

	<h2>Local Pension Board</h2> <h3>21 November 2018</h3>
Title	Member Training
Report of	Director of Finance
Wards	All
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A – Hymans Robertson Confidence Assessment Appendix B – Self Assessment Questionnaire and extract from Pension Regulator’s Code of Practice.
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Summary

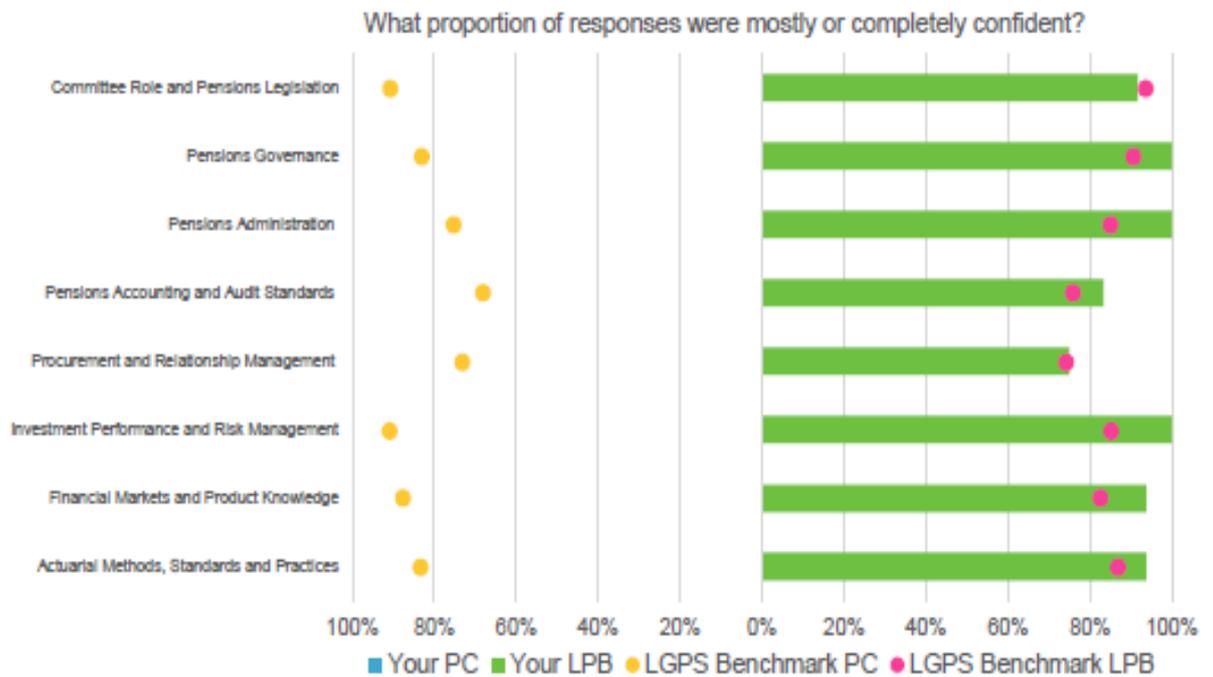
Members of the Board participated in a ‘national confidence assessment’ undertaken by Hymans Robertson. Results and proposed training are reported in the paper.

Recommendations

That the Board identify their future training requirements.

1. WHY THIS REPORT IS NEEDED

- 1.1 The requirement for knowledge and understanding for members of the Local Pension Board are set out in the Public Sector Pension Act 2013 that amends the Pensions Act 2004. Schedule 4, para 19 of the 2013 Act states:
- (1) This section applies to every individual who is a member of the pension board of a public service pension scheme.
 - (2) An individual to whom this section applies must be conversant with:
 - (a) the rules of the scheme, and
 - (b) any document recording policy about the administration of the scheme which is for the time being adopted in relation to the scheme.
 - (3) An individual to whom this section applies must have knowledge and understanding of:
 - (a) the law relating to pensions, and
 - (b) such other matters as may be prescribed.
 - (4) The degree of knowledge and understanding required by subsection (3) is that appropriate for the purposes of enabling the individual properly to exercise the functions of a member of the pension board.
- 1.2 The knowledge and Understanding requirements are supplemented by guidance contained within The Pension Regulator's Code of Practice 14. A summary of this guidance is attached (see end of appendix 2).
- 1.3 Part of the role of the administering authority is to enable members of the Board to receive training sufficient to meet the above obligations. Ascertaining members' current level of knowledge and understanding and their training needs should be undertaken periodically, particularly for new Board members.
- 1.4 Four members of the Board have participated in a confidence assessment undertaken by Hymans Robertson. A copy of the report issued by Hymans Robertson is attached (appendix 1). The overall results are summarised in the table below.



