

HYMANS ROBERTSON LLP

## Toolkit Summary

The CIPFA Knowledge and Skills Framework defined six areas of learning for pension practitioners and elected representatives / non-executives.

Working alongside CIPFA, Hymans Robertson has created a toolkit to support the implementation of the Framework. This is made up of two elements:

- **Training Needs Analysis** – approximately 100 questions will thoroughly and objectively assess the user's understanding of their responsibilities and importantly, their knowledge gaps. There are two versions of the paper-based TNA: one for pension practitioners and one for elected representatives / non-executives.
- **Online Knowledge Library** – this secure website holds the supporting training material, categorised into the six areas. The material includes guidance notes, statutory guidance, a glossary and links to other websites. Content is targeted at either pension practitioners or elected representatives / non-executives, so although there is only one site, users will see different content depending on their role.

Screen shots of these are shown later in this paper.

### Cost

The cost for 2011/2012 Annual Licence Fee is provided below. Subscribers to the toolkit who join part way through the financial year will be invoiced for a part year payment to 31 March 2012. All subscribers will then be invoiced in advance for the following year's full Annual Licence Fee from 1 April 2012.

The Initial Fee is the part payment paid in advance in respect of the period from the Commencement Date (the date we issue the toolkit documentation) to the Annual Payment Date. We will invoice you in respect of the Initial Fee on the Commencement Date. The Annual Licence Fee is the annual fee paid in advance. We will invoice you in respect of the Annual Licence Fee on the Annual Payment Date each year. Annual Payment Date is 1st April.

|   | System Element                         | Annual License Fee 2011/2012 | Initial Fee (Commencement Date to 31 March 2012) |
|---|--|------------------------------|--|
| A | TNA for elected members                | £600 +VAT                    | Annual license fee pro-rated to 31 March         |
| B | TNA for officers                       | £600 + VAT                   | Annual license fee pro-rated to 31 March         |
| C | Access to the Online Knowledge Library | £900 + VAT                   | Annual license fee pro-rated to 31 March         |
| D | A, B and C combined                    | £1,900 + VAT                 | Annual license fee pro-rated to 31 March         |

### Process

- You confirm to your usual Hymans Robertson contact that you wish to subscribe to the product
- You will then be issued with an E-Business Agreement (for signing) and User Form (to complete for those users you wish to have access to the Online Knowledge Library should this be included in the package you opt into)
- Once the agreement has been signed and returned:
  - You will be issued with the TNA documentation as subscribed to

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- All users of the Online Knowledge Library (should you opt into this) will be issued with their login details via secure email

You can have as many users as you wish for the Annual Licence Fee and add people during the year if required.

We can support your implementation of the KSF Framework in a variety of other ways. Please do speak to your usual Hymans Robertson consultant if you need more information. We will continue to review the product and would be interested in your feedback on it if, and when, you decide to sign up.

Online Knowledge Library Screen Shots & Sample Pages from Training Needs Analysis

The image displays two screenshots of the CIPFA Online Knowledge Library website. The left screenshot shows the home page, which includes a navigation menu on the left, a central welcome message, and a 'Recent documents' section. The right screenshot shows a detailed page for 'Pensions legislative and governance context', featuring a table of documents with columns for Type, Name, Comments, and Modified.

**Recent documents (from left screenshot):**

- 04/08/2011: Welcome to appsOnline
- 07/07/2011: CIPFA Pensions Leg Context Valuations Final
- 07/07/2011: CIPFA outsourcing Final

**Pensions legislative and governance context (from right screenshot):**

| Type                                 | Name                           | Comments   | Modified         |
|--------------------------------------|--------------------------------|--|------------------|
| General pensions framework (1)       |                                |  |                  |
| Final                                | CIPFA General Pensions Final   | Description of the general pensions framework within which the LGPS exists and the key elements of overriding legislation which will impact on the LGPS. | 07/07/2011 14:14 |
| Hot topics (1)                       |                                |  |                  |
| Pensions regulators and advisors (1) |                                |  |                  |
| Scheme specific legislation (2)      |                                |  |                  |
| Final                                | Pensions Scheme specific Final | Detailed description of the LGPS, how it has developed and the main benefits that it provides.   | 07/07/2011 14:15 |
| Final                                | Stakeholders                   | Summary of the key stakeholders in the LGPS  | 20/04/2011 11:10 |
| Supporting material (23)             |                                |  |                  |
| Tax legislation (1)                  |                                |  |                  |



# Training Needs Analysis

for pensions practitioners in the public sector

## General introduction

Public sector pension schemes, and the cost of providing them, have become headline news. It doesn't seem that a day goes by without some story or another on public sector pensions being in the national press.

At the same time governance of pension schemes in general, including public sector pension schemes like the LGPS, has become more important. Many would suggest that the legislative burden on pension schemes, and the level of scrutiny they face, has increased significantly since the Maxwell scandal. The skills and knowledge requirements of elected members and practitioners dealing with the LGPS have increased dramatically.

Private sector schemes have been faced with greater external influence, with the requirement for trustees to undergo skills assessments and, where skills or knowledge gaps are identified, training. Given the public spotlight on public sector schemes the need for similar disciplines in schemes such as the LGPS has been identified. CIPFA have developed a knowledge and skills framework setting out the requirements for both elected members and practitioners who have an involvement in the LGPS. This training needs analysis has been designed to help you measure your own knowledge and understanding against the CIPFA expectations.

