

From: Chairman Pension Fund Committee
Acting Corporate Director of Finance

To: Pension Fund Committee – 26 March 2024

Subject: Member Training update

Classification: Unrestricted

Summary:

The Training Strategy has been updated. The updates include formalising current practice and incorporating them into the new Training Strategy; providing clarity on the training expectations of Members of Pension Board and Pension Fund Committee; outlining potential consequences of persistent non-compliance; and clarifying the approach for reporting individual training attendance.

This paper also provides an update on recently completed training events.

Recommendation:

The Committee is asked to consider and approve the updated Training Strategy.

FOR APPROVAL

1. Introduction

- 1.1 The Fund's Training Strategy has been updated (**Appendix 1**). It has been prepared to supersede the current 2022 Training Strategy. This paper outlines the key changes made to the Training Strategy.
- 1.2 Since the Training Strategy was last updated in 2022, there have been significant changes to Kent Pension Fund's approach, leadership and vision for the Fund. It should also be remembered that in 2022 the Fund did not have the fully quorate Pensions Board that it does now. The updated Training Strategy therefore aims to formalise current practices and the changes made since the Strategy's last update in 2022.
- 1.3 The terminology of 'Pension Fund Superannuation Committee' has been replaced by 'Pension Fund Committee'. Formatting edits have been made. Adjustments have been made to expand, clarify or remove what is no longer relevant. These are not detailed below as are considered minor in nature.
- 1.4 References have been made to legislative and policy changes since 2022 (such as the introduction of tPR's new General Code). It is proposed that the training plan will be regularly reviewed to incorporate new learning requirements.

1.5 The updated Training Strategy was presented to the Fund's Board on 12 March 2024. The Board supported the proposals in the updated strategy.

2. Change - Formal recognition of practices already undertaken at Pension Board and Pension Fund Committee

2.1 Over the last year, a training update paper has regularly been presented to Members at both Pension Board and Pension Fund Committee. As such, the Training Strategy now references that regular updates shall be given at Pension Board and Committee meetings to assist with monitoring, give awareness to training opportunities and to alert on training progress made.

3. Change – Agreement to the Training Strategy and Compliance

3.1 The updated Training Strategy makes clear that by approving the Training Strategy, all Members are implicitly committing to participate in training and to abide by the training requirements.

3.2 The Fund needs well-informed and suitably skilled Members in order to operate effectively. Therefore, the Training Strategy now states that persistent non-compliance with the Training Strategy may result in Members being removed from Pension Board or Pension Fund Committee. No individual Member is expected to have expert knowledge of LGPS investments or administrative operations, but Officers (and the Fund's advisers) provide technical expertise and recommendation as required.

4. Change – Training Support Offered to Members by Officers

4.1 The updated Training Strategy formalises Officer's commitment to support, assist and help Members with their training needs. The Strategy now includes what has been made available to Members, such as 1:1 basics for new Members after appointment, office visits to see work being delivered and the preparation of a training plan.

4.2 The updated Training Strategy makes it clear that participation in relevant training is encouraged, with Officers able to assist with bookings for training events and travel upon request.

5. Change – Monitoring & Reporting

5.1 The Strategy confirms that the Fund will maintain a record of all training undertaken by Committee and Board members, who will be asked to confirm this record every 6 months via survey.

5.2 Information on training completed by individual Members will be included in the Kent Pension Fund Annual Report and Accounts. Information will be recorded on training session attendance in line with best practice.

6. Review

6.1 The Training Strategy is intended to be appropriate for the long-term, but it will continue to be regularly reviewed, at least formally every 2 years or as required, to ensure it remains accurate and relevant.

7. Training Undertaken Since November 2023

- 7.1 The updated Training Plan is attached at **Appendix 2**. Since the previous Pension Fund Committee meeting, there are a few notable training events to report.
- 7.2 On 7 December 2023, all Members were invited to an interactive session on Pensions Accounting & Audit Standards. The presentation was delivered by Barnett Waddingham in collaboration with senior officers involved with Kent Pension Fund Investments. The event was well attended. There was a high level of engagement throughout from Members, where questions were asked about the Fund's performance in previous audits and about the annual statement of accounts.
- 7.3 On 5 March 2024, Members received structured training on Pensions Administration. A slide deck was prepared and delivered by Pensions specialists from Barnett Waddingham. During the presentation, the Fund's Officers provided local context to give a flavour of pensions administration processes and hot topics. There was an opportunity for questions throughout the session and at the end. The two-hour workshop built awareness and knowledge amongst Members, to enable effective scrutiny of the Fund's pensions administration work at Pension Board and Pension Fund Committee.
- 7.4 Monitoring data suggests that not all Members have completed their tPR e-toolkit (public service pensions) online training yet. Members who advised in November that they had not yet completed their tPR's e-toolkit were reminded to do so in January 2024. A link was given to the free training portal, with instructions on how to complete.
- 7.5 Members will be contacted again in April 2024 to complete the next training monitoring survey and to check availability for the next proposed training dates (training presentations). The survey will check training completed October 2023 – March 2024. The results will be presented in the Fund's 23/24 Annual Report in line with best practice.

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March 2024

Appendix 1: Updated Training Strategy (2024)

Appendix 2: Structured Training Programme with Training Plan

Subject to change if training need identified which requires prioritization due to governance purposes.

Indicative time frame	Core Topic
2023 – 2024 <i>addressed on a topic specific basis</i>	<i>Financial Markets & Product Knowledge</i> <i>To provide a general understanding of the financial context of the Fund, and the products relating to the Fund.</i>
<i>Completed 25th September 2023</i>	Cybercrime <i>Awareness training and proposed approach on new strategy.</i>
<i>Completed 7th December 2023</i>	Pensions Accounting & Audit Standards <i>To provide a general understanding of the Accounts and Audit Regulations, and the role of internal and external audit</i>
<i>To Be Completed 5th March 2024</i>	Pensions Administration <i>To provide a general understanding of best practice in pensions administration, together with Fund polices, resource and discretionary powers.</i>
<i>2nd July 2024</i>	Committee and Board Role & Pensions Legislation <i>To provide an overview of the Committee’s and Board’s role and a general understanding of the legislative framework as it applies to the LGPS, in line with the CIPFA Knowledge & Skills Framework.</i> <i>This subject area has been brough forward due to ‘Investment Performance & Risk Management’ being moved to 2025 to benefit any potential new members at that time.</i> <i>This subject topic has been made broader to provide interest to both Pension Board and Pension Fund Committee members.</i>
<i>December 2024 (exact date tbc)</i>	Procurement & Relationship Management <i>To provide a general understanding of the public procurement requirements as they apply to the LGPS, and how performance of suppliers can be monitored.</i>
<i>March</i>	Actuarial Methods, Standards & Practices

<p>2025 (exact date tbc)</p>	<p><i>To provide a general understanding of the role of the Fund actuary and the formal valuation process (including the FSS and inter-valuation monitoring) and the treatment of new and ceasing employers (including employer covenant)</i></p>
<p>June 2025 (exact date tbc)</p>	<p>Pensions Governance</p> <p><i>To provide a general understanding of the controls and measures in place to manage risks and conflicts and interest of the Fund, whilst ensuring the right skills and experience are available.</i></p>
<p>2025</p>	<p>Investment Performance & Risk Management</p> <p><i>To provide a general understanding of the relationship between assets and liabilities and the structure, operation and purpose of investment pooling arrangements.</i></p> <p><i>Given recent attention to this subject via several training events in 2023 and 2024, it is proposed to reschedule this event to 2025, when there may be new members of Pension Board and Pension Fund Committee that would benefit from training in this area.</i></p>