

# **London Borough of Hillingdon Pension Fund**

## **Training Policy**



**HILLINGDON**  
LONDON

December 2023

# **TRAINING POLICY**

## **Introduction**

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

The Training Policy is established to aid Pensions Committee, Local Pension Board members and senior officers in performing and developing in their individual roles, with the ultimate aim of ensuring that London Borough of Hillingdon Pension Fund is managed by individuals who have the appropriate levels of knowledge, skills and experience.

## **Aims and Objectives**

London Borough of Hillingdon recognises the significance of its role as Administering Authority to the London Borough of Hillingdon Pension Fund.

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

- the London Borough of Hillingdon Pension 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.
- those persons responsible for governing the London Borough of Hillingdon Pension Fund have sufficient expertise to be able to evaluate and challenge the advice they receive, ensure their decisions are robust and manage any potential conflicts of interest.

All Pensions Committee, 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 London Borough of Hillingdon Pension 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) Codes of Practice.

## **To whom this Policy Applies**

This Training Policy applies to all members of the Pensions Committee and the Local Pension Board, including scheme member and employer representatives. It also applies to all officers in the London Borough of Hillingdon Pension Fund Team and the Section 151 Officer who are required to have appropriate knowledge and skills relating to their roles.

Advisers to the London Borough of Hillingdon Pension Fund are also expected to be able to meet the objectives of this Policy.

Officers of employers participating in the London Borough of Hillingdon Pension 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 the London Borough of Hillingdon will provide appropriate training for them. This is covered further in the London Borough of Hillingdon Pension Fund Administration Strategy.

## **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 sets 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 includes 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 Pensions Regulator's General Code of Practice*

The Pensions Regulator sets out its expectations of the management of the Local Government Pension Scheme, including knowledge and understanding, in its codes of practice. Currently the most relevant code is the Code of Practice 14: Governance and Administration of Public Service Pension Schemes. This is expected to be replaced by a new General Code in the near future.

*Application to the London Borough of Hillingdon Pension Fund*

London Borough of Hillingdon fully supports the use of the CIPFA Knowledge and Skills Framework, and The Pensions Regulator’s Codes of Practice and adopts the principles they set out. This Training Policy highlights how the Administering Authority will strive to achieve those principles, including the draft General Code, through use of a rolling Training Plan together with regular monitoring and reporting.

### **The London Borough of Hillingdon Pension Fund’s Approach to Training**

London Borough of Hillingdon recognises that attaining, and then maintaining, relevant knowledge and skills is a continual process. The Fund is committed to providing the necessary training and support. Officers and advisers are available to answer any queries on an ongoing basis including providing access to materials from previous training events.

Our approach is based on the following key elements:



### **Induction for New Members/Officers**

The Pensions Regulator expects members of the Pensions Committee and the Local Pensions Board to be aware that their responsibilities and duties begin from the date they take up their post. Further, members are expected to start on a programme of

learning immediately on appointment, if not before. Officers will endeavour to ensure that these expectations are understood before appointments are confirmed.

A Handbook containing key information about the Fund and the LGPS is provided to all new members and should be read prior to attendance at their first meeting. The Handbook includes a list of items (such as Fund policies) which with members should be familiar. The Handbook is reviewed regularly, at least annually.

In addition, an individual induction plan will be developed to assist each member, Pension Board member or officer to ensure members can demonstrate a basic level of knowledge and understanding within six months of their appointment.

### **Knowledge Assessment**

The Pensions Regulator expects the Fund, and individual members, to review their own knowledge and understanding and be able to identify and address skills gaps. This should be undertaken at least annually, particularly in relation to changes in legislation or their scheme.

An assessment of each member's knowledge will be undertaken six months after appointment and annually thereafter.

### **Training Plan**

Knowledge assessments will be used to develop a plan for maintenance and development of knowledge for the forthcoming year. A framework for developing the plan is included in the Appendix to this document.

Where relevant, the Training plan will be customised on the role of the individual i.e. a Pensions Committee, a Pension Board member or the specific role of the officer.

The Plan will include more advanced learning once a good understanding of the Fund has been obtained and include the development of awareness of industry good practice and standards to assess the performance of the Fund and its service providers.

