

**WIRRAL COUNCIL  
PENSIONS COMMITTEE  
29 MARCH 2011**

<b>SUBJECT:</b>	<b>CIPFA KNOWLEDGE &amp; SKILLS FRAMEWORK – INTERIM COMPLIANCE STATEMENT</b>
<b>WARD/S AFFECTED:</b>	<b>ALL</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF FINANCE</b>
<b>RESPONSIBLE PORTFOLIO HOLDER:</b>	<b>COUNCILLOR GEOFFREY WATT</b>
<b>KEY DECISION?</b>	<b>NO</b>

### **1.0 EXECUTIVE SUMMARY**

- 1.1 This report proposes a response to the best practice guidance issued by CIPFA in relation to the compliance of Local Government Pension Schemes (LGPS) with the Knowledge & Skills Framework.

### **2.0 RECOMMENDATION**

- 2.1 That Members approve the inclusion of an interim compliance statement in the annual report.

### **3.0 REASON/S FOR RECOMMENDATION**

- 3.1 Local Government Pension Scheme Administering Authorities are required to report on a 'comply or explain' basis their adoption of, and compliance with, the Myners Principles. The first of these principles, *effective decision making*, requires LGPS funds to ensure that:
- decisions are taken by persons or organisations with the skills, knowledge, advice and resources necessary to make them effectively and monitor their implementation; and
  - those persons or organisations have sufficient expertise to be able to evaluate and challenge advice they receive, and manage conflicts of interest.
- 3.2 The compliance statement represents a key element in complying with this principle.

## **4.0 BACKGROUND AND KEY ISSUES**

4.1 The CIPFA guidance recommends that all public service organisations responsible for the financial administration of public sector pension schemes adopt a statement that attests to the points below as part of their annual reporting practice.

a) This organisation will create and maintain:

- a policy statement that sets out how it intends that the pension finance knowledge and skills necessary to discharge its duties as a financial administrator of a public sector pension scheme shall be acquired, maintained and developed
- a knowledge and skills strategy that sets out how the organisation will seek to achieve the policy aims set out above and prescribes how it will manage, control and report upon these activities

b) The content of the strategy will reflect the recommended knowledge and skills level requirements set out in the CIPFA Pensions Finance Knowledge and Skills Frameworks, or, where the organisation has not adopted the CIPFA guidance, the organisation should state what alternative basis it has selected to determine, develop and measure skills requirements of those individuals.

c) This organisation has delegated responsibility for the implementation and monitoring of its training policies and practices to a senior officer.

4.2 A draft statement of compliance is given at Appendix 1. The annual report will include a report of achievements against the training plan.

## **5.0 RELEVANT RISKS**

5.1 Failure to comply with the Myners Principles will result in criticism from regulatory bodies.

## **6.0 OTHER OPTIONS CONSIDERED**

6.1 None

## **7.0 CONSULTATION**

7.1 Discussed at the Governance and Risk Working Party on 26 January 2011

## **8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

8.1 None

## **9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

9.1 The additional requirements will be contained within the existing budget and the resources allocated to training.

## **10.0 LEGAL IMPLICATIONS**

10.1 None. This is best practice guidance.

## **11.0 EQUALITIES IMPLICATIONS**

11.1 None

11.2 Equality Impact Assessment (EIA)

- (a) Is an EIA required? No  
(b) If 'yes', has one been completed? No

## **12.0 CARBON REDUCTION IMPLICATIONS**

12.1 None

## **13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

13.1 None

**REPORT AUTHOR:** Peter Wallach  
Head of Pension Fund  
telephone: (0151) 242 1309  
email: [peterwallach@wirral.gov.uk](mailto:peterwallach@wirral.gov.uk)

## **APPENDICES**

1. Draft compliance statement

## **REFERENCE MATERIAL**

## **SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
<b>Pensions Committee</b>	<b>23 March 2010</b>
<b>Pensions Committee</b>	<b>27 September 2010</b>
<b>Pensions Committee</b>	<b>11 January 2011</b>

### **POLICY STATEMENT**

Merseyside Pension Fund recognises the importance of ensuring that all staff and Members charged with financial management and decision making with regard to the pension scheme are fully equipped with the knowledge and skills to discharge the duties and responsibilities allocated to them. It therefore seeks to appoint individuals who are both capable and experienced and it will provide/arrange training for staff and Members of the pension decision-making bodies to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills.

Our training plan sets out how we intend the necessary pension finance knowledge and skills to be acquired, maintained and developed. The plan reflects the recommended knowledge and skills level requirements set out in the CIPFA Pensions Finance Knowledge and Skills Frameworks.

The Pensions Committee has designated the Director of Finance to be responsible for ensuring that policies and strategies are implemented.

### **ACTIVITY IN YEAR**

MPF has conducted a training needs assessment and, based on the outcome, formulated a training plan.

The following training against the plan has been provided during the year.

As the officer nominated by the Pensions Committee responsible for ensuring that the training policies and strategies are implemented, the Director of Finance can confirm that the officers and Members charged with the financial management of and decision making for the pension scheme collectively possessed the requisite knowledge and skills necessary to discharge those duties and make the decisions required during the reporting period.

(A detailed explanation of the training undertaken and its various elements will be provided here in the annual report).