

July 2015

1. According to the *Principles for Investment Decision Making and Disclosure in the Local Government Pension Scheme in the United Kingdom 2012*, administering authorities should ensure that:
 - decisions are taken by persons or organisations with the skills, knowledge, advice and resources necessary to make them effectively and monitor their implementation
 - those persons or organisations have sufficient expertise to be able to evaluate and challenge the advice they receive, and manage conflicts of interest.
2. This training needs analysis (TNA) is being undertaken to assess current knowledge and skills within the Pensions Committees and to direct future training. In total there are six areas of knowledge and skills that have been identified as the core technical requirements for those working in public sector pensions. They are:
 - pensions legislative and governance context
 - pensions accounting and auditing standards
 - financial services procurement and relationship management
 - investment performance and risk management
 - financial markets and products knowledge
 - actuarial methods, standards and practices
3. The TNA asks members to score their current knowledge of these areas using the following scale:
 - 0 = Not relevant to your role
 - 1 = Poor, Not effective, No Understanding
 - 2 = Satisfactory, Quite Effective, Limited Understanding
 - 3 = Good, Effective, Some understanding
 - 4 = Very Good, Very effective, Full Understanding
4. Please return completed forms by 28 August 2015 to Bev Chapman at:
 - beverley.chapman@nottscc.gov.uk
 - or 4th Floor, County Hall, West Bridgford, Nottingham NG2 7QP

Appendix

Name:	
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Please score each item according to the following scale:

- 0 = Not relevant to your role
- 1 = Poor, Not effective, No Understanding
- 2 = Satisfactory, Quite Effective, Limited Understanding
- 3 = Good, Effective, Some understanding
- 4 = Very Good, Very effective, Full Understanding

Pensions legislative and governance context	Score
A general awareness of the pensions legislative framework in the UK	
An overall understanding of the legislation specific to the LGPS and the main features relating to benefits, administration and investment	
An awareness of the LGPS Regulations and their main features	
An appreciation of LGPS discretions and how the formulation of the discretionary policies impacts on the pension fund, employers and local taxpayers	
A regularly updated appreciation of the latest changes to the scheme rules	
Knowledge of the role of the administering authority in relation to the LGPS	
An understanding of how the roles and powers of the Pensions Regulator, the Pensions Advisory Service and the Pensions Ombudsman relate to the workings of the scheme.	
Broad understanding of the role of pension fund committees in relation to the fund, administering authority, employing authorities, scheme members and taxpayers.	
Awareness of the role and statutory responsibilities of the treasurer and monitoring officer.	
Knowledge of the <i>Principles for Investment Decision Making and Disclosure</i> and associated CIPFA and SOLACE guidance.	
A detailed knowledge of the duties and responsibilities of committee members	
Knowledge of the stakeholders of the pension fund and the nature of their interests	
Knowledge of consultation, communication and involvement options relevant to the stakeholders	

Pensions accounting and auditing standards	Score
Awareness of the Accounts and Audit Regulations and legislative requirements relating to the role of the committee and individual members in considering and signing off the accounts and annual report	
Awareness of the role of both internal and external audit in the governance and assurance process	

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Financial services procurement and relationship management	Score
Understanding of the background to current public procurement policy and procedures, and of the values and scope of public procurement and the roles of key decision makers and organisations	
A general understanding of the main public procurement requirements of UK and EU legislation	
Awareness of the nature and scope of risks for the pension fund and of the importance of considering risk factors when selecting third parties	

Investment performance and risk management	Score
Understanding of the importance of monitoring asset returns relative to the liabilities and a broad understanding of ways of assessing long-term risks	
Performance of advisors – awareness of the <i>Principles for Investment Decision Making and Disclosure</i> on performance management and the approach adopted by the committee	
Performance of the committee – awareness of the <i>Principles for Investment Decision Making and Disclosure</i> and the need to set targets for the committee and to report against them	
Performance of support services – awareness of the range of support services, who supplies them and the nature of the performance monitoring regime	

Financial markets and products knowledge	Score
Awareness of the risk and return characteristics of the main asset classes (equities, bonds, property).	
Understanding of the role of these asset classes in long-term pension fund investing	
Understanding of the primary importance of the investment strategy decision	
A broad understanding of the workings of the financial markets and of the investment vehicles available to the pension fund and the nature of the associated risks	
An awareness of the limits placed by regulation on the investment activities of local government pension funds	

Actuarial methods, standards and practices	Score
Knowledge of the valuation process, including developing the funding strategy in conjunction with the fund actuary, and inter-valuation monitoring.	
Awareness of the importance of monitoring early and ill health retirement strain costs	
A broad understanding of the implications of including new employers into the fund and of the cessation of existing employers	
A general awareness of the relevant considerations in relation to outsourcings and bulk transfers	

Appendix

Please also indicate below the most relevant learning methods that may be applicable to you.
Please suggest other approaches that may be suitable.

Information	Yes	No	Not sure
In-house training			
E-learning			
External training			
Books, journals, guidance			
Conferences			
Other – please specify:			