

## **TRAINING REVIEW 2020/21 AND TRAINING PLAN 2021/22**

Report of the County Treasurer

Please note that the following recommendations are subject to consideration and determination by the Committee before taking effect.

Recommendation: that the Committee approves and adopts the 2021/22 Training Plan.

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### **1. Introduction**

- 1.1. The Devon Pension Fund has had a longstanding commitment to training for Committee and Board members to ensure that they have the skills and understanding required to carry out their stewardship role. This is vital to ensure the effective governance and management of the pension fund. In support of this the Fund has adopted the CIPFA Code of Practice on Public Sector Pensions Finance Knowledge and Skills.
- 1.2. With a number of new members joining the Committee following the elections, it is particularly important that training is undertaken, as there is significant technical knowledge that will be required to carry out the role. It is not expected that new members will have all the relevant knowledge from day one, but they will need to commit to training in order to gain the understanding required.
- 1.3. The LGPS Scheme Advisory Board has over the last two years been looking at making improvements to governance across the scheme. The “Good Governance Project” is nearing its conclusion and we anticipate that guidance will be issued soon that will extend knowledge requirements that currently only apply to the pension board to members of the Investment and Pension Fund Committee.
- 1.4. The requirements for members of a local Pension Board are set out in Section 248 of the Pensions Act 2004. Every individual who is a member of a Local Pension Board must:
  - Be conversant with the rules of the LGPS;
  - Be conversant with any document recording policy about the administration of the Fund which is for the time being adopted in relation to the Fund;
  - Have knowledge and understanding of the law relating to pensions;
  - Have knowledge and understanding of such other matters as may be prescribed.

## **2. Training 2020/21**

- 2.1 The usual training days provided by officers with the support of subject experts were unable to proceed as normal due to the COVID pandemic. Instead Committee and Pension Board members were encouraged to attend various online events hosted by a range of companies. Officers hosted online sessions covering the Pension Regulators public sector toolkit modules.
- 2.2 Events attended during the year by each board member are noted in the Training register attached at Appendix 1 to this report.

## **3. Proposal**

- 3.1 The 2021-22 Training Plan is attached at Appendix 2 and sets out a proposal for training to be provided over the year in order to ensure that both the Investment and Pension Fund Committee and the Pension Board have the knowledge and skills required in accordance with the CIPFA Code.
- 3.2 Given the number of new members of the Investment and Pension fund Committee and the requirement for committee members to have completed the Pension Regulators Public Sector toolkit, officers will focus on providing this training to ensure compliance.
- 3.3 A training needs analysis will be undertaken in the autumn after the toolkit has been completed in order to identify areas of training for future events.
- 3.4 Officers have reviewed the Training plan to ensure that it reflects current best practice.

## **4. Conclusion**

- 4.1 The training plan was considered and endorsed by the Devon Pension Board at their meeting on 26<sup>th</sup> April. The Committee is asked to approve the 2021/22 Training Plan.

