

# Wolverhampton City Council

## OPEN DECISION ITEM

Committee / Panel	<b><u>PENSIONS COMMITTEE</u></b>	Date	<b>21/11/2012</b>
Originating Service Group(s)	<b><u>WEST MIDLANDS PENSION FUND</u></b>		
Contact Officer(s)/ Telephone Number(s)	<b><u>GEIK DREVER</u></b> <b><u>2020</u></b>		
Title/Subject Matter	<b><u>TRUSTEE TRAINING POLICY</u></b>		

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### **RECOMMENDATION**

Members are requested to consider and approve the Pension Fund Trustee Training Policy and to note the proposed training dates for 2013.

## **TRUSTEE TRAINING POLICY**

### **1. RECOMMENDATION**

- 1.1 Members are requested to consider and approve the Pension Fund Trustee Training Policy and to note the proposed training dates for 2013.

### **2. BACKGROUND**

- 2.1 The West Midlands Pension Fund aims to achieve good standards of governance in line with or exceeding best practice built around four key elements:

- Pensions Committee
- Investment Advisory Sub-Committee
- Trade union representation and provision of information
- Advisors and officers

Details of how these elements function and operate to ensure they are effective are set out in the Governance Compliance Statement, which can be found on the Fund's website at [www.wmpfonline.com](http://www.wmpfonline.com).

- 2.2 A major factor in the governance arrangements of the Fund is to ensure that Committee Members and officers have the relevant skills and knowledge by applying the CIPFA Knowledge and Skills Framework, which will achieve this objective. 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

It is not the intention that members 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.

- 2.3 The Fund includes in its Annual Report and Accounts details of the knowledge and skills development undertaken by its elected members. In future, there may be a regulatory requirement for funds to explain their compliance with the CIPFA framework, and in particular to cover:

- how the framework has been applied
- what assessment of training needs has been undertaken
- what training has been delivered against the identified training needs

### **3. POLICY**

- 3.1 Upon joining the Pensions Committee or Investment Advisory Sub-Committee, new Members will attend an in-house induction training session facilitated by Pension Fund Officers. This will provide an understanding of roles and responsibilities in order to allow informed participation in decision making or scrutiny of complex pension issues.

Online tools will be used to determine a training needs analysis and to ensure that subsequent training is focussed on key areas.

3.2 Committee Members will undertake three days of training each year as part of their commitment to good scheme governance, which will comprise two days of structured training and one day participating in conference or alternate training opportunities. A personal training record will be maintained by Fund officers for each Member to enable annual reporting. Training opportunities will include the following events:

- Presentations to Committee
- Internal training events
- Fund events such as the employer AGM and seminars
- Seminars and conferences offered by industry wide bodies, such as the LAPFF annual conference, LGC conferences and NAPF conferences.
- Local, free or low cost seminars and training events offered by the Fund's investment managers and advisors.
- Online training and reading

Attendance at conferences will generally be limited to one per Member every two years with attendance being rotated to ensure that opportunities are available to all.

Participation in training will enable Members to keep up to date with pension fund investment, operational and administrative requirements of the Fund.

3.3 Periodically, themed training or off-site visits may be undertaken and these are seen as a key part of building the skills and knowledge of Members of the Committee. Meetings outside the West Midlands are made on an 'as required' basis, aimed at giving Members and officers time to work together on strategic issues, or to develop a better understanding of an investment or operational issue.

3.4 A report on Member training undertaken will be submitted to the Pensions Committee in April each year, this will also identify appropriate conference and seminar opportunities for the forthcoming year.

3.5 Joint Consultative Panel (JCP) Members will have access to online training tools, structured in-house training and presentations. It is recommended that JCP Members undertake 10 hours of training per year, with it being at individual discretion to exceed this if desired.

3.6 It is intended to facilitate two days of formal, structured training at the Fund's offices on the 30<sup>th</sup> January and the 21<sup>st</sup> February 2013, with further details being provided in due course.

#### **4. FINANCIAL IMPLICATIONS**

4.1 Details of the Pension Service Medium-Term Financial Plan Update and 2012/13 Operating Budget were submitted and approved by Pensions Committee in April 2012, with the costs associated with officer and Member training being incorporated into that plan.

**5. LEGAL IMPLICATIONS**

5.1 The report contains no direct legal implications for the Authority.

**6. ENVIRONMENTAL IMPLICATIONS**

6.1 The report contains no direct implications for the Authority's Environmental Policies.

**7. EQUAL OPPORTUNITIES IMPLICATIONS**

7.1 This report has no implications for the Council's equal opportunities policies.