

Teesside Pension Fund

Training Policy

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TRAINING POLICY

Introduction

This is the Training Policy of the Teesside Pension Fund (the Fund), which is managed and administered by Middlesbrough Council. It details the training strategy for those involved in the management of the Fund.

The Training Policy is established to aid Pension Fund Committee members, local Pension Board members and senior officers in performing and developing 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.

Aims and Objectives

Middlesbrough Council recognises the significance of its role as Administering Authority to the Teesside Pension Fund.

In relation to knowledge and skills of those managing the Fund, the Administering Authority's objectives are to ensure that:

- the Fund is appropriately managed and that its services are delivered by people who have the requisite knowledge and expertise, and that this knowledge and expertise is maintained within the continually changing Local Government Pension Scheme and wider pensions landscape.
- those persons responsible for governing the Fund have sufficient expertise to be able to evaluate and challenge the advice they receive, ensure their decisions are robust and well based, and manage any potential conflicts of interest.

All Pension Fund Committee members, local Pension 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:

- the CIPFA Knowledge and Skills Frameworks and
- the knowledge and skills elements of the Public Service Pensions Act 2013 and the Pensions Regulator's (tPR) Code of Practice for Public Service Pension Schemes.

To whom this Policy Applies

This Training Policy applies to all members of the Pension Fund Committee and the local Pension Board, including scheme member and employer representatives. It also applies to all managers of the Teesside Pension Fund and the Section 151 Officer.

Less senior 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 Head of Investments and Treasury Management.

Advisers to the Fund are also expected to be able to meet the objectives of this Policy.

Officers of employers participating in the Fund who are responsible for pension matters are also encouraged to maintain a high level of knowledge and understanding in relation to LGPS matters, and Middlesbrough Council will provide appropriate training for them.

CIPFA and tPR Knowledge and Skills Requirements

CIPFA Knowledge and Skills Framework and Code of Practice

In January 2010 CIPFA launched technical guidance for pension committees and non-executives in the public sector within a knowledge and skills framework. The Framework set the skill set for those responsible for pension scheme financial management and decision making.

Subsequently, in July 2015 CIPFA launched technical guidance for local pension board members by extending the existing knowledge and skills frameworks in place. This Framework sets the skill set to enable pension board members to properly exercise their functions under Section 248a of the Pensions Act 2004, as amended by the Public Service Pensions Act 2013.

The Framework covers eight areas of knowledge and skills identified as the core requirements (which include all those covered in the original Committee and non-executives framework):

- Pensions legislation
- Public section pensions governance
- Pensions administration
- Pension accounting and auditing standards
- Financial services procurement and relationship management
- Investment performance and risk management
- Financial markets and products knowledge
- Actuarial methods, standards and practice

CIPFA's Code of Practice recommends (amongst other things) that administering authorities:

- formally adopt the CIPFA Knowledge and Skills Framework (or an alternative training programme)
- ensure that the appropriate policies and procedures are put in place to meet the requirements of the Framework (or an alternative training programme);
- publicly report how these arrangements have been put into practice each year, including what assessment of training needs has been undertaken and what training has been delivered against the identified needs.

The Pension Regulator's Code of Practice

The Public Service Pensions Act 2013 (PSPA13) requires Pension Board members to:

- be conversant with the rules of the scheme and any document recording policy about the administration of the scheme, and
- have knowledge and understanding of the law relating to pensions and any other matters which are prescribed in regulations.

The degree of knowledge and understanding required is that appropriate for the purposes of enabling the individual to properly exercise the functions of a member of the Pension Board.

