

CITY OF  
WOLVERHAMPTON  
COUNCIL

# Pensions Committee

16 March 2016

<b>Report title</b>	Trustee Training Update Report	
<b>Originating service</b>	Pension Services	
<b>Accountable employee(s)</b>	Rachel Howe	Head of Governance
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<b>Report to be/has been considered by</b>	Geik Drever	Strategic Director of Pensions
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## Recommendation(s) for action or decision:

The Committee is recommended to:

1. Agree the training timetable and dates for structured training throughout 2016/17

## **1.0 Purpose**

- 1.1 To provide Committee with information regarding Trustee's duties to undertake training and development.
- 1.2 To provide proposals for how the Fund will deliver training.

## **2.0 Background**

- 2.1 The West Midlands Pension Fund ("The Fund") aims to achieve good standards of governance in line with or exceeding best practice built around four key elements:
  - Pensions Committee and Investment Advisory Sub Committee
  - Pension Board
  - Trade union representation and provision of information
  - Advisors and officers
- 2.2 A major factor in the governance arrangements of the Fund is to ensure that Members of its committees, the Pension Board and officers have the relevant skills and knowledge required to take decisions on behalf of members by applying the CIPFA Knowledge and Skills Framework.
- 2.3 Six areas of knowledge and skills have been identified as core technical requirements for those Members associated with LGPS pension funds:
  - pensions legislation and governance context
  - 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 practices
- 2.4 It is not the intention that Members of these groups should individually become technical experts, but that collectively they have the ability, knowledge and confidence to question and challenge the information and advice they are given, and to make effective and rational decisions.
- 2.5 However, training and development is a personal responsibility of all persons appointed to sit on the Pension Committees and a pension board, and this should be considered when undertaking these duties.
- 2.6 To date, Trustees have achieved a total of 541.5 hours training with the addition of 15 hours to be added to each Trustee attending the training in London at the end of the month. A breakdown of individual training hours is attached at Appendix 1.

## **3.0 Proposals for Trustee Training**

- 3.1 The agreed Trustee Training Policy will apply to all committee members.

- 3.2 Committee Members will be expected to undertake the following training
- 1 day induction session (for new or returning members)
  - 3 days structured training
  - 1 conference/seminar per trustee
  - 1 hour training each committee
  - 20 hours minimum per annum self-reading (which may include the Fund's media roundup)
  - 1-2-1 training to be offered where Trustees are unable to attend a group session
- 3.4 Where possible training will be offered on a joint basis with the pension board to facilitate good working relationships and shared understanding.
- 3.5 The proposed training program will be reviewed in consideration of differing circumstances throughout the year, e.g. legislative changes, Trustee requests etc.
- 3.6 In addition to the training offered, Trustees are encouraged to complete the Pension Regulator's Trustee Toolkit for local government schemes and a personal training record should be maintained for each Member to enable annual reporting. These will be requested quarterly by the Trustee Management Officer.
- 3.7 Attached at Appendix 2 is the proposed timetable and dates for the structured training events to be held throughout 2016/17
- 4.0 Financial implications**
- 4.1 The budget for Trustee training is incorporated within the fund's administration budget. There are no additional implications to that budget contained within this report.
- 5.0 Legal implications**
- 5.1 The requirements for training are set out in the profession's code of practice guidelines. Pension Board members have a duty under the statutory guidance to ensure they have the required knowledge and skill to undertake their roles.
- 5.2 Failure to adhere to these duties may result in challenge from external parties. There is also the possibility of intervention from the Pensions Regulator.
- 6.0 Equalities implications**
- 6.1 None identified
- 7.0 Environmental implications**
- 7.1 None identified

## **8.0 Human resources implications**

8.1 None identified

## **9.0 Corporate landlord implications**

9.1 None identified

## **10.0 Schedule of background papers**

10.1 The Pension Regulator's Trustee Toolkit is available on this link  
<https://education.thepensionsregulator.gov.uk/login/index.php>

10.2 CIPFA Knowledge and Skills  
<http://www.cipfa.org/policy-and-guidance/publications/p/pensions-finance-knowledge-and-skills-framework--technical-guidance-for-elected-representatives-and-nonexecutives-in-the-public-sector>

10.3 Public Service Pensions Act 2013  
<http://www.legislation.gov.uk/ukpga/2013/25/contents/enacted>

## **11.2 Appendices**

11.1 Appendix One  
Individual Trustee training hours

11.2 Appendix Two  
Proposed training timetable