

Lancashire County Pension Fund

Training Policy

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Introduction

This is the Training Policy of Lancashire County Pension Fund (LCPF) which is a Local Government Pension Scheme (LGPS) managed and administered by Lancashire County Council.

Aim & Scope

Lancashire County Council recognises the significance of its role as Administering Authority for the Fund on behalf of its stakeholders which include

- current and former members of the Fund, and their dependants;
- employer organisations;
- local taxpayers.

This Policy sets out the Fund's approach to supporting the learning and development needs of individuals with responsibility for the strategic direction, governance and oversight of LCPF through their membership of the Pension Fund Committee (PFC) or the Lancashire Pension Board (LPB).

The aim of this Training Policy is to ensure the Fund has a training framework in place which supports people to perform well and develop personally in their roles. The ultimate aim is to ensure LCPF is overseen by individuals who:

- have appropriate levels of knowledge and skill;
- understand and comply with legislative and other requirements;
- act with integrity;
- are accountable to the Fund's stakeholders for their decisions.

The competency and performance of senior Officers charged with managing and directing LCPF fall under the auspices of Lancashire County Council's Performance Development Review (PDR) process and wider continuing professional development (CPD) frameworks. For this reason, officers are outside the scope of this Training Policy which focusses specifically on the training needs of members of the Pension Fund Committee and Lancashire Pension Board.

Objectives

Members of the PFC and LPB are routinely faced with navigating lengthy and complex regulatory requirements, understanding technical terminology and evaluating (and challenging) the information and advice they are given as part of reaching robust decisions. It is recognised that members need support to attain the level of knowledge understanding and confidence necessary for informed decision-making and effective oversight.

The objectives of this Training Policy are to ensure that

- individuals have appropriate support to gain the breadth and depth of knowledge needed to fulfil their responsibilities effectively
- the Fund complies with guidance for providing training to Committee and Board members from the following sources:
 - a) The Public Service Pensions Act 2013
 - b) CIPFA Code of Practice on Public Sector Pensions Finance Knowledge and Skills 2013

- c) CIPFA Knowledge and Skills Framework
- d) CIPFA Local Pension Boards: Technical Knowledge and Skills Framework
- e) The Pensions Regulator: Code of Practice for Public Service Schemes No.14 *Governance and Administration of Public Service Pension Schemes*
- f) The Stewardship Code (Myners Principles)

Approach

This Training Policy establishes a framework for ensuring members of the PFC and LPB receive appropriate support (both collectively and individually) for gaining the level of knowledge and understanding they need to serve the Fund effectively. The framework aims to be responsive to the learning needs of individuals in their different roles and comprises 3 strands

1. Assessing learning needs;
2. Identifying and planning learning opportunities;
3. Evaluating learning outcomes and reviewing the effectiveness of the training approach.

1. Assessing Learning Needs

Establishing learning needs involves assessing current levels of knowledge and understanding against an objective standard in order to identify whether (and where) there are gaps or weaknesses which need to be overcome.

PFC and LPB members face different requirements for gaining and maintaining knowledge and understanding. This reflects that their remit and responsibilities originate from different pieces of legislation. Knowledge requirements falling on Local Pension Board members are defined statutorily within the Public Service Pensions Act 2013 and are personal to each individual. Learning requirements for Committees have been less stringently defined in legislation and fall collegiately on committees as collective bodies rather than on their members as individuals.

Though their learning obligations under legislation are different, PFC and LPB members share significant common ground in terms of the sphere of knowledge and understanding they need to be conversant with. Across the range of Technical Knowledge and Skills Frameworks it has published to date, CIPFA has identified a syllabus of 8 core areas of knowledge:

1. pensions legislation;
2. public sector pensions governance;
3. pensions administration;
4. pensions accounting and auditing standards;
5. financial services procurement and relationship management;
6. investment performance and risk management;
7. financial markets and product knowledge;
8. actuarial methods, standards and practices;

The different roles fulfilled by the Committee and the Board mean their emphasis and the level of detailed knowledge they require will vary in practice, but members are ultimately charged with the same responsibility with regard to their learning, which is

to identify and actively seek to rectify any gaps in their knowledge or understanding which might prevent them from performing their duties effectively.

A review of learning needs will be undertaken annually in order to capture individual learning requirements and identify common knowledge gaps. The review will be by self-assessment and will be based around CIPFA's competency self-assessment which has been developed as a tool supporting individuals to capture specific requirements, identify key knowledge gaps, plan their development and measure their progress.

On first joining the PFC or the LPB, new members will receive an induction pack providing them with basic information about the Fund, a glossary of terms and support for accessing and beginning to navigate content within the Virtual Reading Room and other information systems they may use as part of their role with the Fund.

