

CYNGOR SIR POWYS COUNTY COUNCIL

**Pensions and Investment Committee
12th February 2015**

REPORT BY: Strategic Director of Resources

SUBJECT: Pensions & Investment Committee Member Training

REPORT FOR: Decision

1 Introduction

- 1.1 In the light of increased scrutiny on the governance of LGPS Pension Funds as a consequence of the Public Service Pensions Act 2013 and following publication of the CIPFA Code of Practice on knowledge and understanding for Pension Committee Members, a review of Committee training is overdue. This report sets out the broad requirements expected of Committee Members and proposes how these continuing requirements may be met, monitored and reported.

2 Legislation

- 2.1 The legislation in this area is sparse but is addressed briefly in both the Finance Act 2004 and the Public Service Pensions Act 2013. However, recent guidance has been issued in relation to members of local Pension Boards and it is generally accepted that this serve a useful benchmark and starting point for members of decision-making LGPS Pension Committees.
- 2.2 In addition, from the Fund's perspective there is considerable merit in being able to offer common training programmes and requirements to both members of Pensions & Investment Committee and the Pensions Board.

3 Broad Knowledge and Understanding

- 3.1 The legislation requires that members must be conversant with:
- the rules of the LGPS, in other words the Regulations and other regulations governing the LGPS (such as the Transitional Regulations and the Investment Regulations);
 - any document recording policy about the administration of the Fund which is for the time being adopted in relation to the Fund;
 - the law relating to pensions;
 - their roles and responsibilities in relation to the Pension Fund (as distinct from the administering authority itself); and,

- to commit sufficient time in learning and development. Training is an important part of the individual's role and will help to ensure that they have the necessary knowledge and understanding to effectively meet their legal obligations.

4 Meeting the Requirements

- 4.1 To ensure that members meet the required levels of knowledge and understanding expected, it is proposed that the Fund adopts the CIPFA 'Knowledge & Skills Framework' for pensions as set out in the Code of Practice. This will involve each member undergoing a personal training and development analysis, receiving a personal training programme, and, a requirement to demonstrate that members are completing training programmes (this may be for example, by attending appropriate training and development events – the Committee's constitution requires at least 10 hours per year).
- 4.2 In addition, the Framework requires that training and development is monitored, recorded and published – this is proposed to be via the Fund's annual report.

5 Recommendations

- 5.1 That the Fund adopts the Knowledge and Skills Framework set out in the CIPFA Code of Practice for pensions.
- 5.2 That the Knowledge and Skills Framework be applied to both members of Pensions & Investment Committee and the Pension Board.
- 5.3 That a Knowledge and Skills Framework Policy be drafted for approval by Pensions & Investment Committee at its next meeting.

Recommendation:		Reason for Recommendation:	
That the Pension Fund adopts the Knowledge and Skills Framework set out in the CIPFA Code of Practice on pensions; that the Framework be applied to both Pensions & Investment Committee and the Pensions Board; and, that a Framework policy be drafted for approval at the next meeting of Pensions & Investment Committee.		As per report	
Person(s) To Action Decision:	Pensions Manager		
Date By When Decision To Be Actioned:			
Relevant Policy (ies):	N/A		
Within Policy:	N/A	Within Budget:	N/A
Contact Officer Name:	Tel:	Fax:	Email:

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Relevant Portfolio Member(s):	Councillor Dai Davies
Relevant Local Member(s):	N/A