

The background of the slide features a large, light blue watermark of the City of Vancouver's coat of arms. The crest is a shield divided into four quadrants. The top-left quadrant shows a sailing ship on wavy lines representing water. The top-right quadrant depicts a stag's head with large antlers. The bottom-left quadrant contains a beaver. The bottom-right quadrant shows a grizzly bear standing on its hind legs. Above the shield is a crown with four maple leaves. A banner at the bottom of the shield contains the motto "A NE FOR A".

Agenda Item 9

Training Policy

Falkirk Council

Subject: Training Policy

Meeting: Joint Meeting of Pensions Committee and Pension Board

Date: 6 December 2018

Submitted by: Director of Corporate and Housing Service

1. Purpose of Report

- 1.1 This report invites the Pensions Committee and Board to consider revised training arrangements for those involved in the governance of the Fund.

2. Recommendations

2.1 The Pensions Committee and Pension Board are asked to note:

- (1) the training events made available in the period August 2017 to date and the attendance of members at these events as set out in Appendix 1;**
- (2) the questions and answers to the knowledge and skills questionnaire set out in Appendix 2.**

2.2 The Pensions Committee and Board are asked to agree:

- (1) the revised Training Policy attached at Appendix 3;**
- (2) the proposed areas for training in 2019 set out in Section 7; and**
- (3) that members will prioritise attendance at training where practicable.**

3. Background

- 3.1 Falkirk Council is responsible for administering a pension fund with assets of £2.4 billion; 30,000 scheme members and over 30 employers.
- 3.2 The Fund operates within a complicated framework involving both statutory regulations and codes of practice. The Fund is also a global investor with shareholder responsibilities. Failure to manage the Fund appropriately could have an adverse impact on stakeholders (i.e. scheme members and employers) and cause reputational damage to the Council.
- 3.3 The Public Service Pensions Act 2013, the Pensions Regulator Code of Practice 14 and the CIPFA Knowledge and Skills framework require that those responsible for the governance of the Fund (i.e. Committee and Board) should have the necessary knowledge and skills required to support them in their respective roles.

- 3.4 A commitment to update the training policy was made in the Annual Governance Statement which formed part of the 2017/18 Fund Annual Report and Accounts. Furthermore, Training Plans are a matter of increasing interest at the Scheme Advisory Board with the Board seeking assurances that appropriate training arrangements are in place.

4. Training Policy

- 4.1 The proposed training policy attached at Appendix 3 sets out the training framework that is deemed necessary so that those responsible for governance of the Fund have the knowledge and skills needed to fulfil their roles and meet the statutory and best practice requirements.
- 4.2 The objectives of the policy are to ensure that:
- those responsible for governing the Fund have sufficient expertise to be able to evaluate and challenge the advice they receive, ensure their decisions are robust and well based, and recognise any potential conflicts of interests
 - the Fund is appropriately managed and that its services are delivered by people who have the requisite knowledge and expertise
 - levels of knowledge and expertise are maintained within the changing pensions landscape
 - knowledge and expertise is consistent with promoting a culture of risk awareness, financial governance, and a desire to provide high quality services
- 4.3 Training to meet those objectives is consistent with the requirements of
- the CIPFA Knowledge and Skills Frameworks
 - the knowledge and skills elements of the Public Service Pensions Act 2013 and
 - the Pensions Regulator's (TPR) Code of Practice for Public Service Schemes.
- 4.4 A training programme for the year ahead will be notified to Committee and Board at each December meeting. This will be supplemented during the year as relevant events, such as seminars, are announced.
- 4.5 In order to maintain knowledge and skills at an appropriate level (and as evidence of the commitment to good scheme governance), Committee and Board members are expected:
- to attend at least three out of the four formal joint meetings annually.
 - to attend at least two training events annually
 - to prioritise attendance at any training events highlighted as being essential by the Chief Finance Officer or Pensions Manager
 - to work towards completion of the Regulator's Trustee Toolkit
- 4.6 The policy also extends to senior officers involved in the management of the Pensions function.

- 4.7 All Committee members, Board members and senior officers are expected to continually demonstrate their own personal commitment to training. Failure to comply with the training policy will result in individuals being unable to continue as members of the Pensions Committee or Board.