Mary Davis  
County Treasurer

Electoral Divisions: All

### **Local Government Act 1972:**

#### **List of Background Papers - Nil**

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## Appendix 1

| Name                                         | Training session attended                                                                                                                                                                                                     | TPR<br>Toolkit<br>completed |
|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| <b>Investment and Pension Fund Committee</b> |                                                                                                                                                                                                                               |                             |
| Cllr Ray Bloxham                             | <ul style="list-style-type: none"> <li>• LGA Fundamentals – 3 day course</li> <li>• Barnet Waddingham LGPS Overview Training</li> <li>• Brunel Investment seminar</li> <li>• Brunel Responsible Investment seminar</li> </ul> | ✓                           |
| Cllr Yvonne Atkinson                         | <ul style="list-style-type: none"> <li>• Brunel Investment seminar</li> <li>• Brunel Responsible Investment seminar</li> </ul>                                                                                                |                             |
| Cllr Alan Connett                            |                                                                                                                                                                                                                               |                             |
| Cllr Richard Hosking                         | <ul style="list-style-type: none"> <li>• BMO Investment conference</li> <li>• Brunel Investment seminar</li> <li>• Brunel Responsible Investment seminar</li> </ul>                                                           | ✓                           |
| Cllr Richard Edgell                          | <ul style="list-style-type: none"> <li>• Brunel Investment seminar</li> </ul>                                                                                                                                                 |                             |
| Cllr Andrew Saywell                          | <ul style="list-style-type: none"> <li>• LGA Fundamentals – 3 day course</li> <li>• Brunel Investment seminar</li> <li>• Brunel Responsible Investment seminar</li> </ul>                                                     |                             |
| Cllr Judy Pearce                             | <ul style="list-style-type: none"> <li>• Brunel Investment seminar</li> </ul>                                                                                                                                                 |                             |
| Cllr Lorraine Parker<br>Delaz Ajete          | <ul style="list-style-type: none"> <li>• Brunel Investment seminar</li> <li>• Brunel Responsible Investment seminar</li> </ul>                                                                                                | ✓                           |
| Cllr James O'Dwyer                           |                                                                                                                                                                                                                               | ✓                           |
| Donna Healy                                  | <ul style="list-style-type: none"> <li>• LGA Fundamentals – 3 day course</li> <li>• BMO Investment conference</li> <li>• Brunel Investment seminar</li> <li>• Brunel Responsible Investment seminar</li> </ul>                | ✓                           |
| Cllr Mark Lowry<br>(substitute)              | <ul style="list-style-type: none"> <li>• Brunel Investment seminar</li> </ul>                                                                                                                                                 |                             |
| Stephanie Teague<br>(observer)               | <ul style="list-style-type: none"> <li>• Brunel Investment seminar</li> </ul>                                                                                                                                                 |                             |
| Roberto Franceschini<br>(observer)           | <ul style="list-style-type: none"> <li>• Barnet Waddingham LGPS Overview Training</li> <li>• Brunel Investment seminar</li> <li>• Brunel Responsible Investment seminar</li> </ul>                                            |                             |
| Jo Rimron (observer)                         |                                                                                                                                                                                                                               |                             |
| <b>Devon Pension Board</b>                   |                                                                                                                                                                                                                               |                             |
| Cllr Colin Slade                             | <ul style="list-style-type: none"> <li>• Brunel Responsible Investment seminar</li> </ul>                                                                                                                                     | ✓                           |
| Cllr Sara Randall<br>Johnson                 | <ul style="list-style-type: none"> <li>• Barnett Waddingham/CIPFA Local Pension Board annual event</li> <li>• Brunel Investment seminar</li> <li>• Brunel Responsible Investment seminar</li> </ul>                           | ✓                           |
| Carrie Piper                                 | <ul style="list-style-type: none"> <li>• Barnett Waddingham/CIPFA Local Pension Board annual event</li> <li>• Barnet Waddingham LGPS Overview Training</li> </ul>                                                             | ✓                           |

## Appendix 1

| Name          | Training session attended                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | TPR Toolkit completed |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Carl Hearn    | <ul style="list-style-type: none"> <li>• Brunel Investment seminar</li> <li>• Brunel Responsible Investment seminar</li> <li>• Barnett Waddingham/CIPFA Local Pension Board spring seminar 2021</li> <li>• Barnett Waddingham LGPS Overview Training</li> </ul>                                                                                                                                                                                                                                                                                                                                                                      | ✓                     |
| Andy Bowman   | <ul style="list-style-type: none"> <li>• Barnett Waddingham/CIPFA Local Pension Board annual event</li> <li>• Mallowfield – Quantifying sustainability</li> <li>• Mallowfield – Environmental investing</li> <li>• Mallowfield LGPS Indalba</li> <li>• LGA Fundamentals – 3 day course</li> <li>• Unison LGPS special forum</li> <li>• Unison LGPS Conference</li> <li>• Barnett Waddingham LGPS Overview Training</li> <li>• BMO Investment conference</li> <li>• Barnett Waddingham/CIPFA Local Pension Board spring seminar 2021</li> <li>• Brunel Investment seminar</li> <li>• Brunel Responsible Investment seminar</li> </ul> | ✓                     |
| Julie Bailey  | <ul style="list-style-type: none"> <li>• Brunel Investment seminar</li> <li>• Brunel Responsible Investment seminar</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | ✓                     |
| Paul Phillips | <ul style="list-style-type: none"> <li>• Barnett Waddingham LGPS Overview Training</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | ✓                     |
| Colin Shipp   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | ✓                     |
| Bill Nicholls | <ul style="list-style-type: none"> <li>• Brunel Investment seminar</li> <li>• Brunel Responsible Investment seminar</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | ✓                     |

