

TRAINING UPDATE	
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<i>Papers with this report</i>	None
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SUMMARY

This report provides an update on training and development of Pension Committee members in line with the Training Policy approved by Pensions Committee in December 2015 and an update on report to committee in March 2017.

RECOMMENDATIONS

It is recommended that Pensions Committee note the contents of this report

INFORMATION

Further to the adoption of the Training policy in December 2015, a training register is maintained to log training received by Pension Committee members, Local Pension Board members and Officers to record and track knowledge and skills.

Pensions Committee are responsible for exercising a duty of care and have a fiduciary responsibility to the fund, employers and potential beneficiaries of the fund. Although there is not a statutory requirement for Pension Committee members to undertake training, there is such a statutory requirement for local Pension Board members. Due to the increased responsibility and decision-making requirements. It is recommended as best practice for Pensions Committee members to apply the same principles and to seek to develop a sound level of knowledge and understanding. As a result of the introduction of MIFID II in January 2018, Pension Committee need to evidence they have the relevant skills and knowledge to make decisions on behalf of the fund as a professional investor.

Utilising the training needs analysis and training plan adopted by committee in December 2015, officers have invited members of Pensions Committee and Pensions Board to relevant courses, seminars and workshops that will complement and enhance their existing knowledge.

Pension Committee Members Training Update

Subsequent to the last training update paper presented to Pensions Committee in March 2017. Members have undergone various training programmes both internally and externally on issues such ESG matters, Legislative framework and structure of LGPS, key governance requirements and investment strategy issues in relation to asset pooling.

An in-house information session was presented by KMPG to discuss financial risks associated with Environmental, Social & Corporate Governance (ESG). The report outlined the requirement for funds to have an ESG policy, the funds approach to ESG and the fund's investment managers' approaches to ESG including climate change.

During the month of July 2018, three new members of the Pensions Committee attended two full training days, conducted by Aon Hewitt on both regulatory and investment frameworks of LGPS funds to provide them with knowledge of the mode of operation consistent with operating an LGPS fund. The training also included understanding of actuarial methods utilised to determine the funding position of LGPS funds, thus driving the investment strategy.

Also in July 2018, an in-house training was conducted, through a presentation of detailed paper to all members of the Pensions Committee and attendees at the committee meeting by KPMG on an overview Hillingdon Pension Fund asset allocation and manager structure to support the future direction and proposed changes to strategy and asset allocation.

Over the next few months, officers have identified more training opportunities for committee members. Below are a list of such training programmes.

1. London CIV Infrastructure fund forum, November.
2. MHCLG and SAB Infrastructure event, November – Committee Chair to attend
3. The CIPFA Annual Pension Conference, 22nd November 2018, London. With a focus on the economy, good governance and the reform process, this Conference will provide the thought leadership for all those involved in the LGPS Scheme. It will enable delegates to come together and hear from experts on a range of topics and to discuss with peers how these changes will affect across Funds of all sizes and locations
4. 15th Annual LGPS Governance Conference 17-18 January 2019 – Bristol, titled “Clarity in Confusion”. It is aimed at all persons involved in running LGPS funds including Committee and board members and officers. The event will provide:
 - a. An update on the latest developments in the LGPS
 - b. insight into the current governance and investment issues in the LGPS
 - c. the opportunity to share experiences with local authority colleagues in a relaxed environment and discover how they are handling the challenging environment.

Information on future external training opportunities will be fed back to members as they are identified as an ongoing commitment to ensure their skills and knowledge required to administer the fund are up to date.

New members to the Pensions Committee will be asked to complete the CIPFA knowledge and Skills Learning needs analysis now they have started to obtain specialist knowledge in this area. Members who have completed the matrix will be asked to review and refresh. Training needs gaps will provide the basis for ongoing training provided in house.

FINANCIAL IMPLICATIONS

The financial implications are contained within the body of the report

LEGAL IMPLICATIONS

There are no legal implications in the report.