

Croydon Council

REPORT TO:	PENSION COMMITTEE 2 December 2014
AGENDA ITEM:	7
SUBJECT:	Elected Member Schedule of Training Opportunities
LEAD OFFICER:	Director of Finance and Assets (Section 151 Officer)
CABINET MEMBER	Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT: Sound Financial Management: This report sets out the steps that will be taken to ensure good governance in the administration of the local government pension scheme in Croydon by ensuring that decision makers have an appropriate level of skills and knowledge.	
FINANCIAL SUMMARY: All costs associated with the provision of training to elected members will be a charge to the Pension Fund.	
FORWARD PLAN KEY DECISION REFERENCE NO.: N/A	

1. RECOMMENDATIONS

- 1.1 The Committee is asked to note the schedule of training and education opportunities for elected members to ensure compliance with the CIPFA Knowledge and Skills Framework.

2. EXECUTIVE SUMMARY

- 2.1 This report sets out the suite of training opportunities open to elected members to ensure that they are compliant with the Knowledge and Skills Framework.

3. DETAIL

- 3.1 The Pension Committee received a report on training and support to elected Members at its 8th July meeting and directed officers to structure a programme of training and education. (Minute A22/14 refers). This report provides an update on the progress to deliver this programme and briefs the Committee on

developments relating to this area of governance for the Local Government Pension Scheme (LGPS).

3.2 The requirement to maintain an appropriate level of knowledge and skills is fundamental to the good governance of the Fund. The definition of the appropriate level of knowledge is set out in the CIPFA Knowledge and Skills Framework which represents best practice. Compliance with this Framework is reported in the Croydon Pension Fund Annual Report. From April 2015 compliance will be scrutinised locally and at the national level and breaches reported to the Department for Communities and Local Government and to the Pensions Regulator.

3.3 Although the situation in respect of the new arrangements is in flux, as the government has yet to publish final regulations, it is clear that there will be a clearer focus on training going forward, and it seems likely that the standards that will apply to the Pensions Board will also be imposed on Pension Committees. From April 2015 monitoring standards of knowledge and skills will be the responsibility of the Pensions Regulator. For officers this is integrated into professional standards, but for the Committee this will be a matter of local accountability and probably subject to audit scrutiny.

3.4 **Training Opportunities to date**

The Local Government Employers Organisation runs a three-day course covering the fundamentals required by elected members acting as trustees of the Scheme. 6 members have attended the first two sessions of the current course, and 4 members have attended previously. As part of the Framework Agreement with the Scheme Actuary, Hymans Robertson, 7 members attended a general introduction to current issues relating to the LGPS. AXA, the investment house, have also recently run a training event for elected members, which was attended by two committee members. At this point in time, with the caveat that the local government pension environment is dynamic and new issues arise all the time, this Committee is compliant with the Myners Principle requirement:

Decisions are taken by persons or organisations with the skills, knowledge, advice and resources necessary to make them effectively and monitor their implementation. Those persons or organisations have sufficient expertise to be able to evaluate and challenge the advice they receive, and manage conflicts of interest.

3.5 It should be noted that the proposal to review the Fund's asset allocation strategy will trigger a further, more specific training need. This will be addressed by that exercise.

3.6 **Off-site Fund Manager Visits**

In order to effectively discharge the Committee's responsibility to review the effectiveness of fund managers, the Committee plans to undertake a number of site visits.

Those currently being diarised are as follows:

January 2015 – Legal & General, who manage part of the equity portfolio.

February 2015 – Wellington, who manage part of the Fixed Interest portfolio.

March 2015 – Standard Life, who manage the other part of the Fixed Interest portfolio.

April 2015 – Schroders, who manage the property portfolio.

3.7 Other Opportunities

The fund manager conference season typically runs through October, after which training opportunities are rarer. As interesting events are identified the Pensions team will ensure that committee members are alerted.

3.8 In order to ensure that all training activities are recorded properly Members are asked to channel all training requests through the Head of Pensions and Treasury to ensure that all training is logged and reported in the Pension Fund Annual report.

4. RECOMMENDATIONS

4.1 The Committee is asked to note the training opportunities set out in this report.

5 FINANCIAL CONSIDERATIONS

5.1 The cost of training courses, conferences and workshops will be a charge to the Pension Fund.

6. OTHER CONSIDERATIONS

6.1 Other than the considerations referred to above, there are no customer Focus, Equalities, Environment and Design, Crime and Disorder or Human Rights considerations arising from this report

7. COMMENTS OF THE SOLICITOR TO THE COUNCIL

7.1 The Council Solicitor comments that there are no direct legal implications arising from this report.

(Approved by: Gabriel MacGregor, Head of Corporate Law on behalf of the Council Solicitor & Monitoring Officer).

CONTACT OFFICER:

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BACKGROUND DOCUMENTS: none