members create difficulties for them.

Monitoring and Reporting

23. To identify whether the objectives of the Policy are being met, fund officers will maintain a training log to record training attended by members and officers. Members must notify officers of any training they have completed outside of the Fund, in order that the log be kept up to date.
24. Members who attend external events will be required to report back to the Committee/Board (as relevant) to share their knowledge with other members.
25. Reporting against this policy will be presented to the Fund Committee and Pension Board as part of the Fund Annual Report and Accounts. This will

report successful completion of training using the following criteria, as well as training undertaken during the year:

- a. Completion of mandatory induction training.
- b. Completion of the LOLA modules mandatory training within six months of appointment.
- c. Fulfilment of the Committee and/or Board's respective Terms of Reference.
- d. Compliance with all applicable legislation and regulation.

26. The Chair of the Local Pension Board and Committee will be kept updated on Members progress against the policy.

27. Failure to complete the required training is in breach of the Training Policy and Terms of References. Membership of the Committee or Board may be terminated prior to the end of the term of office if they are no longer able to demonstrate they have the capacity to attend and prepare for meetings, or participate in the required training.

28. Officers involved in the management and administration of the Fund are set annual objectives which will include an element of professional development. These objectives are monitored as part of each individual's annual appraisal.

Approved by the

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