

# THE SURREY LOCAL PENSION BOARD

## ATTENDANCE AND KNOWLEDGE AND UNDERSTANDING POLICY



### 1. Attendance

- 1.1 Local Pension Board members shall endeavour to attend at least two Local Pension Board meetings per year.
- 1.2 Local Pension Board members should also commit sufficient time in order to prepare for meetings, obtain and keep under review their knowledge and understanding.

### 2. Knowledge and understanding requirements

#### 2.1 Legislative requirements

- 2.1.1 Members of the Local Pension Board should be aware that their individual legal responsibility begins from the date they take up their role on the Board.
- 2.1.2 It is for individual Local Pension 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 Local Pension Board
- 2.1.3 In accordance with the Pensions Act 2004 every member of the Surrey Local Pension Board must be conversant with:
  - 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.
- 2.1.4 Local Pension Board members should also have knowledge and understanding of:
  - The law relating to pensions;
  - Such other matters as may be prescribed.
- 2.1.5 Local Pension Board members are required to demonstrate their knowledge and understanding, and to refresh and keep their knowledge up to date. Local Pension Board members are therefore required to maintain a written record of relevant training and development.
- 2.1.6 Local Pension Board members will undertake a personal training needs analysis and regularly review their skills, competencies and knowledge to identify gaps or weaknesses.
- 2.1.7 Local Pension 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 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 Local Pension Board members must complete induction training within the first three months of their appointment. This consists of an online training course provided in a **Public Sector Toolkit** by the Pensions Regulator (TPR) as part of **TPR Trustee Toolkit** <https://trusteetoolkit.thepensionsregulator.gov.uk>

### 3.2 The Public Sector Toolkit

3.2.1 The Public Sector Toolkit tests knowledge of the four key areas of **TPR Code of practice no. 14, Governance and administration and public service pension schemes**:

- Governing your scheme;
- Managing risk
- Administration; and
- Resolving issues.

3.2.2 The Public Sector Toolkit includes seven online learning modules that must be completed successfully to pass the induction training. The seven Public Sector Toolkit compulsory modules are:

- 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.

3.2.3 The Scheme Manager will provide support to Local Pension Board members in completing these compulsory modules through an in-house training session, at a date(s) to be agreed by the Local Pension Board at its first meeting.

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

#### **4.1 The rules of the Local Government Pension Scheme (LGPS) (the LGPS Regulations);**

4.1.1 Pension Board members are required to be conversant with the rules of the LGPS (the LGPS Regulations). In order to meet this requirement Local Board Members **must** attend the LGA three day training course which covers the Fundamentals of the LGPS, including:

- The benefits framework (past and present);
- The investment framework;
- Delivering the service;
- A look at investments in the LGPS;
- Valuations;
- Funding strategy statements;
- Corporate governance;
- Communication strategies/policies;
- Duties and responsibilities of committee members;
- The future for the LGPS;
- New governance arrangements.

4.1.2 The LGA training is held on three separate days. Further details and dates can be found at:  
<http://www.local.gov.uk/documents/333443/1091755/292+May+2015.pdf/8ac95b0a-6890-40a7-850d-b04af735000d>

4.1.3 The cost of training will be met by the Scheme Manager.

#### **4.2 Knowledge of documents relating to the Surrey Pension Fund**

4.2.1 Under the Pensions Act 2004, Local Pension Board members are required to be conversant with 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. Such documents include:

- The annual report;
- The annual business plan;
- The communications policy;
- The funding strategy statement;
- The governance compliance statement;
- The governance policy statement;
- The investment core belief statement;
- The investment stewardship code;
- The pension administration service level agreement;
- The pension administration strategy;
- The responsible investment stewardship policy;
- The statement of investment principles.

4.2.2 All of these documents are available at:  
<http://www.surreypensionfund.org/about-us/forms-and-publications.aspx>

4.2.3 The Scheme Manager will provide support to Local Pension Board members in becoming conversant with these documents through an in-house training session, at a date(s) to be agreed by the Local Pension Board.

### **4.3 TPR Essential learning for trustees**

4.3.2 The TPR Essential learning for trustees provides a guide to learning development and assessment of learning needs. It includes a series of online learning modules and downloadable resources developed to help Local Pension Board members meet the minimum level of knowledge and understanding introduced in the Pensions Act 2004. It can be found at: <https://trusteetoolkit.thepensionsregulator.gov.uk>

4.3.3 The 11 Essential learning for trustee compulsory modules test Local Pension 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;
- Investment in a defined benefit scheme.

4.4 It is recommended that, initially, Local Pension Board members use the TPR Trustee toolkit to assess their own training needs. The Scheme Managers can then work with members, both individually and collectively, to identify how best to meet any skills/knowledge gaps.

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

- Use of on online resources provided by TPR, the Local Government Pension Secretariat and the Scheme Advisory Board;
- Scheme Manager led training sessions or specific training as part of the Local Pension Board meeting agenda;
- Courses and seminars organised by managers, actuaries, LGA and other experts, details of which will be circulated to Local Pension Board members as they arise.

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