



**Item: 6**

**Pension Fund Sub-committee: 25 February 2026.**

**Pension Fund Training Policy.**

**Report by Head of Finance.**

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## **1. Overview**

- 1.1. The Council, as administering authority of the Orkney Islands Council Pension Fund, recognises the importance of providing appropriate training to both members and officers in relation to the operation of the Pension Fund.
- 1.2. The existing Pension Fund Training Policy Statement was approved in 2015. The updated Training Policy, attached as Appendix 1, considers new legislation and training requirements for members of the Pension Fund Sub-committee and the Pension Board, as well as administering Officers of the Fund.
- 1.3. In 2024, The Pension Regulator published a new General Code of Practice (GCoP) for all pension schemes including the public sector. The “Knowledge and Understanding Requirements” section of the GCoP mandates that the governing body, or pension board, must demonstrate that, collectively, they possess the skills, knowledge, and experience necessary to effectively manage the scheme.

## **2. Recommendations**

- 2.1. It is recommended that members of the Sub-committee:
  - i. Approve the updated Training Policy relating to the Orkney Islands Council Pension Fund, attached as Appendix 1 to this report.

## **3. Pension Fund Training Policy**

- 3.1. The current Pension Fund Training Policy has been reviewed and updated to include changes in regulatory requirements and sets out how training requirements will be determined and delivered to members of the Pension Fund Sub-committee and the Pension Board, as well as to administering Officers of the Pension Fund.
- 3.2. The Policy details how attendance at training events will be recorded and reported which includes a disclosure in the Fund’s Annual Report and Accounts in line with the CIPFA Code of Practice which covers:

- How the Skills and Knowledge framework has been applied.
- What assessment of training needs has been undertaken.
- What training has been delivered against the identified training needs.

3.3. Should the Training Policy be approved, it will be reviewed on a regular basis and updated where necessary.

**For Further Information please contact:**

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**Implications of Report**

1. **Financial:** Any costs associated with the Training Policy will be covered by the annual revenue budget for the Orkney Islands Council Pension Fund.
2. **Legal:** There are no direct legal implications arising from this report.
3. **Corporate Governance:** In terms of the Scheme of Administration, the responsibility to discharge all functions and responsibilities relating to the Council's role as administering authority of the Orkney Islands Council Pension Fund is delegated to the Pension Fund Sub-committee.
4. **Human Resources:** Not applicable.
5. **Equalities:** An Equality Impact Assessment has been undertaken and is attached as Appendix 2 to this report.
6. **Island Communities Impact:** An Island Communities Impact Assessment has been undertaken and is attached as Appendix 3 to this report.
7. **Links to Council Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
  - Growing our economy.
  - Strengthening our communities.
  - Developing our Infrastructure.
  - Transforming our Council.
8. **Links to Local Outcomes Improvement Plan:** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
  - Cost of Living.
  - Sustainable Development.
  - Local Equality.
  - Improving Population Health.
9. **Environmental and Climate Risk:** None directly related to the recommendations in this report

- 10. Risk:** Regular training is required as part of its duty to establish and operate an effective system of governance, including internal controls.
- 11. Procurement:** Not applicable.
- 12. Health and Safety:** Not applicable.
- 13. Property and Assets:** Not applicable.
- 14. Information Technology:** Not applicable.
- 15. Cost of Living:** Not applicable.

**List of Background Papers:**

Monitoring and Audit Committee, 25 September 2025: Item 8 – Internal Audit – Pension Investments.