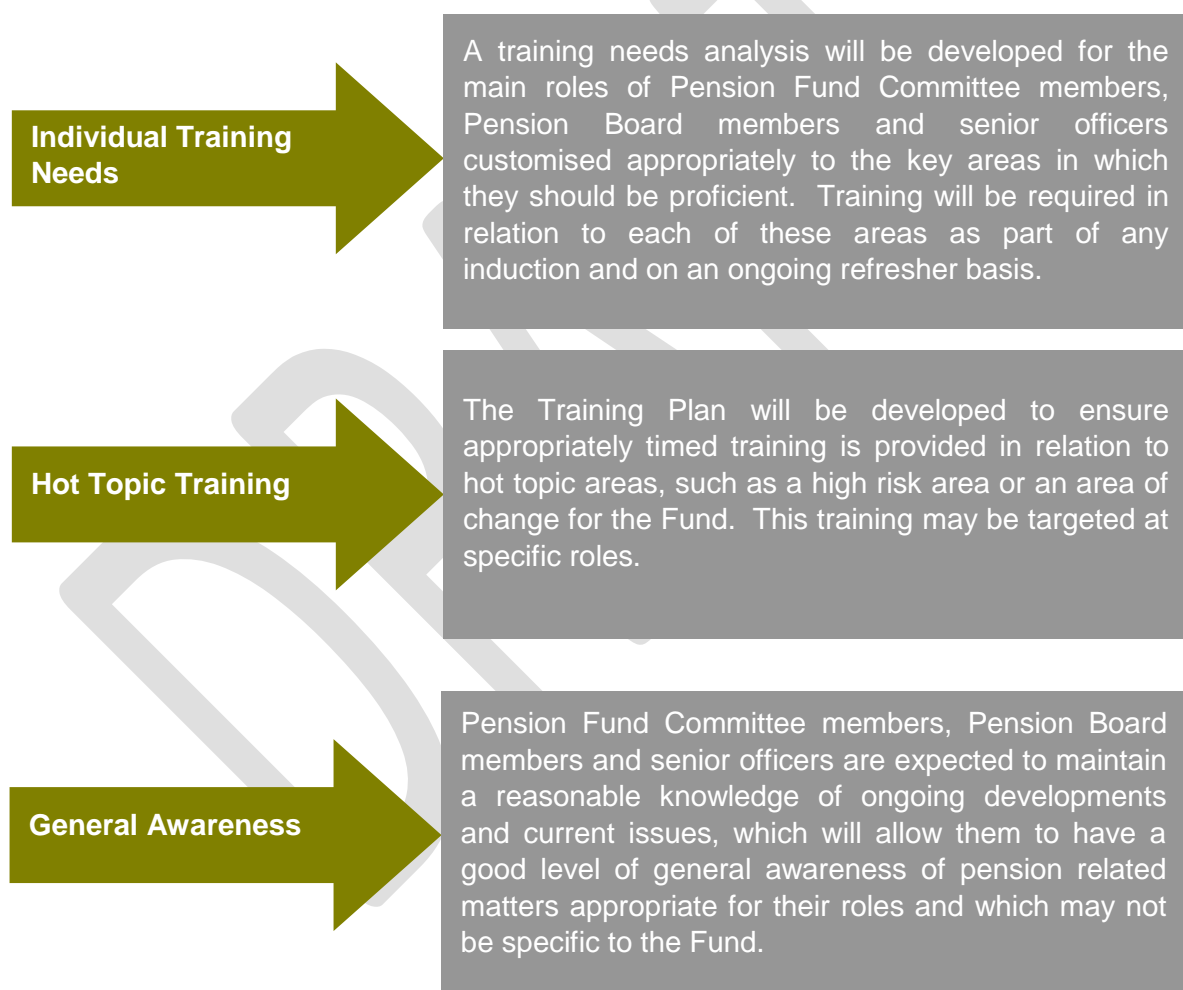
These requirements have been incorporated and expanded on within tPR's Code of Practice 14: Governance and Administration of Public Service Pension Schemes which came into force in April 2015.

Application to the Teesside Pension Fund

Middlesbrough Council fully supports the use of the CIPFA Knowledge and Skills Framework, and tPR's Code of Practice and adopts the principles they set out. This Training Policy highlights how the Administering Authority will strive to achieve those principles through use of a rolling Training Plan together with regular monitoring and reporting.

