

Training Strategy

2023~~4~~1



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1. Introduction

- 1.1 The Training Strategy is established to aid members of the Pensions Committee and Local Pension Board as well as Fund Officers and the Section 151 Officer in performing and developing in their roles and to equip them with the necessary skills and knowledge to act effectively in line with their responsibilities. Local Government Pension Scheme (LGPS) Funds are expected to follow the CIPFA Knowledge and Skills Framework.
- 1.2 The objective of CIPFA's Knowledge and Skills Framework is to determine and set out the knowledge and skills sufficient to enable the effective analysis and challenge of decisions made by Officers and advisers to the Fund.
- 1.3 ——— This Training Strategy takes into consideration the requirements of the pending Scheme Advisory Board Good Governance Review, the Pensions Regulator's Code of Practice and the Markets in Financial Instruments Directive (MiFID II) in addition to the requirements of the CIPFA Knowledge and Skills Framework requirements to ensure it encompasses best practice.

2. Fund Objectives

- 2.1 The Cambridgeshire Pension Fund objectives relating to knowledge and skills are to:
- To have robust governance arrangements in place, to facilitate informed decision making, supported by appropriate advice, policies and strategies, whilst ensuring compliance with appropriate legislation and statutory guidance; and
 - To ensure the relevant stakeholders responsible for managing, governing and administering the Fund, understand their roles and responsibilities and have the appropriate skills and knowledge to ensure those attributes are maintained in a changing environment.

3. Effective date and reviews

- 3.1 The Strategy was first approved by the Pension Fund Committee ~~on 8~~ December 2016 and was effective from ~~9~~ 14 December 201~~6~~8. The Strategy has since been subject to the following reviews:

Date of review	Strategy effective date:	Review type
13 December 2018	14 December 2018	Committee
14 December 2021	15 December 2021	Committee
20 July 2023		Committee

- 3.2 This Strategy will be reviewed by the Pension Fund Committee every three years, and if necessary, more frequently to ensure it remains accurate and relevant. Officer reviews will be conducted on an annual basis.



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4. CIPFA's Code of Practice on Public Sector Pensions Finance, Knowledge and Skills (the "Code of Practice")

4.1 CIPFA's Code of Practice, was first issued in 2013, and embedded the requirements for the adequacy, acquisition, retention and maintenance of appropriate knowledge and skills required. It recommends (amongst other things) that LGPS administering authorities:

- Formally adopt the CIPFA Knowledge and Skills Framework in its knowledge and skills statement;
- Ensure the appropriate policies and procedures are put in place to meet the requirements of the Framework (or an alternative training programme); and
- Publicly report how these arrangements have been put into practice each year.

4.2 The Code of Practice has been updated in 2021 and provides an overview of the standards that all CIPFA members must adhere to when administering and managing pension funds and benefits on behalf of employee's and scheme members. The code includes focus on the increasing need for knowledge and skills and ongoing maintenance of this knowledge.

5. CIPFA Knowledge and Skills Framework

5.1 In July 2021, CIPFA published its revised Knowledge and Skills Framework aimed at Pension Committee and Board members as well as senior officers. The contents of the framework have been updated with transparency in mind with particular emphasis on decision makers.

5.2 The principles of the guide include the need for formal objectives, policies, practices and strategies concerning knowledge and skills of those responsible for the fund. Administering authorities must maintain effective, ongoing maintenance and development of knowledge, addressing gaps where required and increasing skills as appropriate.

5.3 The Knowledge and Skills Framework accompanies the updated Code of Practice on LGPS Knowledge and Skills.

5.4 [Cambridgeshire Pension Fund has adopted the Hymans Robertson Online Training Academy to deliver training that mirrors the Knowledge and Skills Framework.](#)
[The areas covered are as follows:](#)

- [Committee Role and Pensions Legislation.](#)
- [Pensions Governance.](#)
- [Pensions Administration.](#)
- [Pensions Accounting and Audit Standards.](#)
- [Procurement and Relationship Management.](#)
- [Investment Performance and Risk Management.](#)
- [Financial Markets and Product Knowledge.](#)
- [Actuarial methods, Standards and Practice.](#)



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5.5 There are also current issues modules which are regularly updated and includes topics such as Pensions Dashboard, GAD Section 13 and Cyber Risk which are supplementary to the Framework. Aon, the fund's Governance Advisors have developed training that covers the following core CIPFA requirements:

- Pensions legislation and guidance and national guidance;
- Local governance and pensions procurement, contract management and relationship matters;
- Funding Strategy and actuarial methods, and financial, accounting and audit matters;
- Investments – Strategy, asset allocation, pooling performance and risk management;
- Investments – Financial markets and products;
- Pensions Administration and Communications.

