

Essex Pension Fund Strategy Board	PSB 10
Date: 07 July 2021	

Update on Members Training

Report by the Director for Essex Pension Fund

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1. Purpose of the Report

- 1.1 To provide the Board with an update in regard to their Training including an example of the draft proposed Training Plan for the next two-years based on the outcome of a Board/Committee Members' Individual Training Needs Analysis (TNA).

2. Recommendations

- 2.1 That the Board note the update and next steps following receipt of the outstanding TNA's.

3. Background

- 3.1 The Board approved the new Knowledge and Skills Strategy at their 16 December 2020 meeting.
- 3.2 The Strategy was developed to aid Essex Pension Fund Strategy Board (PSB), Investment Steering Committee (ISC) and Essex Pension Fund Advisory Board (PAB) Members in performing and developing personally in their individual roles, with the ultimate aim of ensuring the Fund is managed by individuals who have appropriate levels of knowledge and skills and are able to discharge their role effectively.
- 3.3 The revised Strategy incorporates the Chartered Institute of Public Finance and Accountancy (CIPFA), The Pensions Regulator (TPR), Markets in Financial Instruments Directive (MiFID II) requirements and Ministry of Housing, Communities and Local Government (MHCLG) Statutory Governance Guidance.

4. Approach

- 4.1 The approach to the delivery of training as detailed within the Strategy would be carried out through a variety of methods including:
 - One-to-One Briefings with Officer/Adviser(s);
 - Members' Briefing Notes;
 - Bitesize training / Hot Topics;
 - In-house Training Events / Workshops;
 - External Conferences & Training Seminars; and
 - E-Learning / Webinars.
- 4.2 With the predominant focus to achieve the rolling two year Training Plan by working through the upcoming CIPFA Knowledge and Skills Framework modules (when available) and the key areas identified within the forthcoming TPRs Code of Practice, it has been identified that Members have requested a mixture of training approaches (face to face / interactive webinars / self learning on a training platform).
- 4.3 With this in mind, Fund Officers recommend Members may wish to utilise the Aon webinars listed as part of the Schedule of Future Meetings and Events

paper and/or the Hymans Robertson LGPS Online Learning Academy. The Compliance Team will be in touch with Members after the meeting to seek their preference.

- 4.4 To assist Members with their decision, an overview of the delivery methods are provided below:

Aon	Hymans Robertson
Webinar	E-learning
To be carried out at specific time on specific date	To be carried out at own pace (self learning)
Interactive webinar	Self completion

5. Update on Training Plan

- 5.1 As agreed as part of the Knowledge and Skills Strategy, Training Needs Analysis TNA meetings are in the process of being carried out with all Members, with the exception of the new Members whose TNA's will be arranged following their first six month's commencement on the Board.
- 5.2 A two-year Training Plan will be developed and a high level summary of the Plan has been provided at Appendix A of this report.

6. Next Steps

- 6.1 Currently the Fund are only in receipt of six completed TNAs, and are currently organising one to one meetings to discuss further. In order for the remaining meetings to be organised, please can Members (with the exception of the newly appointed Members), complete and return their TNA questionnaires to the Compliance Manager as soon as possible.
- 6.2 Fund Officers propose that an update on progress against the Training Plan is periodically provided to the Board.
- 6.3 In addition, Fund Officers will continue to develop the Training Plan incorporating the level of training required for each subject matter and will

present the detailed Plan to the Board at a future meeting for approval. In addition, each Member will receive their Individual Training Plan once all data has been provided to Officers.

7. Link to Essex Pension Fund Objectives

7.1 The receipt of the relevant training for Board/Committee Members will assist the Board in achieving the following Fund objectives:

- Act with integrity and be accountable to our stakeholders;
- Ensure the Pension Fund is managed and its services delivered by people who have the appropriate knowledge and expertise; and
- To ensure the Fund's investments are properly managed before, during and after pooling is implemented.

8. Risk Implications

8.1 Failure for Members to undertake relevant training could result in:

- Failure of governance arrangements to match up to statutory requirements and recommended best practice leads to financial loss and reputational damage;
- A lack of expertise, insufficient knowledge and maintenance of the PSB, ISC and PAB arising out of high turnover and/or changes within the LGPS benefit structure, regulations and associated directives/deliverables; and
- The implementation of MiFiD II (January 2018) leads to the Fund being categorised by some / all of its service providers as a 'retail client' - the result of which could reduce the range of sub asset classes in which the Fund is able to invest, and may even require disinvestment from the current portfolio.

9. Communication Implications

9.1 The Board will be updated on progress against the Training Plan periodically.

9.2 Other than ongoing reporting to the Board, there are no communication implications.

10. Finance and Resource Implications

- 10.1 All cost implications are fully assessed by Fund Officers prior to any training package being undertaken.

11. Background Papers

- 11.1 Essex Pension Fund Policies, PSB 06, 16 December 2020.