Training Strategy

2025

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1. **Introduction**
   1. This is the Training Strategy for the Northamptonshire Pension Fund.
   2. The Training Strategy is established to aid members of the Pensions Committee and Local Pension Board, as well as Fund Officers and the Section 151 Officer, in performing and developing in their roles and to equip them with the necessary skills and knowledge to act effectively in line with their responsibilities. Local Government Pension Scheme (LGPS) Funds are expected to follow the CIPFA Knowledge and Skills Framework.

1.3 The objective of CIPFA’s Knowledge and Skills Framework is to determine and set out the knowledge and skills sufficient to enable the effective analysis and challenge of decisions made by Officers and advisers to the Fund.

1.4 This Training Strategy takes into consideration the requirements of the Scheme Advisory Board Good Governance Review, the Pensions Regulator’s General Code of Practice, the Markets in Financial Instruments Directive (MiFID II), and the CIPFA Knowledge and Skills Framework, to ensure it encompasses best practice.

1. **Fund Objectives**
   1. The Northamptonshire Pension Fund objectives relating to knowledge and skills are to:

* To ensure compliance with the LGPS Regulations and other legislation and guidance, including the Pensions Regulator’s Code of Practice.
* To ensure robust processes, controls and risk management are in place.
* To ensure individuals responsible for managing the Fund and delivering its services have the appropriate knowledge and expertise.

1. **Effective date and reviews** 
   1. The Strategy was first approved by the Pension Fund Committee on 16 December 2016 and was effective from 17 December 2016. The Strategy has since been subject to the following reviews:

|  |  |
| --- | --- |
| **Date of review** | **Review type** |
| 14 December 2018 | Committee |
| 15 December 2021 | Committee |
| 24 July 2023 | Committee – material changes |
| 19 March 2025 | Committee - material changes |

3.2 This Strategy will be reviewed by the Pension Committee every three years, and if necessary, more frequently to ensure it remains accurate and relevant. Officer reviews will be conducted on an annual basis.

1. **CIPFA’s Code of Practice on Public Sector Pensions Finance, Knowledge and Skills (the “Code of Practice”)**

4.1 CIPFA’s Code of Practice, was first issued in 2013, and embedded the requirements for the adequacy, acquisition, retention and maintenance of appropriate knowledge and skills required. It recommends (amongst other things) that LGPS administering authorities:

* Formally adopt the CIPFA Knowledge and Skills Framework in its knowledge and skills statement;
* Ensure the appropriate policies and procedures are put in place to meet the requirements of the Framework (or an alternative training programme);
* Publicly report how these arrangements have been put into practice each year.

4.2 The Code of Practice was updated in 2021 and provides an overview of the standards that all CIPFA members must adhere to when administering and managing pension funds and benefits on behalf of employee’s and scheme members. The code includes focus on the increasing need for knowledge and skills and ongoing maintenance of this knowledge.

1. **CIPFA Knowledge and Skills Framework**

5.1 In July 2021, CIPFA published its revised Knowledge and Skills Framework aimed at Pension Committee and Board members as well as senior Officers. The contents of the framework have been updated with transparency in mind with particular emphasis on decision makers.

5.2 The principles of the guide include the need for formal objectives, policies, practices and strategies concerning the knowledge and skills of those responsible for the fund. Administering authorities must maintain effective, ongoing maintenance and development of knowledge, addressing gaps where required and increasing skills as appropriate.

5.3 Northamptonshire Pension Fund has adopted the Hymans Robertson LGPS Online Learning Academy (LOLA) to deliver training that mirrors the Knowledge and Skills Framework.

The areas covered are as follows:

• Committee Role and Pensions Legislation.

• Pensions Governance.

• Pensions Administration.

• Pensions Accounting and Audit Standards.

• Procurement and Relationship Management.

• Investment Performance and Risk Management.

• Financial Markets and Product Knowledge.

• Actuarial methods, Standards and Practice.

5.5 There are also current issues modules which are regularly updated and includes topics such as Pensions Dashboard, GAD Section 13 and Cyber Risk which are supplementary to the Framework.

# **The Pensions Regulator’s General Code of Practice**

* 1. In March 2024 the Pensions Regulator published its General Code of Practice, which placed a greater emphasis on knowledge and understanding and the Fund is required to maintain effective systems of governance.
  2. The key areas are as follows:

1. Legal and Regulatory Knowledge.
2. Scheme Specific Knowledge.
3. Ongoing Learning and Development.
4. Governance and Administration.
5. Risk Management.

