



**DRAFT**  
**Training policy**

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## **Introduction**

This is the Training policy (the Policy) of Derbyshire Pension Fund (the Pension Fund/the Fund) which is managed and administered by Derbyshire County Council (the Council).

The Policy sets out the training strategy for members of the Pensions and Investments Committee (the Committee), members of the Local Pension Board (the Pension Board), and Senior Officers involved in the management of the Fund.

The Policy is established to aid members of the Committee and the Pension Board, together with Senior Officers in performing and developing personally in their individual roles, with the aim of ensuring that the Fund is managed by individuals who have the appropriate levels of knowledge and skills.

### **To whom this policy applies**

This Policy applies to:

- All members of the Pensions and Investments Committee
- All members of Derbyshire Pension Board
- Senior officers involved in the management and administration of the Fund

Other officers involved in the daily management of the Fund will also be required to have appropriate knowledge and skills relating to their roles, which will be determined and managed by the Head of Pension Fund.

Officers of employers participating in Derbyshire Pension Fund who are responsible for pension matters are also encouraged to maintain a high level of knowledge and understanding in relation to LGPS matters.

### **Aims and objectives**

Derbyshire County Council recognises its responsibilities as the Administering Authority of Derbyshire Pension Fund on behalf of its stakeholders which include:

- Around 95,000 current and former members
- Around 350 employers
- Local taxpayers

In relation to training, the Administering Authority's objectives are to ensure that:

- Those persons charged with the financial management and decision making with regard to the Fund are fully equipped with the knowledge and skills required to discharge the duties and responsibilities allocated to them.
- Those persons responsible for the day-to-day administration and running of the Fund have the appropriate level of knowledge and skills required to discharge their duties and responsibilities.

- Those persons responsible for reviewing and approving the Fund's strategies and policies and for overseeing the governance of the Fund have sufficient knowledge and understanding, to be able to evaluate and challenge the advice they receive to ensure their decisions are robust and soundly based, to recognise and challenge performance management and legislative compliance information, and to effectively discharge their duties and responsibilities.

All Committee and Pension Board members and Senior Officers to whom this Policy applies are expected to continually demonstrate their own personal commitment to training and to ensuring that these objectives are met.

### **Relevant legislation and guidance**

To assist in achieving these objectives, the Fund has adopted the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on LGPS Knowledge and Skills (the CIPFA Code) and the Knowledge and Skills Framework for LGPS Committee Members and LGPS officers (CIPFA Framework).

Both the CIPFA Code and CIPFA Framework will apply to all Committee members and Board members, together with Senior Officers involved in the management and administration of the Fund.

The Fund will also have regard to the knowledge and skills requirements of:

- Pensions Act 2004
- Public Pensions Services Act 2013
- The Pensions Regulator's Code of Practice
- MIFID II
- DLUHC Statutory Guidance
- Guidance from the England & Wales Scheme Advisory Board

### **Code of Practice on LGPS Knowledge and Skills 2021**

The CIPFA Code and CIPFA Framework were updated in 2021. In line with the CIPFA Code, the Committee has adopted the following statements, as recommended by the CIPFA Code:

1. This LGPS administering authority adopts the key principles of the Code of Practice on LGPS knowledge and skills.
2. This LGPS administering authority recognises that effective management, governance, decision making and other aspects of the delivery of the LGPS can only be achieved where those involved have the requisite knowledge and skills to discharge the duties and responsibilities allocated to them.
3. This administering authority has in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements to effectively acquire and retain LGPS knowledge and skills for those reporting for the management, delivery, governance and decision making of the LGPS.

4. These policies and practices will be guided by reference to a comprehensive framework of knowledge and skills requirements such as that set down in the CIPFA LGPS Knowledge and Skills Framework.
5. This administering authority will ensure that it has adequate resources in place to ensure all staff, members or other persons responsible for the management, decision making, governance and other aspects of the delivery of the LGPS acquire and retain the necessary knowledge and skills.
6. This administering authority will report annually on how their knowledge and skills policy has been put into practice throughout the financial year in the Fund's annual report.
7. This administering authority has delegated the responsibility for the implementation of the requirements of the CIPFA Code of Practice to the appropriate officer, who will act in accordance with the administering authority's knowledge and skills policy statement, and, where they are a CIPFA member, with CIPFA Standards of Professional Practice (where relevant).

In line with the CIPFA Code, the Fund will publish, and make available to all stakeholders, a copy of the Policy on its website.