6. The Scheme Advisory Board – Good Governance Review

6.1 Proposals as a result of the good governance review The Scheme Advisory Board has emphasised the need for increased governance around the management of skills and knowledge. The review has highlighted expectations for funds to propose the following actions:

- To introduce a requirement in the Statutory Guidance to be issued by the Department for Levelling Up Housing and Communities (DLUHC) that for key individuals within the LGPS, including LGPS officers and pensions committees, to have the appropriate level of knowledge and understanding to carry out their duties effectively.
- To introduce a requirement for s151 officers to carry out LGPS relevant training as part of CPD requirements to ensure good levels of knowledge and understanding.
- For Administrators to publish a policy setting out their approach to the delivery, assessment and recording of training plans to meet these requirements.
- For CIPFA and other relevant professional bodies to be asked to produce appropriate guidance and training modules for s151 officers and to consider including LGPS training within their training qualification syllabus.

7. The Pensions Regulator's E-learning toolkit

7.1 The Regulator has an online tool designed to help those running public service schemes to understand the governance and administration requirements in the public service schemes Code of Practice. The toolkit is an easy to use resource and covers 7 compulsory short modules. These are:

- Conflicts of Interests
- Managing Risk and Internal Controls
- Maintaining Accurate Member Data
- Maintaining Member Contributions
- Providing Information to Members and Others
- Resolving Internal Disputes



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- Reporting Breaches of the Law.

~~In addition, a module on Pension Scams is available as an optional component. Although optional on the tool, it is the intention that Committee and Board members complete this module as it is deemed a fundamental part of the training programme.~~

7.2 ___ These modules are designed to apply to all public service schemes and are not LGPS specific.

7.3 ___ Completion of the toolkit in conjunction with the CIPFA core competencies will provide Pension Committee and Local Pension Board members with a good grounding for their respective roles. Officers will issue details of the toolkit upon appointment and will request this to be completed within 6 months of these training modules as required

8. Markets in Financial Instruments Directive II (MIFID II)

8.1 ___ The Cambridgeshire Pension Fund needs to demonstrate a high level of skills and knowledge across the Committee and Board to enable the Fund to opt-up and be recognised as a professional investor rather than a retail investor to continue to receive advice and access to investment products at a level commensurate with the types of investment required for the Fund.

8.2 ___ Failure to adequately demonstrate a high level of collective skills and knowledge across the Pension Committee and Local Pension Board could result in the loss of professional investor status and therefore access to the appropriate investment opportunities.

9. Meeting the deliverables in the Annual Business Plan and ~~Medium-Term~~Medium-Term Strategy

9.1 ___ There will be times in when ~~targeted particular~~ training will need to be delivered in order to assist the Pension Fund Committee and Local Pension Board in their roles in connection with the key deliverables as detailed in the Annual Business Plan and Medium-Term Strategy.

9.2 ___ These deliverables include, but are not limited to, activity such as the review and approval of the Funding Strategy Statement as part of the triennial Actuarial Valuation and Responsible Investing as part of the Investment Strategy Statement. Specific training in relation to these matters will be delivered at the appropriate times to ensure effective decisions are made.

10. Delivery of training

10.1 ___ The Hymans Robertson online platform is designed to support the training needs of Pension Committees, Pension Boards and Fund Officers, and is designed to supplement training plans. The learning consists of a series of short video presentations with supplemental learning materials and quizzes. The training is delivered in an efficient and engaging way in order that member can access it when convenient.



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~~10.1~~ The training consists of the 8 CIPFA Framework topics and current issues facing the LGPS. Cambridgeshire Pension Fund's Governance Advisors provides core training in the following areas. It is expected that all Committee and Board members and senior LGPS officers undertake the training as listed below:

~~10.2~~ Introduction to the LGPS;

~~10.3~~ Governance and Fiduciary Duty;

~~10.4~~ Pensions Legislation and guidance and national guidance;

~~10.5~~ Local governance and pensions procurement, contract management and relationship matters;

~~10.6~~ Funding Strategy and actuarial methods, and financial, accounting and audit matters;

~~10.7~~ Investments – Strategy, asset allocation, pooling performance and risk management;

~~10.8~~ Investments – Financial markets and products.

~~10.9~~

~~10.10~~

~~10.11~~ 10.2

~~10.3~~ 2 The completion of the [Online Training Academy modules](#) and the Pensions Regulator e-learning programme [are](#) ~~is~~ also a compulsory requirements of the Training Strategy

~~10.4~~ 3 The online platform will be regularly updated, and members will be notified of the updates via email. Officers will ensure that refresher training is offered to all Committee and Board members at regular intervals.

