



<u>Committee and date</u> Pensions Board
5 February 2016
10.00am

<u>Item</u>
<u>Public</u>

## TRAINING REQUIREMENTS

**Responsible Officer** Rebecca Purfit

Email: [rebecca.purfit@shropshire.gov.uk](mailto:rebecca.purfit@shropshire.gov.uk)

Tel: 01743 254457

### 1. Summary

The report provides Pension Board members with an update on the training requirements in relation to training and the work/training undertaken since the last meeting. A draft training Policy and a plan are included for comment.

### 2. Recommendations

- Pension Board Members are asked to provide comment on **Appendix A** and raise any incorrect information recorded.
- Pension Board Members are asked to note and provide any comments on the draft Training Policy, **Appendix B**.
- That each Pension Board Member completes the competency self-assessment matrix found in, **Appendix D** to identify knowledge gaps.
- Pension Board Members to consider the Pensions Regulators Survey results when looking at a work plan. A summary of results can be found in, **Appendix E** and a full report in, **Appendix F**.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

#### 3.1 Risk Management

By ensuring the guidance and legislation mentioned in this report is followed and adhered to risks to the Fund are minimised.

#### 3.2 Human Rights Act Appraisal

The recommendations contained in this report are compatible with the Human Rights Act 1998.

#### 3.3 Environmental Appraisal

There is no direct environmental, equalities or climate change consequence of this report.

#### 3.4 Financial Implications

The Pensions Regulator Code should be adhered to which may incur costs. Any financial implications regarding the cost of training for the

Pensions Board, Committee and Staff Members will be managed to a minimum and will be met by Shropshire County Pension Fund.

#### 4. The Pensions Regulator (TPR) eLearning programme

- 4.1 At the last meeting Pension Board Members were asked to complete all seven modules of the Pension Regulators' eLearning programme by the first week in January 2016. This was successfully achieved with all four Pension Board Members passing each of the seven modules within the 'public service tool kit' by the date specified. A copy of each Pension Board Members' development record has been recorded on file. All Officers within the Pension and Treasury Teams have been asked to complete the same seven modules by the 31 March 2016.

#### 5. Training Undertaken

- 5.1 All four members of the Pension Board have attended some training or meetings run by the Fund since the Board was set up on the 1 April 2015. The training undertaken so far for each individual member can be found in the Training Summary, **Appendix A**. The purpose of the Training Summary is to record the training attended by each Pension Board Member. A similar training matrix is being developed for officers.

#### 6. Training Policy

- 6.1 Pension Board Members are asked to note and provide any comments on the draft Training Policy, **Appendix B**. The draft policy will be taken to Pensions Committee on 18 March 2016 for full approval. The policy has been established with the aim of ensuring that the Shropshire County Pension Fund is managed by individuals who have the appropriate levels of knowledge and skills. For the Pensions Board Members, their responsibilities are a statutory requirement set out in the Public Service Pensions Act 2013. An extract of regulation 5 Pension board is below:

##### 6.2 **Regulation 5. Pension board**

*(1) Scheme regulations for a scheme under section 1 must provide for the establishment of a board with responsibility for assisting the scheme manager (or each scheme manager) in relation to the following matters.*

*(2) Those matters are—*

*(a) securing compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme and any statutory pension scheme that is connected with it;*

*(b) securing compliance with requirements imposed in relation to the scheme and any connected scheme by the Pensions Regulator;*

*(c) such other matters as the scheme regulations may specify.*

- 6.3** The Public Service Pensions Act 2013 can be read in full here: <http://www.legislation.gov.uk/ukpga/2013/25/section/5>
- 6.4** To help meet this statutory requirement the Pensions Regulator's Code of Practice 14: Governance and administration of public service pension schemes states in paragraphs 34-36 that: *A member of the Pensions Board of a public sector pension scheme must be conversant with the rules of the scheme, any document recording policy about the administration of the scheme which is for the time being adopted in relation to the scheme and must also have a knowledge and understanding of the law relating.*
- 6.5** The Training Policy sets out the tools to be used by the Fund to meet its training responsibilities. Reference within the Training Policy is made to the Chartered Institute of Public Finance and Accountancy (CIPFA) knowledge and skills framework. For reference the full document can be found in, **Appendix C**.
- 6.6** CIPFA identifies eight core areas of technical knowledge and skills for those working in public sector pension's finance. They are:
- Pensions 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
- 6.7** The Funds Training Policy has a knowledge matrix based on the eight core areas shown above. The matrix identifies the level of knowledge required for Officers, Pension Committee Members and Pension Board Members and will assist the Fund when organising the training required. To achieve the objectives set out in the Training Policy, a training needs assessment, measured against the framework standards, is required. The assessment will enable the Fund to understand the training required and create a learning programme based on the priority areas. It is suggested that each Pension Board Member completes the competency self-assessment matrix found in, **Appendix D**.

## **7. Future work plan**

- 7.1** Between July and September 2015, the Pensions Regulator conducted a survey of all public service schemes to baseline the standard to which they are being run. In December 2015, the results from the survey were published and the summary of the findings can be found in, **Appendix E** and the full report in, **Appendix F**. From the summary of results it is implied that in the next year the TPRs focus will be

addressing three areas it judges to be of greatest risk. These are; internal controls, scheme record keeping and the provision of accurate communication. Pension Board Members may wish to consider these areas within its future work plan.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

**Cabinet Member (Portfolio Holder)**

NA

**Local Member**

NA

**Appendices**

Appendix A – Training Summary

Appendix B – Training Policy

Appendix C – CIPFA Knowledge and Skills

Appendix D – Competency Self-Assessment Matrix

Appendix E – Summary of survey results

Appendix F – Survey full report