6.3 The requirements ensure that Committee and Board members, and Officers, can effectively manage the Fund and make informed decisions in the best interests of scheme members.

1. **The Pensions Regulator’s E-learning toolkit**

7.1 The Regulator has an online toolkit designed to help those running public service schemes to understand the governance and administration requirements in the General Code of Practice. The toolkit is an easy to use resource and covers 7 compulsory short modules. These are:

* Conflicts of interests.
* Managing risk and internal controls.
* Maintaining accurate member data.
* Maintaining member contributions.
* Providing information to members and others.
* Resolving internal disputes.
* Reporting breaches of the law.

7.2 These modules are designed to apply to all public service schemes and are not LGPS specific.

7.3 Completion of the toolkit in conjunction with the CIPFA core competencies will provide Pension Committee and Local Pension Board members with a good grounding for their respective roles. Officers will issue details of the toolkit upon appointment and will request this to be completed within 6 months.

1. **Pension Review/Good Governance Review** 
   1. The government’s aim is to encourage continuous improvement across the scheme, combined with consistent standards on knowledge and understanding and improved reporting. The majority of the proposals are based on the Scheme Advisory Board’s Good Governance Project which concluded in 2021.
   2. For knowledge and skills specifically the government proposes to require that Committee members, the senior officer and Officers should have the appropriate level of knowledge and understanding for their roles, and that the requirements for pension committee members and local pension board members should be aligned. This change aims to ensure that those involved in the management of LGPS funds have the capability to carry out their duties as needed and can exercise the correct level of oversight on investments, governance, and administrative matters.
2. **Markets in Financial Instruments Directive II (MIFID II)**

9.1 The Northamptonshire Pension Fund need to demonstrate a high level of skills and knowledge across the Committee and Board to enable the Fund to opt-up and be recognised as a professional investor rather than a retail investor. This enables the Fund to continue to receive advice and access to investment products at a level commensurate with the types of investment required.

9.2 Failure to adequately demonstrate a high level of collective skills and knowledge across the Pension Committee and Local Pension Board could result in the loss of professional investor status and therefore access to the appropriate investment opportunities.

1. **Meeting the deliverables in the Annual Business Plan and Medium-Term Strategy**

10.1 There will be times when targeted training will need to be delivered in order to assist the Pension Committee and Local Pension Board in their roles in connection with the key deliverables as detailed in the Annual Business Plan and Medium-Term Strategy.

10.2 These deliverables include, but are not limited to, activity such as the review and approval of the Funding Strategy Statement as part of the triennial Actuarial Valuation and Responsible Investing as part of the Investment Strategy Statement. Specific training in relation to these matters will be delivered at the appropriate times to ensure effective decisions are made.

1. **Delivery of training**

11.1 The Hymans Robertson LOLA platform is designed to support the training needs of Pension Committees, Pension Boards and Fund Officers, and is designed to supplement the training schedule. The learning consists of a series of short video presentations with supplemental learning materials and quizzes. The training is delivered in an efficient and engaging way in order that member can access it when convenient.

11.2 The training consists of the 8 CIPFA Framework topics and current issues facing the LGPS.

11.3 The completion of the LOLA modules and the Pensions Regulator e-learning programme are a compulsory requirement of the Training Strategy.

11.4 The online platform will be regularly updated, and members will be notified of the updates via email.

11.5 In addition to the compulsory training above, the following training is also encouraged -

* In-house and shared training events with Cambridgeshire Pension Fund where it improves economy, efficiency and effectiveness.
* Self-improvement and familiarisation with regulations and documents.
* Attending relevant courses, seminars and external events.
* Internally developed training days and pre/post meeting sessions.
* Shared training with other Funds or Asset Pools.
* Regular updates from Officers and/or advisers.
* Circulated reading material.

1. **How training will be monitored**

12.1 Detail of Pension Committee and Board member training that is undertaken will be recorded and provided to the Chair on an annual basis. Any individual that has not completed the core training will be encouraged to do so. The Monitoring Officer will have discretion regarding appropriate action if an individual does not undertake the minimum requirements and the Chair will be informed prior to any action taken.