2. Identifying and Planning Learning Opportunities

Learning requirements, including those identified by self-assessment, will be met by a combination of self-directed learning (private study by the member) and training opportunities offered as part of a rolling Training Plan.

The rolling Training Plan is the vehicle which puts this Training Policy into practical operation. In aiming to deliver against the 8 core learning requirements identified by CIPFA it will seek to prioritise common knowledge gaps, to be responsive to specific needs and to cover topical themes of particular interest to members (who are encouraged to share their ideas and to give regular feedback on training).

Support for learning under the rolling Training Plan will feature a range of methods and approaches including:

- in-house training from officers and/or external advisors
- external training events by recognised bodies
- attendance at external seminars and conferences
- practical support and guidance through recommended reading and targeted information
- key documents/learning materials made accessible via an online Virtual Reading Room
- access to on-line training and assessment modules via the Pensions Regulators Trustee Toolkit.

Training sessions delivered in-house will include pre-meeting briefings (scheduled immediately before formal meetings in order to allow officers and advisors to provide insights and updates to all attendees) and a separate programme of workshops falling outside the routine cycle of Board and Committee meetings. Workshops will aim for a less formal learning environment designed to prompt interaction and the discussion of topical issues including day to day operations and service delivery. Workshops will encourage a more contextualised understanding of the Fund and an appreciation of its main interactions and influences.

PFC and LPB members are encouraged to express their interest in attending external conferences and training events which will help to address identified learning needs. Details of suitable events will be circulated as they arise and authorisation to attend will reflect the value of the training to the individual concerned and the knowledge and insight they will gain as a result.

Board and Committee members are expected to undertake self-directed learning to supplement and underpin the training opportunities scheduled by the Fund. The provision of support for learning under this Policy is intended to enhance the capacity of members to be well-prepared and confident participants by helping them to:

- read around broad themes;
- undertake their own more specific research;
- refer to relevant sections of guidance, regulations and legislation;
- determine the issues and questions needing further clarification.

Members are expected to utilise the tools and support provided under the Fund's Training Policy to ensure they develop and maintain the level of knowledge, insight and understanding needed to perform their duties effectively. Practical support in the form of a Virtual Reading Room will facilitate this through the access it offers to a broad range of relevant learning materials including key documents, links to further information, topical news items and recommended reading.

Board and Committee members are specifically encouraged to access the Pensions Regulators (tPR) web-page and to work through tPR Trustee Toolkit where on-line training modules have been designed to meet the needs of Pension Fund Trustees. As a minimum, Committee and Board members are expected to complete the learning modules specific to Public Sector pension schemes and to submit a copy of the online assessments they have completed each year as evidence of their learning.

3. Evaluating Learning Outcomes and Reviewing the Effectiveness of Training

Members of the PFC and LPB are personally responsible for maintaining a record of their personal learning (self-directed study) as a basis for demonstrating the steps they have taken to

- comply with the requirement to gain the knowledge and understanding needed to fulfil their responsibilities effectively
- mitigate risks posed by any gaps in their knowledge

A simple pro forma will be provided to assist them with this.

In addition, LCPF will maintain a central record of member attendance at training events and of the individual learning needs identified through self-assessment. These will ensure the Fund is able to comply with requirements under CIPFA's Code of Practice on Public Sector Pensions Finance Knowledge and Skills to include information within the Fund's Annual Report on

- how the knowledge and skills framework has been applied
- what assessment of training needs has been undertaken
- what training has been delivered against the training needs identified

Timely feedback will be sought from members on all training delivered in-house in order to evaluate its quality and effectiveness. Members are encouraged to regularly reflect upon their learning experiences and to evaluate the training they have received in order to offer practical insight and feedback on the suitability and relative success of different learning methods. Members attending external training events will be required to provide verbal feedback to the next Committee or Board meeting in order for this to be recorded within the relevant minutes. Feedback should include:

- the member's view on the value of the event and the merit, if any, of attendance;
- a summary of the key learning points gained from attending the event;
- recommendations about any subject matters covered which might be of wider benefit as a focus for future training.

Wherever possible, training materials received by members who have attended external events will be made available for wider reference through an archive of shared training materials accessed via the online Virtual Reading Room.

The approach to training set out within this Training Policy will be reviewed periodically by the PFC and LPB in order for members to provide feedback on its effectiveness in practice and to make recommendations for any changes required.

Member compliance with this Training Policy and with the wider CIPFA Knowledge and Skills frameworks will also be reviewed periodically in order to determine whether the risk posed from individuals having insufficient knowledge to meet their responsibilities (a risk formally identified within the Fund's Risk Register) is being adequately managed and mitigated through the arrangements put in place under this policy and framework.