

The Local Government Pensions Committee
Secretary: Lorraine Bennett

CIRCULAR

Please forward this circular to your Treasurer/Director of Finance, HR department and Pension Officer(s) as quickly as possible

No. 314 – JUNE 2019

**16TH ANNUAL LGPS GOVERNANCE CONFERENCE
23 - 24 JANUARY 2020 – YORK
“PUBLIC SERVICE PENSION REFORM – LIFE AFTER
HUTTON”**

UPDATE ON FUNDAMENTALS 2019

Purpose of this circular:

1. This circular has been issued to update authorities on the forthcoming annual LGPS governance conference organised by the Local Government Pensions Committee (LGPC) as outlined in circular 313 of April 2019.

Background:

2. The conference programme retains its popular lunchtime-to-lunchtime format and is being held on Thursday 23 January and Friday 24 January 2020.

Venue:

3. The venue this year is The Principal York Hotel, Station Rd, York YO24 1AA the conference will run from 12:30pm on the 23rd January to 12:30pm on the 24th.

Conference Programme:

4. Full details of the conference programme are currently being finalised and will be released when all speakers and the programme has been confirmed. The planned programme is outlined below.

Day one – Thursday 23 January 2020	
12:30 – 13:50	Registration and buffet lunch
13:50 – 14:00	Welcome from the Chair
14:00 – 14:30	Keynote address
14:30 – 15:00	How the SAB levy is spent A look at the work being undertaken by the Scheme Advisory Board including a review of its achievements
15:00 – 15:20	Refreshments and networking
15:20 – 15:50	Checking compliance An expert evaluation of the role of local pension boards from the coal face
15:50 – 16:20	A Scheme member's perspective A summary of the impact of the Hutton reforms from the perspective of Scheme members
16:20 – 17:00	Panel session – is the cost cap fit for purpose? An opportunity to question an expert panel about the cost cap process
17:00 -17:15	Closing remarks from the Chair
20:00	Conference dinner followed by after dinner quiz

Day two – Friday 24 January 2020	
09:25 – 09:30	Welcome from the Chair
09:30 -10:00	Regulating the reforms How is the LGPS measuring up against the Pension Regulator’s standards on governance and administration?
10:00 – 10:30	Scheme simplification Five years on, is it time for a spring clean? A summary of the work being undertaken to simplify the scheme
10:30 – 11:00	Legal update All you need to know to keep the lawyers at bay!
11:00 – 11:20	Refreshments and networking
11:20 – 11:50	A view from the Responsible Authority MHCLG’s stewardship role with particular emphasis on managing and regulating the reform agenda
11:50 – 12:20	Investment spotlight A look at topical investment issues
12:20 – 12:30	Closing remarks from the Chair
12:30	Buffet lunch and networking

Booking:

- The conference is now available for booking. The conference fee is £515 plus VAT and is all inclusive. All meals are included from arrival to departure as well as overnight accommodation at The Principal Hotel, York.
- Due to the strictly limited number of places available, early booking is highly recommended.
- Booking for the conference is via the events on-line booking facility which is part of the Local Government Association’s website
<https://www.local.gov.uk/events>

Alternatively, click [here](#) which will take you directly to the conference booking page.

When booking, you will need full delegate details, including a mailing address if this is different to that to which the invoice for payment is to be sent. Our cancellation policy is available in our terms and conditions on the website.

If you experience any difficulties in using the on-line booking system or do not have access to the internet, please contact Elaine English, LGPS Executive Officer by email at: elaine.english@local.gov.uk.

Update Fundamentals Training:

Background

8. As outlined in Circular [313](#) Fundamentals' is a bespoke three day training course aimed at elected members and others who attend pension committees/panels and local pension boards. Past delegates include elected members, trade union representatives, member and employer representatives, as well as a variety of officers who attend/support committees and some private sector organisations who provide services to administering authorities.
9. The course provides a scheme overview and covers current issues in relation to administration, investments and governance of the LGPS. Attending all three days will assist delegates in meeting the relevant requirement for knowledge, skills and understanding either required in statute or encouraged by relevant guidance.
10. Each day has a different theme and each session is delivered by experts in their field. This year's speakers include representatives from:

AON

Mercer

Eversheds

MJ Hudson Allenbridge

Baillie Gifford

Investec

Investment Pools

Royal Bank of Canada

Hymans Robertson

Barnet Waddingham

Cheshire Pension Fund

Ministry of Housing, Communities and Local Government

Secretariat to the Scheme Advisory Board

Secretariat to the Local Government Pensions Committee

The event also provides delegates with valuable networking opportunities.