5. Training Provided 2017 and 2018

- 5.1 A range of training events has been made available to Committee and Board members during the period from August 2017. Details of these and attendance is set out in Appendix 1.

6. Knowledge and Skills Questionnaire 2018

- 6.1 The questions and answers to the Knowledge and Skills questionnaire issued to Committee and Board members in August are attached at Appendix 2 of the report.
- 6.2 Out of a possible 17, 8 questionnaires were returned (2 Committee and 6 Board). The average score was 65%, but individual scores ranged from 40% to 90%. Those who responded have been sent their individual scores.
- 6.3 Scoring was steady across most of the subject headings, however there would appear to be scope for improvement in most areas. For example, only 25% of respondents knew that teachers were ineligible for the LGPS and none of the respondents identified that the primary rate of employer contribution equated to the cost of one additional year of benefit accrual.
- 6.4 The training plan for 2019 will include an LGPS overview session for those who would welcome a refresher session on Scheme fundamentals. There may also be scope for joint training sessions with the Lothian and Fife Funds.

7. Training Plan 2019

- 7.1 It is proposed that training during 2019 will include:

Subject	Objective
An "LGPS in brief" session	To provide a broad overview of scheme provisions including administration, governance and investment.
Asset Allocation	To understand the risk and return characteristics of differing asset classes
Role of Custodian	To increase knowledge and understanding of the custodian
Voting and Manager Engagement	To understand the Fund's voting arrangements, the criteria and how managers engage with companies.
Pension Regulator's Trustee Toolkit	To provide a broad understanding of the pensions environment and meet standards of best practice

- 7.2 Further Sessions may be convened to facilitate completion of particular modules of the Pension Regulator Trustee Toolkit.
- 7.3 Nominations to attend various events such as the Annual Conference of the Local Authority Pension Funds Forum will also be sought during the year.

8. Implications

Financial

- 8.1 The cost of delivering the training programme will be borne by the Pension Fund and a budget will be developed to provide an annual amount to support ongoing training needs.

Resources

- 8.2 There will be a modest increase in administration in recording, reporting and organising what will be extended training arrangements. This may vary depending on the level of support required by Committee and Board members in completing the Regulator Trustee toolkit training.

Legal

- 8.3 There is a legal requirement for members of the Pension Board to meet the knowledge and skills standards prescribed in the Public Service Pensions Act 2013.

Risk

- 8.4 The development of a Training Policy and the reporting of training undertaken is part of the wider risk framework ensure effective decision making is in place for the Pension Fund. Inadequate levels of skills and knowledge may prevent the Fund being recognised as a professional investor in terms of the Markets in Financial Instruments Directive (MifFID II) and unable to pursue its preferred investment strategy.

Equalities

- 8.5 There are no equality issues arising from this report.

Sustainability/Environmental Impact

- 8.6 There are no sustainability/environmental issues arising from this report.

9. Conclusions

- 9.1 The scale of the Pension Fund and the complicated environment in which it operates make it essential for Committee and Board members to be provided with the necessary training to undertake their roles.

- 9.2 In line with best practice and audit recommendations, the updated training policy formalises the training arrangements through the development of an agreed annual training plan; the setting of attendance targets; and the reporting of training and attendance in a transparent manner.

Director of Corporate & Housing Services

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Date: 01 November 2018

Appendices

Appendix 1 - Training Log

Appendix 2 – Knowledge and Skills Questionnaire 2018 - Questions and Answers

Appendix 3 – Training Policy, November 2018

List of Background Papers:

None

Falkirk Council Pension Fund

Training Log 2017/18 and 2018/19 (to date)

