

**Appendix 5 – LBHF Committee and Board Knowledge and Skills 2022**

**LBHF Pension Fund**

Knowledge and Skills Self-Assessment

Name: .....

Role: Committee/Board member (delete as appropriate)

1) Pensions Legislative and governance context

I have sufficient knowledge of the subjects detailed below and do not require additional training	Y/N	Please provide details of your experience:
I would like further training on the areas highlighted below	Y/N	

Awareness of the law relating to pensions in the UK	
Overall understanding of the Local Government Pension Scheme (LGPS) regulations in relation to benefits, administration and investments including pooling	
Knowledge of the discretion policies in place for the Fund and other policies regarding administration	
Understanding of the role and powers of The Pensions Regulator (TPR) (including the Combined Code), and the LGPS Scheme Advisory Board (SAB) including the Good Governance Review	
Understanding of the role of the Pension Fund Committee, Local Pension Board, Director of Finance and Monitoring Officer	
Awareness of Environmental, Social and Governance (ESG) investment issues	
Awareness of the UK FRC Code of Corporate Governance and the Stewardship Code	
Awareness of Risk Management and maintaining and monitoring a Risk Register	

## 2) Pensions accounting and auditing standards

I have sufficient knowledge of the subjects detailed below and do not require additional training	Y/N	Please provide details of your experience:
I would like further training on the areas highlighted below	Y/N	

Awareness of the Accounts and Audit regulations and legislative requirements relating to the role of the committee in considering signing off the accounts and annual report	
Awareness of the role of both internal and external audit in the governance and assurance process	

## 3) Financial services procurement and relationship management

I have sufficient knowledge of the subjects detailed below and do not require additional training	Y/N	Please provide details of your experience:
I would like further training on the areas highlighted below	Y/N	

General understanding of the main public procurement requirements of UK and EU legislation and how they apply to procuring services for local authority pension funds	
Awareness of supplier risk management and the nature and scope of risks to be considered when selecting third parties	

#### 4) Investment performance and risk management

I have sufficient knowledge of the subjects detailed below and do not require additional training	Y/N	Please provide details of your experience:
I would like further training on the areas highlighted below	Y/N	

Understanding of the importance of investment strategy and monitoring asset returns relative to the liabilities and a broad understanding of ways of assessing long term risks	
Awareness of the Myners Principles of pension fund governance and the approach adopted by the Committee	
Awareness of the range of support services, who supplies them and the nature of the performance monitoring regime	

#### 5) Financial markets and products knowledge

I have sufficient knowledge of the subjects detailed below and do not require additional training	Y/N	Please provide details of your experience:
I would like further training on the areas highlighted below	Y/N	

What is the role of a fund manager	
Understanding of the primary importance of the investment strategy decision	
The appointment process of a fund manager and fee structures offered	
A broad understanding of the workings of the financial markets and of 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	

Awareness of the risk and return characteristics of the main asset classes and understanding of the role of these asset classes in long term pension fund investing	
Understanding of the differences between active and passively managed investment strategies	
Awareness of the objectives and risk/return characteristics of the current investment strategy. Understanding of the current fund manager mandates and their role within the Fund's current asset allocation.	Analysed in Table Below

Asset Class	I have sufficient knowledge of the subjects detailed below and do not require additional training	I would like further training on the areas highlighted below
Multi Asset Credit (Fixed Income)	Y/N	Y/N
Property – Long Lease	Y/N	Y/N
Absolute Return	Y/N	Y/N
Inflation Linked	Y/N	Y/N
Passive Equities – Global/Low Carbon	Y/N	Y/N
Infrastructure	Y/N	Y/N
Private Equity	Y/N	Y/N
Illiquid Alternatives	Y/N	Y/N
Property – Affordable/Social Supported	Y/N	Y/N

6) Actuarial methods, standards and practices

I have sufficient knowledge of the subjects detailed below and do not require additional training	Y/N	Please provide details of your experience:
I would like further training on the areas highlighted below	Y/N	

Knowledge of the valuation process, including developing the funding strategy in conjunction with the Fund Actuary and inter-valuation monitoring and the relationship between investment returns, contribution rates and the funding level.	
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	

7) Pensions Administration

I have sufficient knowledge of the subjects detailed below and do not require additional training	Y/N	Please provide details of your experience:
I would like further training on the areas highlighted below	Y/N	

Aware of the responsibilities and legal timescales on administering authorities	
Knowledge of challenges facing pensions administration and the impact of not managing these challenges correctly	
An understanding of the steps that must be taken in the event of breaches and errors	
An appreciation of the responsibilities around personal data and implications for the scheme administrator	

Signed:..... Date:.....

Once complete, please return to:

Phil Triggs  
Tri Borough Director of Treasury & Pensions

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