

Essex Pension Fund Strategy Board	PSB 03
Date: 22 September 2021	

Outcome of Individual Training Needs Analysis (TNA) and proposal for Online Training

Report by the Compliance Manager

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Executive Summary

Following the conclusion of all TNAs, a PSB/ISC Two-Year Training Plan, PAB Training Plan and Individual Training Plans have been developed with the overall Plans provided at Appendix A and B respectively for the Board's approval.

Taking onboard feedback from Members, Steven Law from Hymans Robertson has been invited to demonstrate their Online Learning Academy for Members consideration.

1. Purpose of the Report

- 1.1 To provide the Board with the outcome of the Individual TNA and agree the proposed Essex Pension Fund Strategy Board (PSB) and Investment Steering Committee (ISC) Training Plan for the next two-years. In addition, along with the Essex Pension Fund Advisory Board (PAB) Training Plan.
- 1.2 To provide the Board with a demonstration in regard to the Hymans Robertson Online Learning Academy.

2. Recommendations

- 2.1 That the Board **agree:**

- to note the outcome of the TNA's and the two-year PSB/ISC and PAB Training Plans; and
- the Fund sign up to the Hymans Robertson Online Learning Academy.

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 PSB, ISC and 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 fulfil and discharge their role effectively.
- 3.3 The revised Strategy incorporates the requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA), The Pensions Regulator (TPR), Markets in Financial Instruments Directive (MiFID II) and Ministry of Housing, Communities and Local Government (MHCLG) Statutory Governance Guidance.

4. Board/Committee and Individual Training Plans

- 4.1 A two-year PSB/ISC and PAB Training Plans have been developed and are provided at Appendices A and B of this report.
- 4.2 In addition, each Member should now be in receipt of their Individual Training Plans.
- 4.3 All Training Plans will be updated periodically to ensure Members can keep track of their performance.
- 4.4 In addition, this will be reported to the Board as part of the Fund's Scorecard.

5. Training Approach

- 5.1 The Strategy outlines a variety of methods for the delivery of training 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.

5.2 Based on the outcome of the Individual TNA discussions, it was concluded there was preference by Members for a mixture of training methods, from formal face to face to self-learning.

5.3 As a consequence, Officers have investigated the market for appropriate self-learning platforms and have identified Hymans Robertson Online Learning Academy as an option that could assist Members in completing their Training Plans, should Members wish to utilise the self-learning option.

5.4 The Online Learning Academy allows the users to complete the six Modules at their own pace. Each Module comprises of a short video in a variety of formats which is then followed by an end of Module self-assessment.

6. Link to Essex Pension Fund Objectives

6.1 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.

7. Risk Implications

7.1 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.

8. Communication Implications

- 8.1 The Board will be updated on progress via the Scorecard against the Training Plan.
- 8.2 Other than ongoing reporting to the Board, there are no communication implications.

9. Finance and Resources Implications

- 9.1 The cost for the Learning Academy has been quoted at £4,770 for 27 licences per annum and will be met out of the Fund's budget.

10. Background Papers

- 10.1 Update on Members Training, PSB 10, 07 July 2021.
- 10.2 Essex Pension Fund Policies, PSB 06, 16 December 2020.