APPENDIX 1

				2017/18	2017/18	2017/18	2018/19	2018/19	2018/19	2018/19	2018/19
Training Event				Induction event for new Committee/Board	Investment Seminar	Committee & Board Member Training	Launch of Consultation into Scheme Structure	Committee & Board Member Training	Pensions & Investment Seminar	Investment Seminar	Investment Seminar
Venue				Falkirk	Edinburgh	Edinburgh	Edinburgh	Falkirk	Edinburgh	Edinburgh	Edinburgh
Date				17/08/2017	31/10/2017	21/11/2017	27/06/2018	23/08/2018	10/09/2018	23 and 24/10/18	19/11/2018
Method of Delivery				Internally run with mix of internal and external speakers	Run by Lothian Pension Fund	Run by Scottish LA Fund Officers	Organised by CoSLA	Update on investment strategy run by Hymans Robertson	Run by Lothian Pension Fund	Local Government Chronicle	Run by Lothian Pension Fund
Course Length (approx.)				2.5 hours	4.5 hours	6 hours	3.5 hours	1 hour	6 hours	7 hours	3.5 hours
Pensions Board											
Title	Forename	Surname	Representation								
Mrs	Susan	Crook	Union	✓	✓			✓	✓		
Mr	Tommy	Murphy	Union	✓	✓	✓		✓		✓	✓
Mr	Gordon	Irvine	Union	✓							
Mr	Sandy	Harrower	Union	✓		✓	✓	✓	✓	✓	✓
Mr	Simon	Hunt	Employer	✓	✓		✓	✓	✓		✓
Mr	Ed	Morrison	Employer	✓	✓			✓			
Mrs	Jennifer	Welsh	Employer	✓	✓	✓	✓	✓	✓	✓	✓
Councillor	Margaret	Brisley	Employer								
Title	Forename	Surname	Representation								
Mr	Ian	McLean	Pensioner	✓	✓		✓	✓			
Mr	Andy	Douglas	Union	✓		✓	✓	✓			✓
Councillor	Jim	Blackwood	Falkirk Council	✓	✓	✓		✓			✓
Councillor	Niall	Coleman	Falkirk Council	✓				✓			
Councillor	John	Patrick	Falkirk Council	✓		✓		✓			
Councillor	Adanna	McCue	Falkirk Council	✓	✓	✓		✓	✓	✓	✓
Councillor	Pat	Reid	Falkirk Council	✓				✓	✓		
Councillor	Billy	Buchanan	Falkirk Council	✓				✓			
Councillor	Donald	Balsillie	Clacks. Council	✓			✓		✓	✓	✓

denotes not on Committee/Board at the time of training

Mr	Bryan	Smail	Falkirk Council	✓	✓			✓	✓		✓
Mr	Alastair	McGirr	Falkirk Council	✓	✓	✓	✓	✓	✓	✓	✓



LGPS Knowledge Assessment 2017

for Committee members, representatives and practitioners

Initial Assessment

Module 1 – pensions legislation

1.1 Which of the following Regulations currently apply to Scottish LGPS employers? (tick one box)

- A The Local Government Pension Scheme Regulations (Scotland) 2014
- B The Local Government Pension Scheme (Management and Investment of Funds) (Scotland) Regulations 2010
- C The Local Government Pension Scheme (Governance) (Scotland) Regulations 2015
- D All of the above

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1.2 Which of the following type of employee cannot generally be a member of the LGPS? (tick one box)

- A Cleaners employed by a College
- B Secretarial staff in a School
- C Employees of a contractor providing a service in connection with the function of a scheme employer who were transferred from the scheme employer
- D Teachers in a local authority school

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1.3 Which of the following could be considered as not being the role of the pension fund committee? (tick one box)

- A Agreeing the fund's communication policy
- B Agreeing the early retirement decisions of the senior officers
- C Setting the overall funding objectives
- D Signing off the triennial funding valuation

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Module 2 – pensions governance**2.1 What Act establishes the setting up of the local pension boards and their responsibilities? (tick one box)**

- A Pensions Act 1995
- B Public Service Pensions Act 2013
- C Pension Schemes Act 1993
- D Superannuation Act 1972

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☐**2.2 Which of the following is not the role of the administering authority? (tick one box)**

- A Maintain and administer the local LGPS Fund
- B Determine how the fund's assets are allocated
- C Advise the Scottish Ministers on changes to the LGPS
- D Pay pension benefits to members and dependants

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☐**2.3 What is the role of the administering authority's chief finance officer (section 95 officer) in relation to the LGPS? (tick more than one box if appropriate)**

- A Confirming early retirement decisions
- B Ensuring there is an effective system of internal financial control
- C Providing expert advice
- D Appointing the fund's advisers

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☐**2.4 Is Falkirk Council... (tick one box)**

