

Pension Fund Committee

Meeting to be held on 29 November 2013

Electoral Division affected: None

Pension Fund Training Plan 2013-15

(Appendix 'A' refers)

Contact for further information:

Gill Kilpatrick, (01772) 534715, County Treasurer's Directorate

Gill.kilpatrick@lancashire.gov.uk

Executive Summary

In order to ensure best practice within the Fund, and to comply with the Public Service Pensions Act 2013, a Training Plan for those charged with governance and financial management of the Lancashire County Pension Fund (i.e. Committee Members and Officers) is developed on an annual basis. At its meeting of 7 June 2013, the Pension Fund Committee agreed to the development of such a training programme.

Planning and monitoring that both Committee Members and the Officers of the Scheme comply with these requirements is provided through the adoption of an annual Training Plan, which is set out at Appendix A for member's consideration.

The key elements of the plan are designed to support members of the Committee in gaining the necessary knowledge and skills as a collective group over the following areas required by the CIPFA Knowledge and Skills Framework:

- Pension Fund governance;
- Accounting and Audit standards;
- Procurement of financial services;
- Investment performance and risk management;
- Financial markets and product knowledge;
- Actuarial methods and valuation.

It is comprised of a combination of internally developed training sessions, updates from officers and independent advisers, external events, and self-directed learning.

Recommendation

The Committee is asked:

1. to approve the proposed Pension Fund Training Plan including the external event approval process as set out at Appendix 'A',
2. to commit members to undertaking the training to enable the Committee to meet the requirements of the CIPFA Knowledge and Skills Framework.

Background and Advice

Requirements

In order to ensure best practice within the Fund, and to comply with the Public Service Pensions Act 2013, a Training Plan for those charged with governance and financial management of the Lancashire County Pension Fund (Committee Members and Officers) should be developed on an annual basis. At its meeting of 7 June 2013, the Pension Fund Committee agreed to the development of such a training programme.

Central to this is the tenet that the Fund should secure appropriate training, having assessed the professional competence of both those involved in pension scheme financial management and those with a policy, management and or oversight role.

It is not required that each individual demonstrates a level of expertise in every aspect of Scheme governance and management, but rather that as a group both the Fund's Officers and the Committee has a level of knowledge and skills to ensure effective decision making.

Committee Members and Officers are also required to undertake training to satisfy the obligations placed upon them by the:

- Myners Principles (as detailed in the Statement of Investment Principles);
- Pensions Regulations and the Pensions Regulator;
- CIPFA Code of Practice on Public Sector Pensions Finance Knowledge and Skills; and the
- LGPS Governance Compliance Statement.

Approach

The approach to training will be supportive in nature with the intention of providing committee members and officers with regular sessions that will contribute to their level of skills and knowledge. Primarily based upon pre-Committee training sessions, it may also involve updates from officers and independent advisers. Details of external events will also be circulated as appropriate. This is in addition to an expectation that committee members will undertake some self-directed learning outside of the formal training. Fund officers will be available to provide additional support and advice.

The key elements of the plan are designed to support members of the Committee in gaining the necessary knowledge and skills as a collective group over the following areas required by the CIPFA Knowledge and Skills Framework:

- Pension Fund governance;
- Accounting and Audit standards;
- Procurement of financial services;
- Investment performance and risk management;
- Financial markets and product knowledge;
- Actuarial methods and valuation.

It is comprised of a combination of internally developed training sessions, updates from officers and independent advisers, external events, and self-directed learning.

Planning and monitoring that both Committee Members and the Officers of the Scheme comply with these requirements is provided through the adoption of an annual Training Plan (Appendix A).

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

Without the required knowledge and skills, those charged with governance and decision-making within the Pension Fund may be ill-equipped to make informed decisions regarding the direction and operation of it.

Legal

In order to comply with the Public Sector Pensions Act 2013, appropriate training should be secured for those individuals selected to serve on Local Government Pension Scheme pensions boards.

Financial

The cost of members and officers attending external events including conferences will be met by the Pension Fund.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Directorate/Tel
Public Services Pensions Act 2013	April 2013	Andrew Fox/ County Treasurer's Directorate/ x35916

Reason for inclusion in Part II, if appropriate

N/A