

THE SURREY PENSION FUND BOARD

ATTENDANCE AND KNOWLEDGE AND UNDERSTANDING POLICY

1. Attendance

- 1.1 Surrey Pension Fund Board members will be required to attend four Board meetings per year.
- 1.2 Surrey Pension Fund Board members should also commit sufficient time in order to prepare for meetings and obtain and keep under review their knowledge and understanding.

2. Knowledge and understanding requirements

2.1 General requirements

- 2.1.1 Surrey Pension Fund Board members should also have knowledge and understanding of:
 - The rules of the Local Government Pension Scheme (LGPS) (the LGPS Regulations);
 - Any document recording policy about the administration of the Surrey Pension Fund which is for the time being adopted in relation to the Surrey Pension Fund;
 - The law relating to pensions;
 - Such other matters as may be prescribed.
- 2.1.2 Members of the Surrey Pension Fund Board should be aware that their individual legal responsibility begins from the date they take up their role on the Board.
- 2.1.3 It is for individual Surrey Pension Fund Board members to ensure they have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a member of the Surrey Pension Fund Board.
- 2.1.4 Surrey Pension Fund Board members are required to be able to demonstrate their knowledge and understanding and to refresh and keep their knowledge up to date. Surrey Pension Fund Board members are therefore required to maintain a written record of relevant training and development.
- 2.1.5 Surrey Pension Fund Board members will undertake a personal training needs analysis and regularly review their skills, competencies and knowledge to identify gaps or weaknesses.
- 2.1.6 Surrey Pension Fund Board members will comply with this Attendance and knowledge and understanding policy.

2.2 Key areas of knowledge and understanding of the law relating to pensions

2.2.1 Examples of knowledge and understanding of the law relating to pensions:

- Background and understanding of the legislative framework of the LGPS;
- General pension legislation applicable to the LGPS;
- Role and responsibilities of the Surrey Pension Fund Board;
- Role and responsibilities of the Local Pension Board;
- Role and responsibilities of the Administering Authority;
- Funding and investment;
- Role and responsibilities of Scheme Employers;
- Tax and contracting out;
- Role of advisors and key persons;
- Key bodies connected to the LGPS.

3. Induction training

3.1 Surrey Pension Fund Board members are expected to complete induction training within the first three months of their appointment. This consists of an online training course provided in a Trustee Toolkit by the Pensions Regulator (TPR).

3.2 TPR Trustee toolkit

3.2.1 The TPR Trustee toolkit provides a guide to learning development and assessment of learning needs and includes a series of online learning modules and downloadable resources developed to help Surrey Pension Fund Board members meet minimum level of knowledge and understanding.

3.2.2 The toolkit includes ten **Essential learning for trustee** compulsory modules and seven **Public Sector Toolkit** compulsory online learning modules that must be completed successfully to pass the induction training.

3.2.3 The ten Essential learning for trustee compulsory modules test Surrey Pension Fund Board member knowledge in the following key areas:

- Introducing pension schemes;
- The trustee's role;
- Running a scheme;
- Pensions law;
- An introduction to investment;
- How a defined benefit scheme works;
- Funding your defined benefit scheme;
- Defined benefit recovery plans, contributions and funding principles;
- How a defined contribution scheme works;
- Investment in a defined contribution scheme.

3.2.4 The seven **Public Sector Toolkit** compulsory modules test Surrey Pension Fund Board member knowledge in the following key areas:

- Conflicts of interest;
- Managing risk and internal controls;

- Maintaining accurate member data;
- Maintaining member contributions;
- Providing information to members and others;
- Resolving internal disputes;
- Reporting breaches of the law.

4. Ongoing training and development to meet knowledge and understanding requirements

4.1 Surrey Pension Fund Board members will undertake the **CIPFA Knowledge and Skills Framework**.

4.2 CIPFA Knowledge and Skills Framework

4.2.1 In an attempt to determine the right skill set for quasi trustees involved in decision making, CIPFA has developed, with the assistance of expert practitioners, a technical knowledge and skills framework.

4.2.2 The framework is intended to have two primary uses:

- As a tool for organisations to determine whether they have the right skill mix to meet their scheme financial management needs;
- As an assessment tool for individuals to measure their progress and plan their development.

4.2.3 The framework has been designed so that organisations and individuals can tailor it to their own particular circumstances. Surrey Pension Fund Board members may already have some of the required skills, and the more experienced Surrey Pension Fund Board members will already possess many of them.

4.2.4 In total there are six areas of knowledge and skills identified as the core technical requirements for those working in public sector pensions. They are:

- Pensions legislative and governance context;
- Pensions 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.

4.2.5 Individual members can be set up within the online framework and will be able to use the toolkit as they see fit. It is anticipated that members will, over a period of time, work towards a full understanding of the relevant issues. There is no current intention of imposing a timescale in which certain targets must be met by individual members. It is not expected that all members of the Surrey Pension Fund Board will, at all times, have an expert knowledge of all areas, but the Surrey Pension Fund Board as a whole needs a breadth of skills and knowledge to ensure that all relevant issues are scrutinised when making recommendations. Board member progress in improving their skill set will be reviewed on an annual basis.

4.2.6 It is suggested that, initially, Surrey Pension Fund Board members use the online toolkit to assess their own training needs. Officers can then work with members, both individually and collectively, to identify how best to meet any skills/knowledge gaps.

4.2.7 It is suggested that there are four main ways in which knowledge and skill levels can be increased:

- Use of the web-based packages and CIPFA repository when developed;
- Manager or actuary led training sessions or specific training as part of the Board meeting agenda;
- An induction training package for new Board members that covers the areas outlined in the CIPFA Framework;
- Courses and seminars organised by managers, actuaries, NAPF and other experts, details of which can be circulated to Surrey Pension Fund Board members as they arise.

4.3 The Strategic Finance Manager - Pension Fund and Treasury will use the TPR Trustee Toolkit assessments that the Surrey Pension Fund Board members complete as a basis for agreeing an appropriate training programme.