

LOCAL PENSION BOARD – 25 OCTOBER 2019

EMPLOYER TRAINING

Report by the Director of Finance

RECOMMENDATION

The Board is **RECOMMENDED** to note the current position on employer training and to offer any insights and comments to support the development of any future changes in approach, including those issues covered in paragraph 9 above.

Introduction

1. At their last meeting, the Board asked for an update on scheme employer training. This report sets out the Fund's approach to employer training and information on recent training activities. The Board is invited to offer any comments.

Approach to Training

2. The Fund's communication policy states its aim is "to enable the Scheme Manager / Administering Authority to discharge their respective responsibilities in accordance with the Local Government Pension Scheme Regulations 2013 (as amended); The Occupational and Personal Pension Schemes (Disclosure of Information Regulations 2013 (as amended) and The Pension Regulator Guidance. "
3. To meet this objective the Fund currently:
 - Sends monthly newsletters to scheme employers
 - Provides online help / toolkits on our website
 - Holds quarterly meetings to discuss any issues
 - Holds quarterly training sessions for scheme employer staff new to dealing with pensions
 - An annual Pension Fund Forum to give an overview of Fund performance
 - Offers i-Connect training
 - Offers Final Pay training
 - Offers End of Year training
 - Offers ad-hoc training / seminars as requested

Recent Training Activities

4. The Pension Fund finds that there is a core of engaged scheme employers who make the effort to attend all meetings and will give ideas of what the agenda should cover. Sadly, this is a small group and the majority of scheme employers only engage when absolutely necessary.
5. Over the past 12 months there have been two user groups dedicated to a specific subject – Early Retirement and Employer Discretions, both attended by 8% of scheme employers. The other meetings have covered various subjects – administration strategy; The Pension Regulator update; i-connect; end of year; work of the pension board; amendment regulations; proposed changes to the cost cap; fair deal consultation and an introduction to the 2019 valuation. These were attended by between 3% and 6% of scheme employers.
6. This level of engagement was also evidenced by our recent survey about how the end of year process worked from the scheme employer perspective:
 - 18 replies were received (out of 195 active scheme employers).
 - 13 respondents were aware of the information on our website – there were two comments: rarely used (time) and It is sometimes difficult to find what I am looking for.
 - 14 replies confirmed that they were aware of the end of year training on offer (note: no training requests were received).
7. We must also acknowledge that the employer faces multiple challenges - they are more fragmented, turnover and retention is harder to manage, so pensions expertise becomes more diluted. Pension responsibilities are shared between several people and very few, if any, employers have a dedicated pensions resource or subject matter expert.
8. We believe the best way to support these challenges is to continue to offer the range of short and focussed courses listed above.
9. Other possible solutions:
 - Consider a change in emphasis to our communications, by emphasising the statutory nature of the scheme and the responsibilities placed on scheme employers by regulation and by their agreement to the requirements of the administration strategy.
 - Our software suppliers, Heywood, are intending to offer online training modules for scheme employers within the next 12 months.
 - Employer Training is an ongoing discussion point at the National and local Communications Working Groups and we will continue to monitor and contribute to new ideas in this forum, adopting initiatives where we can.
 - The suggested move to making pension training mandatory for employers is likely to create more work for the Fund, as we try to document and enforce such a requirement and impose penalties on those who do not comply, whilst monitoring employer staff turnover and job changes.

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