~~10.5~~ 4 In addition to the compulsory training above, the following training is also encouraged -

- In-house and shared training events with Northamptonshire Pension Fund where it improves economy, efficiency and effectiveness.
- Self-improvement and familiarisation with regulations and documents.
- Attending relevant courses, seminars and external events.
- Internally developed training days and pre/post meeting sessions.
- Shared training with other Funds or Asset Pools.
- Regular updates from officers and/or advisers.
- Circulated reading material.

11. How training will be monitored

~~11.1~~ 11.1 Progress reports will be monitored by Officers and information provided to both the Chair of the Committee and Board on an annual basis.

11.2 Progress reports provide the following information:

- Enrolment status of each of the 8 modules in the learning plan and the Introduction and Current Issues module.



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- [The date each course was first accessed.](#)
- [The date each course was last accessed.](#)
- [The date the user was enrolled on a course.](#)
- [The final score a user received on a course knowledge check.](#)
- [How much of the course has been completed.](#)

11.3 [Additional training undertaken outside of the platform will be added to form a training record for consistency and ease of reference for Officers and Members. Details of Pension Fund Committee and Board member training that is undertaken will be recorded and provided to the Chair on an annual basis. Any individual member that has not completed the core training will be encouraged to do so. The Chair will have discretion regarding appropriate action if an individual member does not undertake the minimum requirements.](#)

12. Measurement

12.1 In order to identify whether the objectives of this Strategy are being met, officers will:

- 1) Monitor the attendance of training on a regular basis.
- 2) Ensure the [Pension Regulators toolkit](#) introductory training is offered shortly after appointment and [request it is promote it being undertaken within 6 months promptly](#);
- 3) Actively encourage [individual's](#) Committee and Board members to [participate in the Online Training Academy and complete the 8 core modules within 12 months of appointment or from approval of the Strategy for current members. complete core training within 6 months of appointment](#);
- 4) [Current issues modules should be undertaken within 3 months of release/access to the platform.](#)
- 5) Monitor the attendance at meetings where training items are being delivered.
- 6) Manage areas where individuals feel additional support is required.

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13. Maintaining knowledge

13.1 In addition to undertaking ongoing training on the CIPFA skills and knowledge requirements [via the online platform](#), Committee and Board members are expected to maintain their knowledge of ongoing development through attendance at internal/external events and seminars where appropriate.



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13.2 Appropriate attendance at events for representatives of the Pension Fund Board and Pension Fund Committee will be determined by Officers of the Fund.

13.3 Owing to the changing world of pensions, it will also be necessary to have ad hoc training on emerging issues or on a specific subject on which a decision it to be made in the near future.

13.4 Members and Officers using the platform will be asked to review their experience of the platform at the end of the 12-month period from the date of the strategy approval. The feedback received will denote the preferred route for continual mandatory training going forwards.

14. Risk Management

14.1 The risks associated with the delivery of a successful training Strategy is as follows:

Risk	Mitigation
Frequent changes in membership of the Pension Fund Committee or Pension Board	Training Strategy in operation and reviewed regularly, <u>with the Pension Regulators toolkit</u> core training to be undertaken within 6 months of appointment <u>and core mandatory framework modules to be undertaken within 12 months of appointment or approval of the Strategy. With current issues training undertaken within 3 months of release/access to the platform and other</u> with supplementary training undertaken when available.
Poor individual commitment	Attendance and training are monitored by Officers of the Fund and the Chairman/Chairwoman of the Committee/Board. Attendance is reported in the Fund's Annual Report and Statement of Accounts and the Committee and Board Reports are presented to Full Council Both lack of attendance and lack of training is addressed with the individual when deemed appropriate.
Resources not being available	Additional training opportunities will be highlighted to the Committee and Board via the Governance and Compliance Report.
Poor standards of training	Where appropriate, external advisors who are experts in their field, deliver training to cover the CIPFA skills and knowledge framework. Other in-house <u>in-house</u> training is delivered by Officers with specific knowledge in a particular area. External courses are vetted to ensure they are relevant before being added to the list of courses available. Feedback is sought after events are attended.



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14.2 ___ The risks will be monitored within the scope of the Training Strategy and the Risk Register will be amended where appropriate.

15. Reporting

15.1 ___ Training events will be highlighted at every meeting as part of the Governance and Compliance Report, Committee and Board members are expected to make Officers aware of any events that are of interest. Core training is expected to be taken up in the first instance as it has been specifically designed to cover the CIPFA core competencies and is therefore compulsory.

15.2 ___ The Chairs of the Pension Fund Committee and Local Pension Board will be provided with attendance at meetings [where training has been delivered](#) and [all](#) training undertaken by their members during the year.

15.3 ___ Training undertaken by Committee and Board members will be published in the relevant annual reports.

16. Costs

16.1 ___ All training costs relating to this Training Strategy are met by Cambridgeshire Pension Fund.



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