- A An Administering Authority
- B An Employer Authority
- C Both A & B
- D An Admission Body

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Module 3 – pensions administration

**3.1 Which of the following is not one of the Pensions Regulator's measures of good practice set out in its code of practice 14?
(tick one box)**

- A Appropriate knowledge and understanding
- B Strong internal controls and good data and record keeping
- C Providing high quality information to members
- D Performance against industry standards

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**3.2 Which of the following is the current standard capital value of tax privileged annual pension savings a person can ordinarily enjoy without suffering a tax penalty?
(tick one box)**

- A £50,000
- B £40,000
- C £215,000
- D There is no annual limit

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**3.3 When a member pays AVCs, who is responsible for deciding in to which funds their contributions are invested?
(tick one box)**

- A The AVC provider
- B The administering authority
- C The scheme employer (Subject to any limits on Fund choice set by employer)
- D The scheme member (Subject to any limits on Fund choice set by administering authority)

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Module 4 – pensions accounting and audit standards

**4.1 Which of the following statements describes the role of a Committee member in the preparation of pension fund accounts?
(tick one box)**

- A Approve the statement of accounts
- B Examine on a test basis, evidence that the information contained in the accounts is consistent with the information contained in supporting information
- C Provide an opinion on whether the accounts reflect a 'true and fair view' of the financial transactions of the pension fund
- D No involvement at all – it is solely an officer function

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**4.2 Which of the following statements describes the responsibilities of the external auditor in the preparation of pension fund accounts?
(tick one box)**

- A Approve the statement of accounts
- B Selecting suitable accounting policies and then applying them consistently
- C Provide an opinion on whether the accounts reflect a 'true and fair view' of the financial transactions of the pension fund
- D No involvement at all – it is solely an officer function

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**4.3 The requirement for an LGPS Pension Fund to produce a pension fund annual report is set out in?
(tick one box)**

- A CIPFA Code of Practice
- B Local Government (Scotland) Act 2003
- C The LGPS (Scotland) Regulations 2014
- D Public Services Pensions Act 2013

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Module 5 – pension services procurement and relationship management**5.1 Which of the following statements is true?
(tick one box)**

- A Appointments of advisers, investment managers and other providers above a minimum threshold (in terms of value p.a.) are subject to European public procurement regulations ☐
- B The committee should agree the procurement rules that they will apply to each appointment in advance ☐
- C All advisory and manager appointments are subject to the requirements of EU public procurement ☐
- D Appointments of advisers and investment managers above a minimum threshold (in terms of value) are subject to UK public procurement regulations ☐

**5.2 What does the acronym OJEU stand for?
(tick one box)**

- A Official Journal of the European Union ☐
- B Officers' Journal of European Underwriters ☐
- C Operational Jurisdiction of European Users ☐
- D Occupational Justification of Expenditure Usage ☐

**5.3 If an administering authority outsources administration to a third party provider, who is then responsible for the services provided to LGPS members?
(tick one box)**

- A The third party provider ☐
- B The administering authority ☐
- C Scheme employers ☐
- D All of the above ☐

Module 6 – investment performance and risk management

6.1 Where should the Fund's voting policy be stated?
(tick one box)

- A It does not have to be recorded
- B The Statement of Investment Principles
- C The Funding Strategy Statement
- D In the pension committee minutes

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6.2 Which of the following is the least appropriate method of measuring how well the fund is meeting its investment objective?
(tick one box)

- A A comparison of the investment return relative to that of other LGPS funds
- B A comparison of the investment return relative to its strategic benchmark return
- C A comparison of the value of the assets relative to the value of the liabilities

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6.3 If long term fixed interest gilt and index linked gilt yields fall, which of the following is true?
(tick one box)

- A The discounted value of the liabilities falls
- B The discounted value of the liabilities rises

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6.4 It would be wrong to allocate all of the Fund's capital to...
(tick more than one box if applicable)

- A Assets that are mainly illiquid
- B Assets that are invested globally
- C Assets that are invested in one sector (e.g. retail, industrials)
- D Assets that are concentrated in one geography
- E Managers with a mixture of investment styles

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6.5 A portfolio's "Alpha" and "Beta" are respectively used to describe
(tick one box)