The Plan will be flexible to allow members to update areas of learning in a manner which suits them best. Training can 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. Pensions Committee and Pension Board meetings) provided by officers and/or external advisers
- Meetings and events with the London Borough of Hillingdon Pension Fund's investment pool London CIV, other investment managers and advisors
- External training events including seminars and conferences offered by industry-wide bodies. The Plan will outline the events which are most suitable for members.
- Reading material.

Members will be required to undertake no less than 2 days (14 hours) of training in each financial year which will include a combination of the delivery methods outlined above.

## **Recording and Reporting**

Compliance with this policy will be monitored and reported to Committee, at least annually. The report will include, as appropriate:

- The progress with induction training
- Knowledge assessments
- Annual training plan for the forthcoming year
- Progress in delivery of the plan including training provided and individual attendance.

Compliance with the policy will also be included in the London Borough of Hillingdon Pension Fund's Annual Report and Accounts.

Fund officers will keep records of the learning activities of individual members and the Committee/Board as a whole. To ensure records are accurate, individual members are required to keep records of any alternative or further learning activity (eg reading, attending conferences, sessions with the scheme advisers) and share this with the Fund's officers for reporting purposes.

## **Key Risks**

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

- Changes in Pensions 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.

## **Costs**

All training costs related to this Training Policy are met directly by London Borough of Hillingdon Pension Fund.

## **Approval, Review and Consultation**

This Training Policy was approved at the London Borough of Hillingdon Pensions Committee meeting on 13 December 2023. 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:

Pete Carpenter, London Borough of Hillingdon, Director of Pensions,  
Treasury and Statutory Accounts

Civic Centre, High Street, Uxbridge, Middlesex, UB8 1UW

E-mail -

[PCarpenter@hillingdon.gov.uk](mailto:PCarpenter@hillingdon.gov.uk)

Telephone - 01895 250111

Ext4508

## APPENDIX - Framework for development of the annual Training Plan

This framework has been developed to help develop a training plan for members who have completed induction training and can demonstrate a basic level of knowledge and understanding.

Areas deemed suitable for more advanced learning are marked (A) and those particularly relevant for Local Pension Board members are marked (LPB).

**In-house Sessions** (generally provided by officers and/or the Fund's providers)

Subject		Relevance [1]
<b>Governance</b>		
	Governance framework/legislation	(LPB)
	The Pensions Regulator and Code of Practice	(LPB)
	Annual report and accounts including Governance Compliance Statement	
	Risk framework	
	In-depth review on specific risks	
<b>Funding</b>		
	Actuarial valuation	
	Employer funding including admissions and exits	
	Longevity (Club Vita)	(A)
	Benchmarking of funding - Section 13	
<b>Investment</b>		
	Investment strategy	
	Investment manager selection and monitoring	
	The Fund's investment managers - London CIV, LGIM & managers with >5% - Managers with <5%	(A)
	Investment cost transparency	
	Responsible investment - General including LCIV and LGIM - LAPFF - Climate reporting	(A) (A)
	Benchmarking of investments	
<b>Pension Administration</b>		
	Regulatory requirements	(LPB)
	Benefits	(LPB)
	Communications	(LPB)
	Data quality	(LPB)
	AVCs	(A)
	Benchmarking	

[1] LPB = Particularly suitable for Local Pension Board members but also suitable for others; (A) = Advanced learning

## External Sessions

The following events are deemed to be most suitable for members' training plans.

Provider	Event details	Relevance [1]
London CIV	Annual Conference Monthly Business Updates	(A)
Pensions and Lifetime Savings Association	Local Government Conference Investment Conference	(A)
Other industry bodies e.g. LGA, Scheme Advisory Board, CIPFA.	Specific Pension Board events	(LPB)
Local Authority Pension Fund Forum	Annual conference Business meetings	(A)

[1] LPB = Particularly suitable for Local Pension Board members but also suitable for others; (A) = Advanced learning

## Reading Material

- Handbook (including glossary)
- PLSA Made Simple Guides (<https://www.plsa.co.uk/Resources/Made-Simple-guides>)
- LGPS Scheme Advisory Board website (<https://lgpsboard.org/index.php/welcome>)