

Core Technical Areas Set out in Knowledge and Skills Framework Elected Representatives & Non Executives in the Public Sector

Pensions Legislative and Governance Context

- A general awareness of the pensions legislative framework in the UK.
- An overall understanding of the legislation specific to the scheme and the main features relating to benefits, administration and investment.
- An awareness of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 and Local Government Pension Scheme (Administration) Regulations 2008 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.

Pensions Accounting and Auditing Standards

- 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.

Financial Services Procurement and Relationship management

- 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.
- Understanding 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

- Understanding of the importance of monitoring asset returns relative to the liabilities and a broad understanding of ways of assessing long-term risks.
- Awareness of the Myners principles of performance management and the approach adopted by the committee.
- Awareness of the Myners principles and the need to set targets for the committee and to report against them.
- Awareness of the range of support services, who supplies them and the nature of the performance monitoring regime.

Financial Markets and Products Knowledge

- 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

- 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.