Name: \_\_\_\_\_

Pension Fund: \_\_\_\_\_

Role: \_\_\_\_\_

## 1. Pensions legislative and governance context

The occupational pensions landscape is complex. Legislation has built up over many years, particularly so since the Maxwell affair of the 1990s, since when governance and transparency have become ever more sharply in focus. This means that all those with an involvement in managing and administering pension schemes have to navigate very complex rules and this is no different for those involved with the LGPS.

The questions set out in this section aim to measure your knowledge against the core knowledge requirements you are required to have in undertaking your role in relation to the LGPS.

### 1.1 General pensions framework

1.1.1 tick one box

**Under which Act is the LGPS 'registered'?**

A. Pensions Act 1995;

B. Finance Act 2004;

C. Pension Schemes Act 1993;

D. Superannuation Act 1972.

1.1.2 tick all that apply

**In which of the following ways is the LGPS impacted by overriding pensions legislation?**

A. Tax relief on pension contributions;

B The reference scheme test;

C. Disclosure of information requirements;

D. Reduced national insurance contributions;

E. None.

1.1.3

**What are two types of sanction that can be imposed on an organisation or individual for failure to comply with overriding legislation/requirements?**

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1.2.9

Set out two ways in which the LGPS interacts with private and state pension provision.

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1.2.10

tick one box

Early retirement can place a 'strain' on the pension fund. Which of the following approaches did the Audit Commission advocate is used by the administering authority in order that scheme employers plug any such funding strain?

- A. Make capital payments into the LGPS over a fixed period;
- B. Wait until the next funding valuation exercise.

  

1.2.11

tick one box

Effective from 2011 how and when will LGPS benefits be increased?

- A. Retail prices index on the first Monday on or after 1 January;
- B. Retail prices index on the first Monday on or after 6 April;
- C. Consumer prices index on the first Monday on or after 1 January;
- D. Consumer prices index on the first Monday on or after 6 April.

  
  
  

Advanced

1.2.12

tick one box

What are the minimum and maximum age requirements for entry into the LGPS?

- A. 16 and 65;
- B. No minimum age and 65;
- C. No minimum age and 75;
- D. 18 and 75;
- E. 16 and 75.

  
  
  
  




# Training Needs Analysis

for Elected Representatives and Non-executives in the Public Sector

## General introduction

Public sector pension schemes, and the cost of providing them, have become headline news. It doesn't seem that a day goes by without some story or another on public sector pensions being in the national press.

At the same time governance of pension schemes in general, including public sector pension schemes like the LGPS, has become more important. Many would suggest that the legislative burden on pension schemes, and the level of scrutiny they face, has increased significantly since the Maxwell scandal. The skills and knowledge requirements of elected members and practitioners dealing with the LGPS have increased dramatically.

Private sector schemes have been faced with greater external influence, with the requirement for trustees to undergo skills assessments and, where skills or knowledge gaps are identified, training. Given the public spotlight on public sector schemes the need for similar disciplines in schemes such as the LGPS has been identified. CIPFA have developed a knowledge and skills framework setting out the requirements for both elected members and practitioners who have an involvement in the LGPS. This training needs analysis has been designed to help you measure your own knowledge and understanding against the CIPFA expectations.

Name: \_\_\_\_\_

Pension Fund: \_\_\_\_\_

Role: \_\_\_\_\_

## 1. Pensions legislative and governance context

The occupational pensions landscape is complex. Legislation has built up over many years, particularly so since the Maxwell affair of the 1990s, since when governance and transparency have become ever more sharply in focus. This means that all those with an involvement in managing and administering pension schemes have to navigate very complex rules and this is no different for those involved with the LGPS.

The questions set out in this section aim to measure your knowledge against the core knowledge requirements you are required to have in undertaking your role in relation to the LGPS.

### 1.1 General pensions framework

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**Under which Act is the LGPS 'registered'?**

A. Pensions Act 1995;

B. Finance Act 2004;

C. Pension Schemes Act 1993;

D. Superannuation Act 1972.

1.1.2 tick all that apply

**In which of the following ways is the LGPS impacted by overriding pensions legislation?**

A. Tax relief on pension contributions;

B The reference scheme test;

C. Disclosure of information requirements;

D. Reduced national insurance contributions;

E. None.

### 1.2 Scheme specific legislation

1.2.1

**What are the three key sets of Regulations which provide the legislative framework providing the benefit and administrative structure of the LGPS?**

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Advanced

1.3.4

tick one box

What vehicle is available via the LGPS to enable scheme members and their personal representative to have their issues considered?

- A. Financial Services Authority (FSA);
- B. Internal dispute resolution procedure;
- C. Members' Trade Union.

  
  

1.3.5

tick all that apply

Which Government department is currently responsible for overseeing the LGPS?

- A. Home Office;
- B. Communities and Local Government;
- C. Department for Work and Pensions;
- D. Office of the Deputy Prime Minister.

  
  
  

1.3.6

tick all that apply

Indicate which matters the elected members/trustees at a scheme employer would need to consider in relation to the LGPS?

- A. Contribution rates for members;
- B. Setting discretionary policies;
- C. Budgetary implications of employer contributions;
- D. Maximum retirement age;
- E. Early retirement decisions.

  
  
  
  