* 1. Progress reports provide the following information:
* Enrolment status of each of the 8 modules in the learning plan and the Introduction and Current Issues module.
* The date each course was first accessed.
* The date each course was last accessed.
* The date the user was enrolled on a course.
* The final score a user received on a course knowledge check.
* How much of the course has been completed.
  1. Additional training undertaken outside of the platform will be added to form a training record for consistency and ease of reference for Officers and Members. Members should update any additional training to the platform.

1. **Measurement**

13.1 In order to identify whether the objectives of this Strategy are being met, the following actions are undertaken:

1) To monitor attendance at training on a regular basis.

1. To Ensure that the Pension Regulator’s Toolkit is offered shortly after appointment and request it is completed within 6 months.
2. To request that Committee and Board members participate in the LOLA training and complete the 8 core modules within 6 months of appointment or from approval of the Strategy for current members, with any non-compliance reported to the Chair and Monitoring Officer.

4) To ensure that members are aware of the current issues LOLA modules and request they should be undertaken within 3 months of release/access to the platform.

1. The monitoring of attendance at meetings where training items are being delivered.
2. To manage areas where individuals feel additional support is required.
3. To undertake effectiveness reviews periodically to allow members to self-assess confidence levels in specified areas.

# **Demonstrating knowledge and identifying training needs**

* 1. Members will participate in the National Knowledge Assessment biennially which is aligned to the 8 core LOLA modules. The assessment is flexible within a 2-3 week window and the results feed into the benchmarking analysis.
  2. The results of the exercise will help to shape future training schedules to ensure that any knowledge gaps identified are addressed.

1. **Maintaining knowledge**

15.1 Members should complete the current issues LOLA modules within 3 months of release/access to the platform and are expected to maintain their knowledge of ongoing developments through attendance at internal/external events and seminars where appropriate.

15.2 Once completed, members are expected to revisit the full suite of LOLA mandatory training biennially to keep knowledge up to date.

15.3 If a LOLA module materially changes in between prescribed completion dates, members will have 3 months to revisit the amended module.

15.4 Appropriate attendance at events for representatives of the Pension Board and Pension Committee will be determined by Officers of the Fund.

15.5 Owing to the changing world of pensions, it will also be necessary to have ad hoc training on emerging issues or on a specific subject on which a decision it to be made in the near future.

15.6 The suitability of the LOLA training platform will be kept under review to ensure it remains fit for purpose. Any comments raised by members will be shared with Hymans to facilitate improvements where viable.

1. **Risk Management**

16.1 The risks associated with the delivery of a successful training Strategy is as follows:

| Risk | Mitigation |
| --- | --- |
| Frequent changes in membership of the Pension Committee or Pension Board. | Training Strategy in operation and reviewed regularly, with the Pension Regulator’s toolkit to be complete within 6 months of appointment and core mandatory framework modules on LOLA to be completed within 12 months of appointment or approval of the Strategy. With current issues training undertaken within 3 months of release/access to the LOLA platform and other supplementary training undertaken when available. |
| Poor individual commitment. | Attendance and training is monitored by Officers of the Fund and the Chair of the Committee/Board. Attendance is reported in the Fund’s Annual Report and Statement of Accounts and the Committee and Board Annual Reports are presented to Full Council. Both lack of attendance and lack of training is addressed with the individual when deemed appropriate. |
| Resources not being available. | Additional training opportunities will be highlighted to the Committee and Board via the Governance and Compliance Report. Every effort will be made to ensure that members are provided with what they need to receive the training required. |
| Poor standards of training. | Where appropriate, external advisors who are experts in their field deliver training to cover the CIPFA knowledge and skills framework. Other in-house training is delivered by Officers with specific knowledge in a particular area. External courses are vetted to ensure they are relevant before being added to the list of courses available. Feedback is sought after events are attended. |

16.2 The risks will be monitored within the scope of the Training Strategy and the risk register will be amended where appropriate.

1. **Reporting**

17.1 Training events will be highlighted at every meeting as part of the Governance and Compliance Report. Committee and Board members are expected to make Officers aware of any events that are of interest. Core training is expected to be taken up in the first instance as it has been specifically designed to cover the CIPFA core competencies and is therefore compulsory.

17.2 The Chair of the Pension Committee and Local Pension Board will be provided with attendance at meetings where training has been delivered and all training undertaken during the year.

17.3 Training undertaken by members will be published in the relevant annual reports.

1. **Costs**

18.1 All training costs relating to this Training Strategy are met by Northamptonshire Pension Fund.