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Derbyshire Pension Fund Training Policy

Approved
2 August 2017

Introduction

This is the Training Policy (the Policy) of Derbyshire Pension Fund (the Fund) which is managed and administered by Derbyshire County Council (the Council). The Policy sets out the training strategy for members of the Pensions and Investments Committee (the Committee), members of the Local Pension Board (the Board), and senior officers involved in the management of the Fund.

The Training Policy is established to aid members of the Committee and the Board, and senior officers in performing and developing personally in their individual roles, with the ultimate aim of ensuring that the Fund is managed by individuals who have the appropriate levels of knowledge and skills.

To whom this Policy applies

This Policy applies to:

- All members of the Pensions and Investments Committee
- All members of the Derbyshire Pension Board
- Senior officers involved in the management and administration of the Fund

Other officers involved in the daily management of the Fund will also be required to have appropriate knowledge and skills relating to their roles, which will be determined and managed by the Section 151 Officer.

Officers of employers participating in Derbyshire Pension Fund who are responsible for pension matters are also encouraged to maintain a high level of knowledge and understanding in relation to LGPS matters.

Legislation

The Public Service Pensions Act 2013 extended the jurisdiction of the Pensions Regulator in relation to public service pension schemes including the ability to set requirements related to the knowledge and understanding of members of Pensions Boards.

The Pensions Regulator issued Code of Practice No. 14 (the Code) in April 2015 under the extended regulatory oversight set out in the Public Service Pensions Act 2013. The Code is intended to help scheme managers and pension board members understand how to approach the administration and governance of a public service scheme.

There is a specific legal requirement for pension board members to have knowledge and understanding of the following areas:

- The scheme rules e.g. eligibility for the scheme and scheme benefits
- Documented administration policies
- The law relating to pensions e.g. relevant law that applies to their scheme

The requirements about knowledge and understanding only apply to pension board members. However, scheme managers are expected to take account of the Pension Regulator's guidance as it will support them in understanding the legal framework and enable them to help pension board members to meet their legal obligations. This has been interpreted to mean that members of the Pensions and Investments Committee should acquire and maintain a broad range of knowledge and understanding about the LGPS given their responsibility for exercising the responsibilities of the administering authority in respect of Derbyshire Pension Fund.

Pension Board members' breath of knowledge and understanding should be sufficient to allow them to understand fully and challenge any information or advice they are given. Schemes are expected to establish and maintain policies and arrangements for acquiring and retaining knowledge and understanding and should designate a person to ensure that a suitable training programme is developed and implemented.

Aims and objectives

Derbyshire County Council recognises its responsibilities as Administering Authority to Derbyshire Pension Fund on behalf of its stakeholders which include:

- Over 98,000 current and former members of the Fund
- Over 170 employers
- Local tax payers

In relation to training, Derbyshire County Council's objectives are to ensure that:

- Those persons charged with the financial management and decision making with regard to the Fund are fully equipped with the knowledge and skills required to discharge the duties and responsibilities allocated to them;
- Those persons responsible for the day-to-day administration and running of the Fund have the appropriate level of knowledge and skills required to discharge their duties and responsibilities;
- Those persons responsible for providing governance and assurance of the Fund have sufficient expertise to be able to evaluate and challenge the advice they receive, to ensure their decisions are robust and soundly based; and
- Members of Derbyshire Pension Board have sufficient knowledge and understanding to challenge any failure to comply with the Regulations and other legislation relating to the governance and administration of Derbyshire Pension Fund and/or any failure to meet the standards and expectations set out in the Regulator's Codes of Practice.

All Committee and Board members and senior officers to whom this Policy applies are expected to continually demonstrate their own personal commitment to training and to ensuring that these objectives are met.

To assist in achieving these objectives, the Fund will aim to comply with:

- CIPFA Pensions Finance Knowledge and Skills Frameworks;
- Knowledge and skills requirements of the Public Service Pensions Act 2013; and
- The Pensions Regulator's Code of Practice No. 14, Governance and Administration of Public Service Pension Schemes 2015.

CIPFA Knowledge and Skills Framework

CIPFA responded to the implementation of Local Pension Boards by issuing further guidance on requirements for training for board members. The guidance gives greater emphasis to pensions legislation and governance than the 2010 CIPFA framework for elected members and introduced knowledge and skill of pensions administration as a separate area of expertise.

In total eight areas of knowledge and skills have now been identified as the core technical requirements for those working in public sector pensions finance. They are:

1. Pensions legislation

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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

Derbyshire Pension Fund Training Plan

Derbyshire County Council recognises the importance of training in ensuring that members of the Pensions and Investments Committee and the Derbyshire Pension Board and senior officers attain, and then maintain, the relevant knowledge and skills to manage the Fund. The Fund's training plan will be guided by reference to the CIPFA Pensions Finance Knowledge and Skills Frameworks.

The approach to training will be supportive in nature with the intention of providing Committee and Pension Board members and officers with regular sessions that will contribute to their level of knowledge and skills.

Training needs

The individuals to whom this policy applies will be required to complete knowledge and skills self-evaluation forms on an annual basis which will identify the key areas in which training is required. Training on the identified areas will be provided as necessary alongside training in relation to new relevant areas not previously considered. The degree of knowledge and skills required should be appropriate to enable individuals to carry out their roles, responsibilities and duties.

Training delivery

Training will be delivered through a variety of methods including:

- In-house training provided by officers or external trainers
- Shared training with other LGPS funds
- External training events
- Circulation of reading materials
- Attendance at seminars and conferences
- Links to on-line training such as that provided by the Pensions Regulator

Training log

A training log will be maintained which records attendance at training in order to identify whether the objectives of this Policy are being met. A report on attendance at training sessions will be included in the Fund's Annual Report.

Costs

All training costs related to this Policy will be met by the Fund.

Responsible Officer

The Director of Finance & ICT will be responsible for ensuring that this Training Policy is implemented.

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