

Report of the Director, West Yorkshire Pension Fund, to the meeting of West Yorkshire Pension Fund Pension Board to be held on 28 June 2022

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Subject: Training Strategy

Summary statement:

The role of The Pension Board, as defined by sections 5(1) and (2) of the Public Service Pensions Act 2013 is to assist the Council as Scheme Manager in ensuring the effective and efficient governance and administration of the Local Government Pension Scheme (LGPS) including securing compliance with the LGPS regulations and any other legislation relating to the governance and administration of the LGPS; securing compliance with the requirements imposed in relation to the LGPS by the Pensions Regulator; and any other such matters as the LGPS regulations may specify.

To be able to assist the Scheme Manager and meet the requirements of the Public Service Pensions Act 2013, Pension Board Members must be able to demonstrate suitable knowledge and skills relating to the LGPS to effectively scrutinise the decisions made by officers.

The training of Pension Board members to understand their responsibilities and the issues they are dealing with is a very high priority.

Recommendation

It is recommended that the Local Pension Board adopt the training strategy as the formal commitment to meeting the requirement to demonstrate their knowledge and skills of the LGPS and assist the scheme Manager as defined by the Public Service Pensions Act 2013.

Rodney Barton
Director

Report Contact Matt Mott
Phone: 07815 476877
Email: matthew.mott@wypf.org.uk

1. Background

- 1.1 The requirements for Occupational Pension Boards to demonstrate understanding of their pension scheme was first introduced in the Pensions Act 2004.
- 1.2 Local Pension Boards were introduced in the LGPS regulations 2013
- 1.3 The role of The Pension Board was then defined by sections 5(1) and (2) of the Public Service Pensions Act 2013
- 1.4 Pension Board members have a statutory obligation to demonstrate their knowledge and skills of their pension scheme.
- 1.5 There is a strengthening of the Governance covenant nationally as the Scheme Advisory Board (SAB) seeks a consistent and high standard of administration across the LGPS.

2 Board Training

- 2.1 Since the inception of the Pension Board, Members have undertaken training.
- 2.2 Individual Board Members have regularly completed modules on the TPR Public Service Toolkit, attended regular sessions with the scheme actuary regarding valuation and attended various conferences and seminars
- 2.3 There has been no formal Pension Board commitment to attaining the required knowledge and skill training
- 2.4 All Pension Board Members have a statutory obligation under the Public Service Pensions Act 2013 to demonstrate the appropriate knowledge and skills in relation to LGPS pension matters and will:
 - have their knowledge measured and assessed;
 - receive appropriate training to fill any knowledge gaps identified; and
 - seek to maintain their knowledge.

3 Training Strategy

- 3.2 The Training Strategy enables the Board to formally state its intention to meet its statutory obligations and commit all Board members to demonstrating they have, or will attain, the required level of knowledge and skills for the LGPS
- 3.3 TPR are producing a further Code of Practice (anticipated Autumn 2022) which is expected to increase the requirements of the Pension Board to be fully compliant with their scheme rules and pension legislation.

- 3.4 SAB are expected to introduce guidance with anticipated scheme regulation amendments, requiring Board members, and other Boards & Committees associated with Pension Funds, to have the necessary understanding of their scheme to assist and challenge the scheme manager in the administration of the scheme.
- 3.5 Adopting the Training Strategy will enable the Pension Board to meet current and future regulatory requirements and pave the way for associated Boards and Committees (JAG & IAP) to adopt a common approach to knowledge and skills, demonstrating a joined up approach across WYPF in meeting its statutory obligation as an LGPS Administrator.

4. Recommendation

It is recommended that the Local Pension Board adopt the training strategy as the formal commitment to meeting the requirement to demonstrate their knowledge and skills relating to the LGPS and assist the scheme Manager as defined by the Public Service Pensions Act 2013.