# Devon Pension Fund Training Plan 2021/22



## 1 Introduction

The Devon Pension Fund has had a longstanding commitment to training for those involved in the governance of the Fund to ensure that they have the skills and understanding required to carry out their stewardship role. This has included regular events to cover the latest developments in the LGPS, investment strategy and performance monitoring. In February 2014, the Investment and Pension Fund Committee adopted the CIPFA Code of Practice on Public Sector Pensions Finance Knowledge and Skills.

It is important that members of both the Investment and Pension Fund Committee and the Devon Pension Board receive appropriate training in order to carry out their roles effectively.

Following completion of the Good Governance Project undertaken by the Scheme Advisory Board, it is anticipated that it will become mandatory for both committee and pension board members to have completed the Pension Regulator's Public Sector Toolkit modules within six months of appointment.

This training plan sets out how levels of understanding will be assessed, and how the knowledge and skills requirement and other regulatory requirements will be supported through training events over the next year.

## 2 Knowledge and Skills Framework

There are six areas of knowledge and skills that have been identified as the core requirements for those with decision making responsibility for LGPS funds. They are:

- Pensions legislative and governance context.
- Pensions accounting and auditing standards.
- Financial services procurement and relationship management.
- Investment performance and risk management.
- Financial markets and products knowledge.
- Actuarial methods, standards and practices.

Members of the Investment and Pension Fund Committee and the Pension Board are expected to have a collective understanding and senior officers are expected to have expertise of these areas of knowledge and skills.

### 3 Pension Board Specific Requirements

Under the regulations the members of the Pension Board are required to have the capacity to take on the role. In addition, in accordance with Section 248A of the Pensions Act 2004, it is expected that every individual who is a member of a Local Pension Board will receive training, and as a result:

- 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);
- Be conversant with any document recording policy about the administration of the Fund which is for the time being adopted in relation to the Fund;
- Have knowledge and understanding of the law relating to pensions;
- Have knowledge and understanding of such other matters as may be prescribed.

### 4 Committee and Pension Board Training

Training for the Investment and Pension Fund Committee and the Pension Board during the year will focus on the following areas:

1. **The six areas of the Knowledge and Skills framework** – These will continue to be a major area of focus, with training focused on gaps in knowledge identified through the annual training needs analysis exercise. In addition, the Pensions Regulator Public Sector toolkit and introduction to investment module will provide good foundation knowledge and all members of the committee and pension board are required to complete this training and achieve full accreditation in anticipation that this will soon be a statutory requirement. Officers will continue to work with the Devon County Council Member Development Officer and individual Committee and Board members to ensure that they have the skills and knowledge required.
2. **Brunel Pension Partnership** – Training and briefings will continue to be provided regarding the progress of the Brunel Pension Partnership. Now that the governance structures have been implemented the training is likely to focus on the services and portfolios that Brunel will be providing, the transition arrangements, and ensuring that the Committee and Board are able to effectively monitor the ongoing operation of the company to ensure it is providing the required level of service in a cost-effective manner.
3. **Potential new investment opportunities** – Training will be provided on new areas of investment that may be considered by the Committee. Sessions will be provided to keep Committee and Pension Board members up-to-date with the latest market developments, and look at the Fund's long-term performance.

4. **Regulatory / Legislative Changes** – Training will be provided on the implications of any legislative and regulatory changes.
5. **Training manual** – Online resource covering a base level of knowledge required of pensions and the Devon Fund and covers topics included in The Pension Regulator toolkit.

Training will be delivered through the following events to be held during the year. Whilst we aim to hold these events in a small conference type setting, due to COVID-19, officers may have to look at alternative formats.