- A i) The benchmark return and ii) the volatility of a portfolio
- B i) The correlation of one asset class with another and ii) the volatility of a portfolio
- C i) Outperformance over the benchmark and ii) the volatility of a portfolio versus benchmark volatility

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Module 7 – financial markets and product knowledge

**7.1 Your funding level is calculated as
(tick one box)**

- A Value of assets / value of liabilities
- B Value of liabilities / value of assets
- C Contribution income / pensions paid

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☐**7.2 The pension committee is considering further diversifying the fund. Which of the following statements is true?
(tick one box)**

- A The fund can be diversified by choosing new assets which behave differently to the ones currently in the fund
- B The fund can be diversified by choosing new assets which behave in broadly the same way to the ones currently in the fund
- C Private equity should be considered as it is positively correlated with listed equities
- D Hedge funds should be included as they guarantee to provide a return in all market conditions

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☐**7.3 By lending money to companies or to Government you would be investing in which asset class?
(tick one box)**

- A Bonds
- B Property
- C Equities
- D Cash

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☐**7.4 If the Fund wishes to de-risk, it would...
(tick one box)**

- A Increase its equity allocation and Reduce its Bond allocation
- B Increase the percentage of Equities held with a Growth style Manager
- C Reduce its Equity allocation and Increase its Bond allocation
- D Reduce its allocation to Public Equity and increase the allocation to Private Equity

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Module 8 – actuarial methods, standards and practices

8.1 How often is a formal valuation of the pension fund required to take place?**(tick one box)**

- A Every year
- B Every 3 years
- C Whenever there is a change in the regulations
- D Every 5 years

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8.2 Which of the following assumptions will the fund actuary not take into account as part of the formal valuation process?**(tick one box)**

- A Inflation
- B Investment returns
- C Life expectancy
- D Early retirement strain costs

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8.3 The “primary rate” is**(tick one box)**

- A The cost of 1 additional year extra benefit accrual for the fund
- B The cost of paying pensions out in the next year
- C The rate calculated by Government for the LGPS as a whole
- D The cost of all future benefit accrual until members retire

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8.4 Over what period is the Fund seeking to achieve a fully funded position**(tick one box)**

- A 5 years
- B 10 years
- C 20 years
- D 40 years

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8.5 The amount being paid to repair the Fund’s deficit is called...**(tick one box)**

- A Primary rate
- B Secondary rate
- C Equal Annual Charge

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Your details:-

Name

Pension Fund

Role

Date completed

Date marked

Score / 30.....

Learning
opportunities
required?

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Initial Assessment: Answers

LGPS Knowledge Assessments 2017 CIPFA Knowledge and Skills Framework

Module 1 – pensions legislation

- 1.1 D All of the above
- 1.2 D Teachers in a local authority school
- 1.3 B Agreeing the early retirement decisions of the senior officers

Module 2 – pensions governance

- 2.1 B Public Service Pensions Act 2013
- 2.2 C Advise the Scottish Ministers on changes to the LGPS
- 2.3 B/C/D Multiple answer
- 2.4 C Both A & B

Module 3 – pensions administration

- 3.1 D Performance against industry standards
- 3.2 B £40,000
- 3.3 D The scheme member

Module 4 – pensions accounting and audit standards

- 4.1 A Approve the statement of accounts
- 4.2 C Provide an opinion on whether the accounts reflect a 'true and fair view' of the financial transactions of the pension fund
- 4.3 C The LGPS (Scotland) Regulations 2014

Module 5 – pension services procurement and relationship management

- 5.1 A Appointments of advisers and investment managers above a minimum threshold (in terms of value p.a.) are subject to European public procurement regulations
- 5.2 A Official Journal of the European Union
- 5.3 B The administering authority

Module 6 – investment performance and risk management

- 6.1 B The Statement of Investment Principles
- 6.2 A A comparison of the investment return relative to that of other LGPS funds
- 6.3 B The discounted value of the liabilities rises
- 6.4 A/C/D Multiple Answers
- 6.5 C i) Outperformance over the benchmark and ii) the volatility of a portfolio versus benchmark volatility

Module 7 – financial markets and product knowledge

- 7.1 A Value of assets / value of liabilities
- 7.2 A The fund can be diversified by choosing new assets which behave differently to the ones currently in the fund
- 7.3 A Bonds
- 7.4 C Reduce its Equity allocation and Increase its Bond allocation

