



PENSIONS COMMITTEE

30 JULY 2024

REPORT TITLE:	MEMBERS' LEARNING AND DEVELOPMENT
REPORT OF:	DIRECTOR OF PENSIONS

REPORT SUMMARY

The purpose of this report is to remind Members of their learning and development responsibilities and to provide them with a copy of the updated training policy.

RECOMMENDATION/S

The Pensions Committee is recommended to note the report and the recommended areas of learning and development.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

- 1.1 The administration and the investment-related aspects of the Local Government Pension Scheme (LGPS) are technical and complex. The provision of a range of learning and development opportunities is intended to assist those charged with governance in undertaking their roles effectively. Good governance is supported by informed decision-making.

2.0 OTHER OPTIONS CONSIDERED

- 2.1 There is an option not to provide training. However, the Pensions Regulator has a clear expectation documented within its Code of Practice for the administration and governance of Public Sector Schemes, that schemes must regularly assess training opportunities to ensure that decision-making and oversight groups have an adequate level of knowledge to carry out their roles effectively. The Annual Report guidance recently issued by the Department for Levelling Up, Housing and Communities (DLUHC) requires pension funds to report on training.

3.0 BACKGROUND INFORMATION

- 3.1 In recent years there has been a marked increase in the scrutiny of public service pension schemes including the LGPS. The Public Service Pensions Act 2013 introduced new governance legislation, including the requirement for Local Pension Boards to be set up and extended the remit of the Pensions Regulator to public service schemes as set out in its Code of Practice 14. Additionally, the Department of Levelling Up, Housing and Communities (DLUHC) and the Scheme Advisory Board (SAB) have emphasised the need for the highest standards of governance in the LGPS. This includes ensuring that all involved in the governance of public sector funds can evidence they have the knowledge, skills and commitment to carry out their role effectively.
- 3.2 The CIPFA Pensions Panel has developed a technical knowledge and skills framework for the Local Government Pension Scheme. The framework was adopted by Pensions Committee as demonstrating best practice and enables the Fund to determine that it has the appropriate mix of knowledge and skills necessary to discharge its governance requirements. It also assists Members in planning their training and development needs. In July 2023, Pensions Committee approved an updating of its training policy in line with these principles. The revised training policy is attached as an appendix to this report.
- 3.3 Eight core technical areas are identified where appropriate knowledge and skills should be achieved and maintained. These are:
- pensions legislation and guidance
 - pensions governance
 - funding strategy and actuarial methods
 - pensions administration and communications
 - pensions financial strategy, management, accounting, reporting and audit standards

- investment strategy, asset allocation, pooling, performance and risk management
- financial markets and products
- pension services procurement, contract management and relationship management

3.4 The Local Government Pensions Committee-organised 'Fundamentals' course is delivered in person or virtually and strongly recommended for new Members. It provides a comprehensive overview of the LGPS and the 'trustee' role carried out by those serving on a pension committee/panel. The courses take place over three days (during October – December), on multiple dates and in two locations.

3.5 Members have access to the LGPS Online Learning Academy (LOLA) as an online training platform providing 'bitesize' learning modules. The varied subject matter provides the ability for individuals to absorb information at their own pace with access to further information on each module for a more in-depth understanding of a particular area. The course includes six training modules and covers all the key areas to successfully govern the Fund. As well as delivering training support, the training platform tracks the progress of training plans and provides a record of activity. The platform allows participants to 'dip in and out' as and when time allows and it is recommended that completion of the course should be accomplished within the calendar year.

3.6 In addition to recommended training set out in 3.4 and 3.5, MPF provides Members with the opportunity to attend a range of virtual and in person LGPS pension-related events. An outline of those known events is attached as appendix 1 to this report. As other opportunities arise, they will be advised to Members.

3.7 On occasion, formal training sessions are included in the various Working Parties. Presentations by external professional organisations and the deliberative nature of the working parties means that attendance is regarded as an important element of Member development.

4.0 FINANCIAL IMPLICATIONS

4.1 The Fund makes a budgetary provision for training. Members will be advised of the costs of events on a case-by-case basis.

5.0 LEGAL IMPLICATIONS

5.1 There is a statutory requirement for pension funds to evidence current levels of knowledge and understanding and for the Fund to include detailed information on training events offered and attended by elected Members in its annual report.

6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS

6.1 As set out in section 4.

7.0 RELEVANT RISKS

7.1 Failure to maintain an appropriate level of knowledge and skills, commensurate with that thought appropriate for those acting in a trustee-like role in the LGPS, may impair effective decision-making and the requirements under MIFID II. Suitable and effective training and development activity should assist in mitigating this risk.

8.0 ENGAGEMENT/CONSULTATION

8.1 Training needs assessments are undertaken periodically to assist in the development of learning opportunities.

9.0 EQUALITY IMPLICATIONS

9.1 There are no equality implications arising from the report. The additional flexibility provided by online learning enhances the training offer to elected members.

10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 There are none arising from this report. The increased availability of virtual learning will help to reduce the need for travel. Use of public transport is encouraged.

11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 There are none arising from this report.

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APPENDICES

Appendix 1 Summary of known training opportunities.

Appendix 2 Training Policy

BACKGROUND PAPERS

CIPFA Pensions Knowledge and Skills Framework [Pensions Knowledge and Skills Framework | CIPFA](#)

The Good Governance project [LGPS Scheme Advisory Board - Good Governance \(lgpsboard.org\)](#)

TERMS OF REFERENCE

This report is being considered by the Pension Board in accordance with Section (a) of its Terms of Reference:

To be responsible for the overall investment policy, strategy and principles of the Fund and its overall performance

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
This is an annual report to the Pensions Committee	

APPENDIX 1

<u>MONTH (2024)</u>	<u>EVENT</u>
5 June	Investment Monitoring Working Party.
11 - 13 June	PLSA Local Authority Conference
11 - 13 September	LGC Investment & Pensions Summit
September	Responsible Investment Working Party
18 September	Investment Monitoring Working Party
15 - 17 October	PLSA Annual Conference
14 November	Investment Monitoring Working Party
21 November	Annual Employers Conference
October – December	LGA – LGPS Fundamentals training days; multiple dates & locations tbc
4 - 6 December	LAPFF Annual Conference
<u>MONTH (2025)</u>	
January	LGPS Governance Conference
February	Responsible Investment Working Party
March	PLSA Investment Conference
March	Investment Monitoring Working Party
March	LGC Conference
April	Governance & Risk Working Party
May	Responsible Investment Working Party