

## Bath & North East Somerset Council

MEETING:	Local Pension Board – Avon Pension Fund	
MEETING DATE:	25 <sup>th</sup> February 2016	AGENDA ITEM NUMBER
TITLE:	Training Update	
WARD:	ALL	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1 – Training Requirements		
Appendix 2 – Self-Assessment Template		

### 1 THE ISSUE

- 1.1 The purpose of the report is to receive updates from Board Members on progress through recent Training offered and requests for any future support.

### 2 RECOMMENDATION

- 2.1 The Local Pension Board is asked to note the report and comments of Board Members on future requests.

### 3 FINANCIAL IMPLICATIONS

The cost of providing training to the LPB has been estimated for its first year of operation and may need to be revised to ensure it is sufficient for its four year term.

### 4 THE REPORT

#### Background

- 4.1 In accordance with the Pension Regulator (tPR) Code of Practice no.14: 'Governance and Administration of public service and pension schemes' (page 12 paragraphs 44 to 60) every individual member of a LPB must in summary:

- Be Conversant with the rules of the local government pension scheme (LGPS) &
- Have knowledge and understanding of the law relating to pensions:

- 4.2 These responsibilities begin from the date the LPB member takes up their role. These knowledge and understanding requirements apply to every individual member of a LPB rather than as a collective group.
- 4.3 The Avon Pension Fund is committed to making the appropriate training available to LPB members to assist them in undertaking their role. In addition each LPB member has a responsibility to demonstrate their capacity to attend meetings and complete the training.

#### **Degree of Knowledge and Understanding (See Appendix 1)**

- 4.4 The legal requirement is that Members of the LPB must be conversant with the rules of the LGPS and any document recording policy about the administration of the Fund. This is implied as a working knowledge so that members are aware of which legislation/policies to refer to when carrying out their role.
- 4.5 It is implicit that LPB members understand the duties and obligations that apply to the Avon Pension Fund as well as to themselves. LPB members should be clear on the roles, responsibilities and duties of the Board and its Members as set out in the Terms of Reference. LPB Members need to be able to identify and challenge failure to comply with the scheme rules. The rules of the LGPS would include:
- a) the Regulations;
  - b) the Investment Regulations;
  - c) the Transitional Regulations; and
  - d) any statutory guidance referred to in these regulations

#### **Areas of Knowledge and Understanding**

- 4.6 LPB Members should be conversant with, but not limited to the following areas:
- a) Scheme approved policies
  - b) Risk assessment/management
  - c) Scheme booklets/members communications
  - d) Role of LPB Members and the scheme manager
  - e) Policies in relation to discretions
  - f) Communications with scheme members and employers
  - g) Key policy documents on administration, funding and investment
- 4.7 LPB Members should have a breadth of knowledge and understanding that is sufficient to allow them to understand fully any professional advice the LPB is given. Members should be able to challenge any information or advice they are given and understand how that information or advice impacts on any decision relating to the LPB's duty to assist the Avon Pension Fund.

## **Acquiring, Reviewing and Updating Knowledge and Understanding**

- 4.8 Members of this Board will need to commit sufficient time in their learning and development alongside their other duties as training is an important part of the individual's role.
- 4.9 As members knowledge and understanding of responsibilities technically begin from the date they take up their post, training will be required to start as soon as possible in regard to the Regulations, key Fund documents and relevant Pension Law. The first informal training session prior to this meeting satisfies this basic requirement.
- 4.10 There is also a practical recognition that it will take a newly appointed member a reasonable period to attain the required full level of knowledge and understanding, while consideration needs to be given to the differing levels of existing knowledge that LPB Members may already have attained.

## **Training Plans**

- 4.11 As discussed at its previous meetings in July and November the Board will receive training and briefing through its formal meeting cycle but this will need to be supplemented by additional training undertaken by Board Members themselves.
- 4.12 Board Members are also asked to individually update at the meeting on the initial proposals outlined below –
  - a) Attendance at the LGE 3 day Pensions Fundamental Course as an introduction to the LGPS. This is a 3 day course spread over several months (September to December) covering all the key areas of the LGPS and provides a thorough understanding of the scheme, its legislation and an appreciation of the different areas of work.
  - b) Completion the on-line tPR e-learning trustee toolkit. This is split into modules which can be done at each individual's own learning pace and completed by a set of multiple choice questions. This should effectively assist in meeting the knowledge and understanding issues dealt with in the Regulators Code of Practice.
- 4.13 In addition Board Members are also asked for their views as to whether the self-assessment template attached at Appendix 2 would be helpful to complete now that the LGE course is finished.
- 4.14 It is recommended individual board members retain their own training log to evidence how they are fulfilling their responsibilities and submit these to the Pension Fund to aid future training needs analysis. We remain hopeful that training will be aligned with that of the Pension Fund Committee Members over the coming 12 months..
- 4.15 The Avon Pension Fund will also keep Board Members updated of relevant conferences and any other opportunities to improve learning and development on an ongoing basis.

## 5 RISK MANAGEMENT

- 5.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.
- 5.2 Appropriate training for the members of the LPB mitigates the collective risks to the Board in that it is unable to fulfil its terms of reference or to each individual member in fulfilling their responsibilities.

## 6. EQUALITIES

- 6.1 A proportionate equalities impact assessment has been undertaken and there are no significant issues to report.

## 7. CONSULTATION

- 7.1 The report was distributed to the S151 Officer for consultation.

<b>Contact person</b>	<i>Jeff Wring (01225 477323)</i>
<b>Background papers</b>	<i>Council Report – Establishment of Avon Pension Fund Board – 15<sup>th</sup> January 2015</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	