The Teesside Pension Fund Training Plan

Middlesbrough Council recognises that attaining, and then maintaining, relevant knowledge and skills is a continual process for Pension Fund Committee members, local Pension Board members and senior officers, and that training is a key element of this process. Middlesbrough Council will develop a rolling Training Plan based on the following key elements:



Each of these training requirements will be focussed on the role of the individual i.e. a Pension Fund Committee member, a Pension Board member or the specific role of the officer.

Training will be delivered through a variety of methods including:

- In-house training days provided by officers and/or external providers

- Training as part of meetings (e.g. Pension Fund Committee and Pension Board meetings) provided by officers and/or external advisers
- External training events
- Circulation of reading material
- Attendance at seminars and conferences offered by industry-wide bodies
- Attendance at meetings and events with the Fund's investment managers and advisors
- Links to on-line training
- Access to the Middlesbrough Council website where useful Fund specific material is available

In addition, Fund officers and advisers are available to answer any queries on an ongoing basis including providing access to materials from previous training events.

Initial Information and Induction Process

On joining the Pension Fund Committee, the Pension Board or on appointment as a Senior Officer of the Teesside Pension Fund, a new member, officer or adviser will be provided with the following documentation to assist in providing a basic understanding of the Fund:

- An Introduction to the Local Government Pension Scheme (Welcome Pack for Committee and Board members prepared by Teesside Pension Fund officers)
- The members' guide to the Local Government Pension Scheme (LGPS)
- The latest Actuarial Valuation report
- The Annual Report and Accounts, which incorporate:
 - The Funding Strategy Statement
 - The Governance Policy and Compliance Statement
 - The Statement of Investment Principles including the Fund's statement of compliance with the LGPS Myners Principles
 - The Communications Policy
 - The Administration Strategy
- The Administering Authority's Discretionary Policies
- This Training Policy

In addition, an individual training plan will be developed to assist each member, Pension Board member or officer in achieving their identified individual training requirements within six months of those requirements being identified.

Monitoring Knowledge and Skills

In order to identify whether the objectives of this policy are being met, the Administering Authority will compare and report on attendance at training based on the following:

- Individual Training Needs – ensuring refresher training on the key elements takes place for each individual at least once every three years.
- Hot Topic Training – attendance by at least 75% of the required Pension Fund Committee members, Pension Board members and senior officers at planned hot topic training sessions. This target may be focussed at a particular group of Pension Fund Committee members, Pension Board members or senior officers depending on the subject matter.
- General Awareness – each Pension Fund Committee, Pension Board member or officer attending at least one day each year of general awareness training or events.
- Induction training – ensuring areas of identified individual training are completed within six months.

Key Risks

The key risks to the delivery of this Policy are outlined below. The Pension Fund Committee, with the assistance of the Pension Board, will monitor these and other key risks and consider how to respond to them.

- Changes in Pension Fund Committee and/or Pension Board membership and/or senior officers potentially diminishing knowledge and understanding.
- Poor attendance and/or a lack of engagement at training and/or formal meetings by Committee Members, Pension Board Members and/or other senior officers resulting in a poor standard of decision making and/or monitoring.
- Insufficient resources being available to deliver or arrange the required training.
- The quality of advice or training provided is not an acceptable standard.

Reporting

A report will be presented to the Pension Fund Committee on an annual basis setting out:

- The training provided / attended in the previous year at an individual level
- The results of the measurements identified above.

This information will also be included in the Fund's Annual Report and Accounts.

At each Pension Fund Committee and Pension Board meeting members will be provided with details of forthcoming seminars, conferences and other relevant training events. **Costs**

All training costs related to this Training Policy are met directly by the Teesside Pension Fund.

Approval, Review and Consultation

This Training Policy was approved at the Teesside Pension Fund & Investment Panel (later renamed as the Teesside Pension Fund Committee) meeting on 28th June 2017. It will be formally reviewed and updated at least every three years or sooner if the training arrangements or other matters included within it merit reconsideration.

Further Information

If you require further information about anything in or related to this Training Policy, please contact:

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