### **CIPFA Knowledge and Skills Framework**

The CIPFA Framework was published in 2021 and identifies eight core technical areas where appropriate knowledge and skills should be achieved and maintained. They are:

1. **Pensions Legislation and Guidance**

A knowledge of the framework of legislation and guidance and the way in which it affects the management and operational aspects of the LGPS.

2. **Pensions Governance**

Understanding the requirements of the current and evolving governance framework for the LGPS as well as wider pensions industry frameworks that apply and impact the governance of the LGPS.

3. **Funding Strategy and Actuarial Methods**

To understand the work of the Actuary and the way in which actuarial information impacts both the finances of the Scheme and Scheme Employers.

4. **Pensions Administration and Communication**

To understand the complex nature of administering scheme benefits and contributions and the industry wide requirement of disclosure and data quality, to ensure decisions made are in compliance with the regulations.

5. **Pensions Financial Strategy, Management, Accounting, Reporting and Audit Standards**

To understand the way LGPS pension funds are resourced, budgeted, and accounted for and the role internal and external auditors play in assuring the administering authority complies with statutory requirements.

- 6. Investment Strategy, Asset Allocation, Pooling, Performance and Risk Management**  
To gain an understanding of investment risks (including emerging risks), asset allocation and its impact on investment performance, investment pooling arrangements.
- 7. Financial Markets and Products**  
An understanding of the workings of financial markets and the investment vehicles available in relation to the Fund's investment strategy.
- 8. Pension Services Procurement, Contract Management and Relationship Management**  
An understanding of procurement requirements, including availability of LGPS specific frameworks, to enable the appointment of third-party providers to facilitate efficient and effective pensions operations.

## **Derbyshire Pension Fund annual training plan**

The Administering Authority recognises the importance of training in ensuring that Committee members, Pension Board members and Senior Officers attain, and then maintain, the relevant knowledge and skills to manage the Fund.

The Fund's annual training plan will be guided by reference to the CIPFA Pensions Finance Knowledge and Skills Framework, based on training needs as identified from the completion of annual knowledge and skills evaluation forms (see below). The annual training plan will be shared with Committee members, Pension Board members and Senior Officers shortly after development.

The approach to training will be supportive in nature with the intention of providing Committee and Pension Board members and Senior Officers with regular sessions that will contribute to their level of knowledge and skills.

### **Training needs**

The individuals to whom this policy applies will be required to complete an annual knowledge and skills self-evaluation forms which will identify the key areas/gaps in which training is required. Training on the identified areas will be provided as necessary alongside training in relation to new relevant areas not previously considered. The degree of knowledge and skills required should be appropriate to enable individuals to carry out their roles, responsibilities and duties.

### **Degree of knowledge and understanding required**

In developing the annual training plan, consideration will be given as to the level of knowledge needed for each group of individuals. For example, Committee and Pension Board members may require only an 'awareness' or 'general understanding' of some of the areas, whereas Senior Officers may require 'detailed' or 'expert' knowledge of the same topic.

The levels of knowledge that will be considered when drawing up the annual training plan and scheduling training events will be in line with Annex A of the CIPFA Framework, in ascending order:

For Committee and Pension Board members:

- An awareness, i.e. recognition that a subject matter exists.
- A general understanding, i.e. understanding the basics in relation to the subject matter.
- A strong understanding, i.e. a good level of knowledge in relation to the subject matter (but not necessary at detailed level).

For Senior Officers:

- A strong understanding, i.e. a good level of knowledge in relation to the subject matter (but not necessary at a detailed level).
- A detailed level of knowledge in relation to the subject matter.
- An expert level of knowledge in relation to the subject matter.

### **Training delivery**

Training will be delivered through a variety of methods including:

- In-house training provided by officers or external trainers
- Shared training with other LGPS funds
- External training events
- Circulation of reading materials
- Attendance at seminars and conferences
- Links to on-line training such as that provided by the Pensions Regulator

### **Training log and reporting**

To identify whether the delivery of this policy is being met, the Administering Authority will maintain a training log which records attendance at training events. A report on attendance at training sessions will be included in the Fund's Annual Report.

### **Induction process**

On joining either as a Committee member, Pension Board member or a Senior Officer, the Fund will provide induction training in a timely manner.

### **Substitute Members**

Substitute members of Committee should ideally have sufficient knowledge and skills to fulfil the role effectively and be provided with access to training as required.

## **Costs**

All training costs related to this Policy will be met by the Fund.

## **Responsible officer**

The Head of Pension Fund will be responsible for ensuring that this Training Policy is implemented.