Module 8 – actuarial methods, standards and practices

- 8.1 B Every 3 years
- 8.2 D Early retirement strain costs
- 8.3 A The cost of 1 additional year extra benefit accrual for the fund
- 8.4 C 20 years
- 8.5 B Secondary rate

Falkirk Council Pension Fund

Training Policy

1. Introduction

- 1.1 This is the Training Policy of Falkirk Council Pension Fund (“the Fund”).
- 1.2 The Policy details the training strategy for members of the Pension Fund Committee and Pension Board, and senior officers responsible for the management of the Fund.
- 1.3 The Training Policy has been established to assist Committee and Board members and senior officers in performing their respective roles with the ultimate aim of ensuring that the Fund is managed by individuals who have the appropriate levels of knowledge and skills.

2. Aims and Objectives

- 2.1 Falkirk Council recognises the significance of its role as Administering Authority to the Fund on behalf of its stakeholders who include:
 - 30,000 current and former members of the Fund, and their dependants
 - 30 employers based within the Clackmannanshire, Falkirk and Stirling Council areas, and
 - local taxpayers within those areas.
- 2.2 The aims and objectives of the policy are to ensure that:
 - those responsible for governing the Fund have sufficient expertise to be able to evaluate and challenge the advice they receive, ensure their decisions are robust and well based, and recognise any potential conflicts of interests
 - levels of skills and knowledge allow the Fund to be regarded as a “professional investor” in terms of the Markets in Financial Instruments Directive (MiFID II)
 - levels of skills and knowledge are consistent with changes in the pensions landscape
 - the Fund is appropriately managed and that its services are delivered by people who have the requisite knowledge and expertise
 - knowledge and expertise is consistent with the objective of having a culture of risk awareness, financial governance, and a desire to provide high quality services
 - to recognise the distinctive roles of the Pensions Committee and Pension Board and to tailor training accordingly as appropriate
- 2.3 All Committee members, Board members and senior officers are expected to continually demonstrate their own personal commitment to training and to ensure that these objectives are met.
- 2.4 To assist in achieving these objectives, the Fund will aim to comply with:
 - the CIPFA Knowledge and Skills Frameworks
 - the knowledge and skills elements of the Public Service Pensions Act 2013 and
 - the Pensions Regulator's (TPR) Code of Practice for Public Service Schemes.

3. To Whom This Policy Applies

- 3.1 This Training Policy applies to all members of the Pension Fund Committee and the local Pension Board, including scheme member and employer representatives. It also applies to the Chief Finance Officer and the Pensions Manager (“Senior Management Team”).
- 3.2 Less senior officers involved in the daily management of the Pension Fund will also be required to have appropriate knowledge and skills relating to their roles, which will be determined and managed by the Pension Manager and his/her team. Advisers to the Fund are also expected to be able to meet the objectives of this Policy.
- 3.3 Officers of employers participating in the Fund who are responsible for pension matters are also encouraged to maintain a high level of knowledge and understanding in relation to LGPS matters, and the Fund will provide training as and when considered appropriate by the Pensions Manager.

4. CIPFA and TPR Knowledge and Skills Requirements

4.1 CIPFA Knowledge and Skills Framework

In 2010, CIPFA launched a knowledge and skills framework for Pension Fund Committee members. This was supplemented in 2015 with guidance for Pension Board members to enable them to properly exercise their functions under Section 248a of the Pensions Act 2004, as amended by the Public Service Pensions Act 2013.

The Framework covers eight areas of knowledge and skills identified as the core requirements:

- Pensions legislation
- Public sector pensions governance
- Pensions administration
- Pension accounting and auditing standards
- Financial services procurement and relationship management
- Investment performance and risk management
- Financial markets and products knowledge
- Actuarial methods, standards and practice

CIPFA’s Code of Practice recommends that Local Government Pension Scheme administering authorities -

- formally adopt the CIPFA Knowledge and Skills Frameworks
- ensure that the appropriate policies and procedures are put in place to meet the requirements of the Frameworks
- publicly report how these arrangements have been put into practice each year.