1.5 The above table on the RHS compares the proportion of Board member responses (green lines) that were mostly or completely confident for the eight subject areas identified in the TPR code and compares with the overall responses (red dots).

1.6 The results indicate a high level of confidence in current knowledge and understanding. The subject areas for which members indicates less confidence were:

- Regulations (1 member)
- Actuarial valuations (2 members)
- Procurement framework (2 members)
- Financial market and investment vehicles (1 members)

1.7 Training can either be provided individually or collectively. It is proposed that training on actuarial valuations and procurement is provided on a collective basis and that for the other areas mentioned above suitable external training is identified.

1.8 It is suggested that for those members who did not participate in the Hymans Robertson survey, they review the self-assessment questionnaire attached (appendix 2) and let officers know the subject matters for which they require additional training.

1.9 All members of the Board have agreed to undertake the on-line training (public sector toolkit) available from The Pension Regulator, available using the link below.

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

- 1.10 Hymans Robertson also offer two training assessment tools that can be made available to Board members

Initial Knowledge Assessment

This allows for the assessment of knowledge and skills against the Regulator's code of practice. Members would receive an email with a link to a series of questions and multiple-choice answers. The questions touch on the full range of CIPFA modules and provide an initial base level assessment of knowledge which can then be used to inform future training plans.

LGPS Knowledge Assessments

These knowledge assessments can be used post training as a means of measuring understanding of the topics that have been covered. These assessments again cover all the elements of the CIPFA Knowledge and Skills Framework as well the Regulator's Code of Practice 14. They are delivered as a set of multiple choice questions and enable you to demonstrate that your Committee, officers and Local Pension Board have acquired the knowledge required to undertake their respective roles on behalf of the Fund.

- 1.11 Officers will provide log in details to any Members of the Board who wish to undertake these assessments.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Providing Members with adequately training opportunities is necessary to achieve good governance and meet the requirements of legislation and best practice.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Not applicable in the context of this report.

4. POST DECISION IMPLEMENTATION

- 4.1 Training will be arranged on the subject matters identified by the Board.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 N/A.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 The cost of training will be paid from the assets of the pension fund.

5.3 Social Value

5.3.1 Arrangements for proper administration of financial affairs and contributions to the Pension Fund ensure that members have a secured income on retirement.

5.4 Legal and Constitutional References

5.4.1 The requirement for knowledge and understanding for members of the Local Pension Board are set out in the Public Sector Pension Act 2013 that amends the Pensions Act 2004 and summarised in paragraph 1.1 above.

5.4.2 There are no constitutional requirements for members of the Local Pension Board to undergo training. The questionnaire is based on best practice as represented by the CIPFA Code of Practice on Public Sector Pensions Finance Knowledge and Skills

5.5 Risk Management

5.5.1 Providing good training opportunities to Members of the Committee will improve decision making and mitigate the risks of poor decisions

5.6 Equalities and Diversity

5.6.1 Pursuant to the Equalities Act 2010, the Council is under an obligation to have due regard to eliminating unlawful discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act; advancing equality of opportunity between persons who share a relevant 'protected characteristic' and those who do not share it; and fostering good relations between persons who share a relevant 'protected characteristic' and persons who do not share it. The 'protected characteristics' are: age, disability, gender reassignment, pregnancy, and maternity, race, religion or belief, sex and sexual orientation. Ensuring the long term financial health of the Pension Fund will benefit everyone who contributes to it. Access to and participation in the Pension Fund is open to those with and those without protected characteristics, alike, provided that the criteria set out within the relevant Regulations are met

5.7 Consultation and Engagement

5.7.1 Not required.

5.8 Insight

5.8.1 Not applicable in the context of this report.

6. BACKGROUND PAPERS

6.1 None