

Appendix B: Governing Bodies Training Policy

Scope

The Fund is required by law (section 248a of the Public Service Pensions Act 2013), and statutory guidance (Pensions Regulator's Code of Practice, Scheme Advisory Board Statutory Guidance and CIPFA'S Code of Practice), to ensure that members of its Governing Bodies (the Pensions Committee and the Local Pensions Board), have an appropriate level of knowledge and understanding, to undertake the roles and functions of the positions they have been appointed to.

The Fund recognises that effective management, governance, and decision making can only be achieved where those involved have the requisite knowledge and skills to discharge the duties allocated to them. Therefore, this policy applies to individuals appointed to both the Pensions Committee and the West Midlands Pension Fund's Local Pensions Board and as outlined in their terms of reference.

This policy forms a key part of the good governance and management of the Fund, setting out the Fund's approach to the effective acquisition and retention of LGPS knowledge and skills for those responsible for the management, delivery, governance, and decision making of the Fund and is guided by reference to a comprehensive framework of knowledge and skills requirements as set out the CIPFA LGPS Knowledge and Skills Framework.

Background

Individuals appointed to the Local Pensions Board or Pensions Committee must be conversant with:

- Pensions legislation and guidance
- Pensions governance
- Funding strategy and actuarial methods
- Pensions administration and communications
- Pensions financial strategy, management accounting, reporting and audit standards
- Investment strategy, asset allocation, pooling performance and risk management
- Financial markets and products
- Pension services procurement, contract management and relationship management

In addition, individuals must have knowledge and understanding of:

- the law relating to pensions, and
- any other matters which are prescribed in regulations and statutory guidance.

The degree of knowledge and understanding required is that appropriate for the purposes of enabling the individual to properly exercise the functions of the role that they have been appointed to. Individuals are required to invest sufficient time in their learning and development in order to meet required standards relating to knowledge and understanding. These standards are applicable from appointment and apply to both individuals and the Pensions Committee and the Local Pensions Board as a whole. However, the Fund acknowledges that individuals are not expected to become technical experts, and levels of knowledge will vary depending on experience. Governing Body members should have the ability to interpret and challenge the information provided by Fund Officers and contribute effectively to discussions and decisions made. The level of understanding required is dependent on the subject and is based on the collective knowledge of the group and not the individual.

The aim of this policy is to:

- Outline the duties and responsibilities of persons appointed to the Pensions Committee or Local Pensions Board in relation to knowledge and understanding
- Outline how the Fund complies with meeting statutory expectations on knowledge and understanding through a tailored and structured programme of knowledge development
- Assist individuals in meeting these requirements through an effectively managed programme of development.

In conjunction with this policy, the Fund has established an annual training plan built on both CIPFA's Knowledge and Skills Framework and the items considered as key, as outlined by the Pensions Regulator's Code of Practice.

Implementation

Upon appointment, members of the Pensions Committee and Local Pensions Board will be provided with a Governing Body handbook, outlining the statutory elements of their role and highlighting information they are required to be conversant with. They will be invited to attend an in-house induction training session facilitated by Fund Officers which will provide an overview of their role and responsibilities (including those related to training) together with details of key policies and current issues.

An annual training plan will be produced by Fund Officers, linked to both CIPFA's Knowledge and Skills Framework and the items outlined in the Pensions Regulator's Code of Practice, to ensure that training is delivered effectively and focusses on key

knowledge areas. Regular opportunities will be provided for members to feedback on the training programme and highlight individual training needs to identify gaps in knowledge, areas for further development and to take into account any changes to regulation, together with individual's own self-assessment of their knowledge and understanding of the issues they are being asked to consider at their regular meetings.

Members of the Pensions Committee and Local Pensions Board are requested to commit to undertaking minimum training requirements annually, in order to fulfil knowledge and understanding requirements.

Training will include a mixture of face to face, independent learning, briefing notes with regular opportunities to engage and to network with colleagues and counterparts from other LGPS Funds, as well as through independent reading. Further support will be available through the facilitation of regular training sessions, and the production of briefing notes providing updates, key issues and Fund developments.

Where training is being delivered on specialist topics the Fund may invite external stakeholders and experts to deliver sessions where appropriate.

Reporting

The Fund will maintain appropriate records of all learning and development activities undertaken by individual members and the Pensions Committee and the Local Pensions Board as a whole. In accordance with statutory guidance and best practice this information (individual training hours), alongside information regarding how this policy has been put into practise throughout the year will be reported in both the Fund's Governance and Compliance statement, and Annual Report and Accounts with regular updates reported to the Chair of Pensions Committee and the Chair of the Local Pensions Board.

Roles and Responsibilities

The Fund will ensure that it has adequate resource in place to effectively implement and monitor this policy to support Governing Body members acquire and retain the necessary LGPS knowledge and skills. Responsibility for the implementation of this policy and the requirements of the CIPFA Code of Practice has been delegated to the Head of Governance and Corporate Services.

To support members of the Pensions Committee and Local Pensions Board undertake their role, the Fund has an established Governance team who have responsibility for day-to-day engagement with members, offering support and information to help them achieve their training requirements. However, it is the responsibility of individual

Governing Body members to undertake training and ensure that the records held by the Fund are accurate and up to date. Training records will be reviewed periodically by the Chair of the Pensions Committee and the Local Pensions Board to ensure that training is being undertaken both individually and by the group collectively throughout the year.