4.2 **The Pensions Act 2004 and The Pension Regulator's (TPR) Code of Practice**

Section 248a of the Pensions Act 2004, as amended by The Public Service Pensions Act 2013, requires Pension Board members to:

- be conversant with the rules of the scheme and any document recording policy about the administration of the scheme, and
- have knowledge and understanding of the law relating to pensions and any other matters which are prescribed in regulations.

The degree of knowledge and understanding required is that appropriate to enable individuals to properly exercise their functions as a member of the Pension Board. The requirements have been incorporated within the TPR Code of Practice.

4.3 **Application to the Falkirk Fund**

The Fund supports the principles set out in both the CIPFA Knowledge and Skills Frameworks and the TPR's Code of Practice and will strive to meet these requirements by providing a rolling programme of training with regular monitoring and reporting.

5. **Training Arrangements**

5.1 The Fund recognises that training is a key element in Committee, Board and senior officers having the necessary knowledge and skills.

5.2 Training will be delivered through a variety of methods including:

- in-house training sessions provided by officers and/or external providers
- joint training events with collaborative partners
- training as part of meetings (e.g. Committee) provided by officers and/or external advisers
- external training events
- circulation of reading material
- seminars and conferences offered by industry-wide bodies
- online training
- access to the Fund website and Secure portal for up to date information

5.3 In order to maintain knowledge and skills at an appropriate level (and as evidence of the commitment to good scheme governance), Committee and Board members are expected:

- to attend at least three out of the four formal joint meetings annually.
- to attend at least two training events annually
- to prioritise attendance at any training events highlighted as being essential by the Chief Finance Officer or Pensions Manager
- to work towards completion of the Regulator's Trustee Toolkit

5.4 Failure to comply with the training policy may result in individuals being unable to continue as members of the Pensions Committee or Board.

6. Initial Information and Induction Process

- 6.1 On joining the Committee, Board or Senior Management Team, the individual(s) will be provided with the following documentation (or links to the documentation) to assist in providing them with a basic understanding of the Fund:
- The members' guide to the Local Government Pension Scheme
 - The latest Actuarial Valuation report
 - The latest Annual Report and Accounts
 - The Funding Strategy Statement
 - The Governance Policy and Compliance Statement
 - The Investment Strategy Statement
 - The Administration Strategy
 - This Training Policy
- 6.2 An induction/refresher training session will be held for all Committee and Board members following every set of Local Government elections. Members appointed outwith the electoral cycle will attend an individual training session with the Pensions Manager.
- 6.3 Arrangements will be made for individuals who have not yet attended an induction session to be provided with training.

7. Monitoring Knowledge and Skills

- 7.1 In order to determine whether policy objectives are being met, the Fund will:
- Ask Committee and Board to complete a knowledge and skills questionnaire annually
 - Ask Independent Advisers to provide an annual report on the governance of the Fund each year, focussing on delivery of the requirements of this Policy
 - Compare attendance at meetings and at training year on year

8. Reporting and Key Risks

- 8.1 A report will be presented to the Committee and Board on an annual basis setting out:
- The training provided / attended in the previous year at an individual level
 - Proposals for training in the year ahead
- 8.2 Attendance at meetings and training events will be included in the Pension Fund's Annual Report and Accounts at an individual level.
- 8.3 At each joint meeting, Committee and Board members will be provided with details of forthcoming seminars, conferences and other training events of relevance to their roles.

8.4 The key risks to delivering the aims of this Policy are:

- Changes in Committee and Board diluting knowledge and understanding
- Changes in Senior Management diluting knowledge and understanding
- Poor attendance/engagement by Committee or Board at training sessions or formal meetings resulting in a poor decision making or monitoring
- Insufficient resources being available to deliver or arrange the required training
- Training is of a poor standard

9. Costs

All costs related to this Training Policy will be met directly by the Fund.

Pensioner representatives will be eligible to apply for reimbursement of reasonable travel costs from the Fund.

10. Approval, Review and Consultation

The Training Policy has been approved by the Pensions Committee at its meeting of 6 December 2018. It will be formally reviewed and updated at least every three years or sooner if the training arrangements or other matters included within it require further consideration.

11. Further Information

If you require further information about anything in or related to this Training Policy, please contact:

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