#### **New members introduction to the Devon Pension Fund and the LGPS – Summer 2021**

Introduction to the LGPS and the Devon Pension fund including an overview of current issues affecting the LGPS

#### **Brunel Investor Days– Autumn 2021**

A further joint event is planned to be held with other LGPS funds within the Brunel pool to provide a further update on the Brunel Pension Partnership. This will focus on the portfolios and services being provided by Brunel and the transition arrangements.

#### **The Pension Regulator Toolkit Training and investments module - Autumn 2021**

An opportunity for those new to the investment committee or pension board, those who have not yet completed the online toolkit or for those simply wanting a refresher to review the contents of the toolkit with officers. One session will be dedicated to the TPR trustee toolkit – investments module.

#### **Devon Pension Fund Training Day – Spring 2022**

Further training will be provided to include pension administration and the latest regulatory changes, an update on financial markets and products, long term investment performance and asset allocation and responsible investment.

#### **Other Training**

Training needs analysis will be undertaken annually to help identify training gaps in individual members' knowledge. Any gaps will be addressed in future training plans. Any areas identified that will not be met by the core training described above, then additional training can be accessed to meet those needs.

Specific training can be identified for the Chairman of the Investment and Pension Fund Committee and the Pension Board to support them in their role if required. In addition, induction training will be provided for all new members of the Committee and Pension Board.

Resources are available to meet all the training requirements outlined above.

The ongoing pandemic has impacted on members physically attending events though many online events have proved useful. The Fund Actuary, Barnet Waddingham, has held joint training events with CIPFA in 2020 and we expect these events to continue in 2021/22. Committee and board members are particularly encouraged to sign up for these events as advised by officers when events become available

## 5 Officer Training

It is important that officers have the required training to carry out the tasks of managing the Fund's investments and administering the payment of benefits. The knowledge and skills required of staff are set out in their job descriptions, including any formal qualifications required. Senior Officers should be familiar with the requirements of the CIPFA Code of Practice on Knowledge and Skills and should have expert knowledge of the six areas of the framework.

Senior officers will attend relevant conferences and seminars during the year to ensure that they remain up-to-date with the latest requirements. In addition, they will be expected to keep up to date through use of the internet, and conduct research on relevant issues where required. All staff will have specific training identified to meet assessed requirements. Individual training plans will be put in place and these will be recorded and reviewed as part of the annual appraisal process.

A central training record will be maintained by each of the Investment Team and Peninsula Pensions of the events attended and training received by all members of staff.

For senior officers, there will be a particular focus on the following areas:

1. **Governance** – Understanding the guidance and regulations in relation to local pension boards, and keeping up to date with how other Funds are working with their boards, in order that the Pension Board can be supported effectively and add value to the governance of the Fund.
2. **New Investment Arrangements** – Keeping up to date with progress in developing the Brunel pooling arrangements, and the contract management skills that will be required to manage the relationship with the Brunel company.
3. **New Investment Products** – Keeping up-to-date with what the market is offering, in order to assess the validity of new products for investment by the Devon Fund.
4. **Accounting Issues** – Keeping up to date with the latest CIPFA guidance on the format of the Pension Fund Statement of Accounts and the content of the Annual Report, including new requirements resulting from investment pooling.
5. **Pensions Admin Regulations** – Understanding the latest guidance and interpretation of changes to LGPS Regulations and their impact on procedures.
6. **Pensions Admin Systems** - Keeping up to date with updates/new releases to our software system Altair, passing down training to all staff.
7. **Wider Pensions Issues** – Understanding the impact of wider Government reforms to pensions, such as the cost cap mechanism for Public sector schemes and Guaranteed Minimum Pension equalisation.



## 6 Reporting and Compliance

In line with the CIPFA Code of Practice a disclosure will be made in the Fund's Annual Report and Accounts that covers:

- How the Skills and Knowledge framework has been applied.
- What assessment of training needs has been undertaken.
- What training has been delivered against the identified training needs.

Officers will monitor and implement the requirements arising from MHCLG guidance following the conclusion of the Good Governance project to ensure compliance and best practice is maintained.