



Local Pensions Board

1 March 2023

Title	Knowledge and Understanding
Report of	Executive Director of Strategy and Resources (S151 officer)
Wards	N/A
Status	Public
Urgent	No
Key	No
Enclosures	Appendix A - Mandatory and Primary training opportunities available to members of the Local Pensions Board and Pension Fund Committee
Officer Contact Details	Jim Nokku, Senior Pensions Officer – 0208 359 6437

Summary

The role of the Local Pension Board is to contribute to the governance of the pension scheme by scrutinising the work of the Pension Fund Committee and making recommendations where appropriate. In this context it is important that the Board has appropriate training opportunities for it to fulfil its duties.

Officers Recommendations

The Local Pensions Board is invited to note the training options available to it (and also to the Pension Fund Committee).

The Local Pension Board are invited to:

- 1) collectively commit to undertake the mandatory training; and
- 2) endeavour to undertake the recommended training.
- 3) note the Pensions Team's intention to contact Local Pensions Board and Pensions Fund Committee members monthly for updates on training undertaken.

1. WHY THIS REPORT IS NEEDED

- 1.1 The London Borough of Barnet Pension Fund is governed by the Pension Fund Committee, scrutinized by the Local Pensions Board with support of the LBB Pensions Team, advisors and outsourced administrators.
- 1.2 The Local Pension Board is an oversight body with no direct decision-making powers. The Local Pension Board's primary role is to review decisions made by the Pensions Committee and hold the Committee to account. The Local Pension Board includes member and employer representation.
- 1.3 The Local Pensions Board has a regulatory duty to keep their knowledge and understanding up-to-date and to document their training. Guidance around your regulatory duties is summarised on the Pension Regulator's website linked [here](#).
- 1.4 In summary, as a Board member, you must:
 - be conversant with (ie 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
- 1.5 There is no direct Regulatory requirement for the Pensions Fund Committee to undertake training beyond what is required as an elected member.
- 1.6 Issues surrounding the Pension Fund are complex and financially significant to the Council. To make effective decisions it is important that Committee and Board members feel empowered to ask the right questions of the LBB Pensions Team and advisors.
- 1.7 Therefore, it is important that both the Pension Fund Committee and Local Pension Board members have access to sufficient training opportunities so that they can meet their duties.
- 1.8 To deliver on this priority we have identified 'mandatory' training – this is training that we expect Local Pension Board members to undertake to enable them to perform their and 'recommended' training, which will further develop Committee and Board members' skills. It is expected that Board Members complete The Pensions Regulator toolkit.
- 1.9 The mandatory and primary training opportunities available to Board and Committee members are shown in Appendix A.
- 1.10 The Local Pension Board are invited to note the training options available and collectively commit to undertake the primary training and endeavour to undertake the recommended training. This will also include substitute members of the Board.
- 1.11 The LBB Pensions Team proposes that mandatory training and recommended training is logged to demonstrate that the Local Pensions Board is meeting regulatory requirements.

1.12 The LBB Pensions Team intend to contact all members of the Board and the Pension Fund Committee monthly, so the training log can be kept up to date and monitored.

2. REASONS FOR RECOMMENDATIONS

2.1 Issues surrounding the Pension Fund are complex and financially significant to the Council. To make effective decisions it is important that Committee members feel empowered to ask the right questions of Officers and advisors.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 None

4. POST DECISION IMPLEMENTATION

4.1 Officers will establish a Trustee Training log for Board members that will be considered at each Board meeting.

4.2 Training requirements will be reviewed annually.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

5.1.1 Good knowledge and understanding of the Pension Fund will improve overall governance and operational effectiveness of the Pension Fund.

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

5.2.1 Provision of Hymans' LOLA portal has a modest annual license fee.

5.3 Social Value

5.3.1 The Public Services (Social Value) Act 2012 came into force on 31 January 2013. It requires people who commission public services to think about how they can also secure wider social, economic and environmental benefits.

5.3.2 Before they start the procurement process, commissioners should think about whether the services they are going to buy, or the way they are going to buy them, could secure these benefits for their area or stakeholders.

5.3.3 The Act is a tool to help commissioners get more value for money out of procurement. It also encourages commissioners to talk to their local provider market or community to design better services, often finding new and innovative solutions to difficult problems.

5.3.4 There are no specific social value issues arising out of this report, however membership of the Pension Fund ensures the long-term financial health of contributing employees on retirement.

5.4 Legal and Constitutional References

5.4.1 There are no legal references.

5.4.2 The Pensions Regulator requires that Local Pensions Board members have a duty to keep their knowledge and understanding up-to-date and to document their training. Monitoring is an essential element of the appointment and re-appointment process.

5.5 Risk Management

5.5.1 Risk management is central to the LGPS; which are in themselves risk management tools, managing the risk that future employer income streams will be able to meet future pensions liabilities by creating a reserve from which future liabilities will be met.

5.5.2 The Committee relies on its service providers and good performance from these will help to avoid problems.

5.6 Equalities and Diversity

5.6.1 Pursuant to the Equality 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. The Council also has regard to the additional protected characteristic of marriage and civil partnership even though this does not apply to the public-sector equality duty.

5.7 Corporate Parenting

5.7.1 Not applicable in the context of this report.

5.8 Consultation and Engagement

5.8.1 Not applicable.

5.9 Insight

5.9.1 Not applicable

6. ENVIRONMENT CONSIDERATIONS

6.1 None

7. BACKGROUND PAPERS

7.1 Guidance around the Board's regulatory duties around Knowledge and Understanding can be accessed [here](#).