11. A programme for the course is attached at **Appendix A**. The content will be adapted to include any major developments in the world of local government pensions should they occur between now and the training taking place. The final programme may differ.
12. Each day's programme will start at 10am, with registration and coffee from 9:30am, and close by 4pm with refreshments and lunch provided.

13. Bookings are now open for 'Fundamentals'. If you would like to attend please see details below. Please click on the date to take you directly to the booking page. The 2019 dates and venues are confirmed as:

Day 1	London	LGA offices, Westminster	3 October 2019
	Leeds	Marriott Hotel	17 October 2019
	Cardiff	Marriott Hotel	31 October 2019

Day 2	London	LGA offices, Westminster	6 November 2019
	Leeds	Marriott Hotel	14 November 2019
	Cardiff	Marriott Hotel	21 November 2019

Day 3	Leeds	Marriott Hotel	5 December 2019
	Cardiff	Marriott Hotel	12 December 2019
	London	LGA offices, Westminster	18 December 2019

14. Identical material will be delivered at each location. Delegates are therefore able to attend the course by visiting different locations, should their diaries not allow attendance on all three days at the same location. Although we recommend that delegates attend all three days, it is possible to attend just one or two days if preferred.

Actions for Administering Authorities

15. All administering authorities are urged to copy this circular and the associated conference flyer to all interested parties including pension committee/panel members, local pension board members and employers in their fund or, alternatively direct them to the booking page at <http://www.local.gov.uk/events> where more information can be found.

Karl White
Pensions Adviser (Training)
June 2019

Distribution sheet

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Local Government Pensions Committee
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MHCLG
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LGPC
18 Smith Square
Westminster
London
SW1P 3HZ
Or email: karl.white@local.gov.uk

Appendix A.

PROGRAMME

Fundamentals 2019 - Day 1

- 9.30 **Registration and Coffee**
- 9.55 **Chairs introduction to the day**
- 10.00 **Legal Framework of the Scheme**
- The LGPS in its legal context
 - General local authority legal issues
 - LGPS specific duties and responsibilities
 - Wider duties and responsibilities
 - What happens when things go wrong?
- 11.15 **Coffee Break**
- 11:30 **Governance Framework**
- The Hutton Report
 - The Public Service Pensions Act 2013
 - The law governing –
 - The Responsible Authority (MHCLG)
 - Scheme Advisory Board
 - Local Pension Boards
 - Asset Pools
- 12.45 **Lunch**
- 1.30 **Benefit Structure**
- The basis of the LGPS
 - Final salary v CARE schemes
 - A tour of the 2014 Scheme.
 - Administering authority and scheme employer roles
- 2:45 **Break**
- 3:00 **Investment Framework**
- The Management and Investment of Funds Regulations – a history
 - Statement of Investment Principles
 - Investment Strategy Statement (ISS)
 - ISS Statutory Guidance
 - Funding Strategy Statement
 - Annual reports and auditing
- 4.00 **Close**

PROGRAMME
Fundamentals 2019 - Day 2

- 9:30 **Registration and Coffee**
- 10:00 **Investing strategically**
- What is asset allocation and why it really drives return
- 11:15 **Break**
- 11:30 **Managing the Risk**
- From exchange rates to politics to climate change
- 12.45 **Lunch**
- 1.30 **Acting Responsibly**
- Why it's not just about the short-term financial return
- 2.15 **Break**
- 2:30 **Realising Value**
- The journey from gross to net return and why costs matter
- 3:15 **Taking a wider view**
- Why diversity matters in the who and the how of investing
- 4:00 **Close**

PROGRAMME

Fundamentals 2019 - Day 3

- 9:30 **Registration and Coffee**
- 10:00 **Duties and responsibilities of Pension Committee and Board members**
- The evolving requirements
 - Committee vs Board - delegation and representation
 - The governance budget
 - The Pension Regulator's involvement
 - Standing agenda items, breaches of law, knowledge and training
- 11:15 **Break**
- 11:30 **Preparing and maintaining Scheme strategies and policies**
- Mandatory and desirable policies in the LGPS
 - How strategies and policies assist the scheme manager
- 12:45 **Lunch**
- 1:30 **Data and oversight from other bodies**
- The importance of data for pensions
 - Obligations to bodies with oversight over the LGPS
- 2:15 to 4:00 (break at 2.45)
- Valuations, Exit Payments and Funding**
- Valuations**
- The purpose of an actuarial valuation
 - Assets and liabilities
 - How do liability calculations work?
 - What assumptions are used?
- Funding**
- What is the Funding Strategy?
 - Different employers – different characteristics and objectives
 - Employer covenants
- 3:55 **Course Review and Further Information**
- 4:00 **Close**