

**NORTHUMBERLAND COUNTY COUNCIL PENSION FUND**  
**Pension Fund Panel Meeting 22 February 2019**

**Training Needs Analysis December 2018 - Summary of Scores**

1. Pensions legislative and governance context	Average Score	Average Top 3
A general awareness of the pensions legislative framework in the UK.	4.2	4.3
An overall understanding of the legislation specific to the scheme and the main features relating to benefits, administration and investment.	4.0	4.3
An awareness of the LGPS Regulations and their main features.	3.8	4.0
An appreciation of LGPS discretions and how the formulation of the discretionary policies impacts on the pension fund, employers and local taxpayers.	3.5	4.0
A regularly updated appreciation of the latest changes to the scheme rules.	3.8	4.0
Knowledge of the role of the administering authority in relation to the LGPS	4.2	4.3
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.	3.8	4.0
Broad understanding of the role of pensions fund panel in relation to the fund, administering authority, employing authorities, scheme members and taxpayers.	4.3	5.0
Awareness of the role and statutory responsibilities of the treasurer and monitoring officer.	4.0	4.3
An awareness of the LGPS main features.	4.0	4.3
Knowledge of the <i>Principles for Investment Decision Making and Disclosure</i> (Myners' principles) and associated CIPFA and SOLACE guidance.	3.7	4.0
Awareness of best practice in shareholder engagement as published by the Financial Reporting Council (FRC) in the Stewardship Code.	3.5	4.0
A detailed knowledge of the duties and responsibilities of panel members.	4.0	4.3
Knowledge of the stakeholders of the pension fund and the nature of their interests.	3.7	4.0
Knowledge of consultation, communication and involvement options relevant to the stakeholders.	3.7	4.0
An understanding of how pooling will impact on governance of the LGPS.	4.0	4.0

<b>2. Pensions accounting and auditing standards</b>		
Awareness of the Accounts and Audit Regulations and legislative requirements relating to the role of the panel and individual members in considering and signing off the accounts and annual report.	3.7	4.3
Awareness of the role of both internal and external audit in the governance and assurance process.	4.2	4.7

<b>3. Financial services procurement and relationship management</b>		
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.	3.5	4.0
A general understanding of the main public procurement requirements of UK and EU legislation.	3.7	4.3
Awareness of the nature and scope of risks for the pension fund and of the importance of considering risk factors when selecting third parties.	4.0	4.0
An understanding of how the procurement process and supplier risk management function under pooling.	3.7	4.0

<b>4. Investment performance and risk management</b>		
Understanding of the importance of monitoring asset returns relative to the liabilities and a broad understanding of ways of assessing long-term risks	4.2	4.7
Performance of advisors – awareness of the <i>Principles for Investment Decision Making and Disclosure</i> (Myners' Principles) on performance management and the approach adopted by the committee.	3.7	4.0
Performance of the panel – awareness of the <i>Principles for Investment Decision Making and Disclosure</i> (Myners' Principles) and the need to set targets for the committee and to report against them.	4.2	4.3
Performance of support services – awareness of the range of support services, who supplies them and the nature of the performance monitoring regime.	3.5	4.0
An understanding of how pooling will impact on the monitoring of asset returns and performance measurement.	4.0	4.3

5. Financial markets and products knowledge		
Awareness of the risk and return characteristics of the main asset classes (equities, bonds, property etc.).	4.3	4.7
Understanding of the role of these assets classes in long-term pension fund investing.	4.3	4.7
Understanding of the primary importance of the investment strategy decision.	4.3	4.7
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.	3.8	4.3
An awareness of the limits placed by regulation on the investment activities of local government pension funds.	3.3	3.7
An understanding of how MIFID II will have an impact on Local Government Pension Fund activities.	3.2	3.3
An understanding of the fund's ability to opt up to elective professional status under the proposed FCA implementation of MIFID II.	3.7	4.3
Awareness of how pooling will impact on the investment activities of local government pension funds.	4.2	4.7

6. Actuarial methods, standards and practices		
Knowledge of the valuation process, including developing the funding strategy in conjunction with the fund actuary, and the inter-valuation monitoring.	3.8	4.3
Awareness of the importance of monitoring early and ill health retirement strain costs.	3.5	4.0
A broad understanding of the implications of including new employers into the fund and of the cessation of existing employers.	3.7	4.0
A general awareness of the relevant considerations in relation to outsourcing and bulk transfers.	3.5	4.0