

Report for: Pensions Committee and Board – 15 March 2022

Title: Updated CIPFA Guidance and Haringey Training Policy

Report authorised by: Thomas Skeen, Assistant Director of Finance (Deputy Section 151 Officer)

Lead Officer: Tim Mpofu, Head of Pensions and Treasury,
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Ward(s) affected: N/A

Report for Key/

Non Key Decision: Not applicable

1. Describe the issue under consideration

- 1.1. This report provides an update for the Pensions Committee and Board's consideration, regarding the revised CIPFA guidance on Pensions Knowledge and Skills issued in June 2021. Taking this guidance into account, the report recommends the approval of a Training Policy for the Pensions Committee and Board Members, and Senior Fund Officers.
- 1.2. The report contains two appendices for the Pensions Committee and Board's consideration. Appendix 1 to this report, is a paper by the Independent Advisor which outlines the recommended approach for the Pensions Committee and Board to adopt regarding training in the context of the new CIPFA guidance. The paper proposes that the Pensions Committee and Board amend its policies in line with this revised CIPFA guidance.
- 1.3. Appendix 2 to this report is a draft Training Policy. This has been prepared by the Independent Advisor in consultation with the Head of Pensions and Treasury.

2. Cabinet Member Introduction

- 2.1. Not applicable

3. Recommendations

The Pensions Committee and Board is recommended:

- 3.1. To note the Independent Advisor's papers, appended as Appendix 1 and Appendix 2 to this report, and the advice contained therein.
- 3.2. To approve the adoption of the CIPFA 2021 Code of Practice on Local Government Pension Scheme (LGPS) Knowledge and Skills as outlined in Appendix 1 to this

report. The adoption of this 2021 Code of Practice will be applicable to Pensions Committee and Board Members, and Senior Fund Officers.

- 3.3. To approve the Training Policy for Pension Committee and Board Members, and Senior Fund Officers of March 2022 (attached as Appendix 2 to this report).

4. Reason for Decision

- 4.1. The delivery of effective and comprehensive training is essential to ensure that those responsible for the decision making and operation of the Pension Fund, have the necessary knowledge and skills to discharge their duties appropriately. This paper recommends that a training policy be agreed in line with the revised CIPFA guidance relating to Pensions Knowledge and Skills.

5. Other options considered

- 5.1. Not applicable.

6. Background information

- 6.1. In June 2021, CIPFA issued two documents providing updated guidance on LGPS Knowledge and Skills. These are the “*Code of Practice on LGPS knowledge and skills*” and the “*Knowledge and skills framework for LGPS committee members and LGPS officers.*” These update and replace the previous Code of Practice, and the separate, 2010, Knowledge and Skills Frameworks for Committee Members and Officers. This updated guidance has been issued because of the significant enhancements and alterations to the governance and operation of the LGPS in recent years.
- 6.2. The Pensions Committee and Board (PCB) has adopted and based its approach to training on the earlier versions of the CIPFA Code and Framework for Members which was most recently updated in 2016 to take into account several developments in the LGPS.
- 6.3. The updating by CIPFA of the Code and the issuing of a new Framework require the PCB to update its policies relating to Training to be in accordance with the 2021 CIPFA guidance.

CIPFA Pensions Knowledge and Skills Guidance

- 6.4. The Independent Advisor has prepared a paper which describes and comments upon the CIPFA Code and Framework issued 2021. This has been included as Appendix 1 to this report. The paper proposes that the PCB adopt the CIPFA 2021 Code of practice on LGPS knowledge and skills including specifically the “five key principles,” the “seven statements,” and “eight core technical areas” included in the Code.
- 6.5. In line with the scope of the Code it is proposed that adoption of this 2021 Code of Practice be applicable to PCB Members, and also to Senior Fund Officers.

6.6. The “five key principles,” the “seven statements” and “eight core technical areas” included in the 2021 Code are reproduced on pages 5, 6, 7 and 8 of the Independent Advisor’s (Appendix 1) paper and Members are requested to make themselves aware of these.

Update to Training Policy for PCB Members and Senior Fund Officers

6.7. The new CIPFA guidance anticipates that all LGPS Funds will update their Training Policy considering the content of the 2021 Code and Framework. Therefore, the Independent Advisor, in consultation with the Head of Pensions and Treasury, has prepared a new Training Policy for Pensions Committee and Board Members, and Senior Fund Officers taking account of the 2021 CIPFA guidance. This is attached as Appendix 2 to this report. It is proposed that the Pensions Committee and Board approve this Training Policy at this meeting.

6.8. The updated Training Policy covers the following areas included in Table 1 below.

Table 1: Summary of Training Policy

Competencies	The CIPFA Knowledge and Skills framework has identified eight core technical areas which include pensions legislation, governance, and investment strategy. The full list of core areas can be found on page 4 of Appendix 2.
Delivery of Training	<p>The policy suggests various training resources and methods that the Pension Fund can utilise. Training can be facilitated externally or internally and can also be self-directed. A full list of the various forms of training can be found on page 5 of Appendix 2.</p> <p>An Annual Training Plan will be developed for the PCB. This will be presented at the first meeting of the financial year</p>
Monitoring and Review	The Pension Fund will be required assess whether the PCB and Senior Fund Officers have the required Knowledge and Skills to undertake their role on an ongoing basis.
Reporting and Compliance	<p>The Pension Fund’s Annual Report and Accounts will include details of all training delivered/facilitated by the Pension Fund to the PCB and Senior Officers.</p> <p>Regular reports will be presented to the PCB on training undertaken by the PCB Members and Senior Fund Officers.</p>



6.9. In accordance with the CIPFA Code of Practice on LGPS Knowledge and Skills 2021, it is proposed that the Head of Pensions and Treasury be the nominated individual responsible for ensuring that this Policy is implemented.

6.10. The updating of the approach to the Training of the Members of the PCB, and Senior Fund Officers in March 2022 will mean that when the PCB meets for the first time after the 2022 Local Elections all the then Members of the PCB will be required to undergo Training and acquire Knowledge and Skills based on the latest national (CIPFA) guidance.

7. Contribution to Strategic Outcomes

7.1. Not applicable

8. Statutory Officers comments (Director of Finance (including procurement), Head of Legal and Governance, Equalities)

Finance and Procurement

8.1. There are no immediate financial implications arising from this report.

Comments of the Head of Legal and Governance (Monitoring Officer)

8.2. The Head of Legal and Governance has been consulted on the content of this report. The Training Policy will enhance the members and officers capacity to understand pension issues and enable members of the PCB to make informed decisions.

Equalities

8.3. Not applicable

9. Use of Appendices

9.1. Appendix 1: Independent Advisor's Update on CIPFA Pensions Knowledge and Skills Guidance

9.2. Appendix 2: Training Policy for Pensions Committee and Board Members, and Senior Fund Officers

10. Local Government (Access to Information) Act 1985

10.1. Not applicable.