**Appendices**

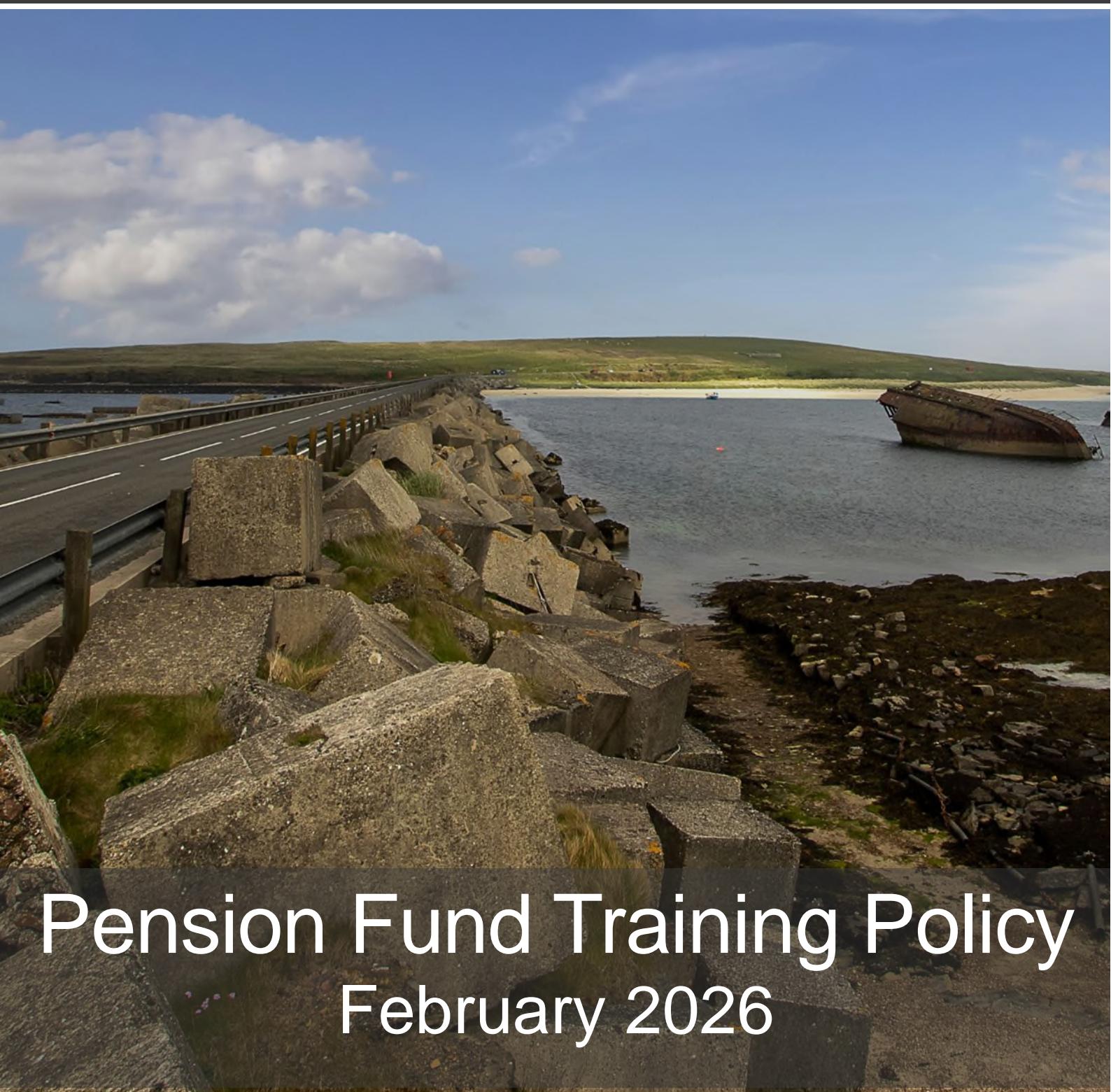
Appendix 1 – Orkney Islands Council Pension Fund – Training Policy.

Appendix 2 – Equality Impact Assessment.

Appendix 3 – Island Communities Impact Assessment



Appendix 1

A photograph of a coastal landscape. In the foreground, a long concrete sea wall runs along the shore. A road with a metal railing runs parallel to the wall. In the middle ground, a large, partially submerged shipwreck is visible in the water. The background shows a sandy beach and green hills under a blue sky with white clouds.

# Pension Fund Training Policy

## February 2026

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## Policy Objectives

The objectives of this training policy are to:

- Ensure administering Officers of the Orkney Islands Council Pension Fund and Members of the Pension Board and the Pension Fund Sub-committee have the appropriate knowledge and expertise to effectively fulfil their role.
- Develop the skills and knowledge to support effective and robust decision making, ensuring that the Fund meets its objectives and decisions are well founded and comply with Regulatory requirements or guidance from the Pensions Regulator, the Scheme Advisory Board and the Ministry for Housing, Communities and Local Government (MHCLG).
- Provide Members of the Pension Board and the Pension Fund Sub-committee with the skills to evaluate the information they receive and effectively challenge it where appropriate.

## Key Principles

The Pension Fund Sub-committee recognises that effective financial administration, scheme governance and decision-making can only be achieved where those involved have the requisite knowledge and skills.

Accordingly, the Pension Fund Sub-committee will ensure that it has the necessary resources to discharge its pensions administration responsibilities and that all staff and members charged with financial administration, governance and decision-making about the pension scheme are fully equipped with the knowledge and skills to discharge the duties and responsibilities allocated to them.

## Regulatory Requirements

### Myners Principles/CIPFA/LGPS Regulations

Training expectations for pension fund trustees were defined in the 2001 Myners Principles. They were revised and updated in the revised principles published in 2009. Principle 1 Effective Decision-Making reads as follows:

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.

Administering authorities are required by the Local Government Pension Scheme regulations to state within their Statement of Investment Principles the extent of their compliance with the principles and guidance and the reasons for any non-compliance.

### **CIPFA Code of Practice**

During 2011 CIPFA launched a Code of Practice on Public Sector Pensions Finance Knowledge and Skills. The Code seeks to embed the requirements for the acquisition, retention and maintenance of appropriate knowledge and skills. The Code of Practice is underpinned by four key principles:

1. Organisations responsible for the financial administration of public sector pension schemes recognised that effective financial management, decision-making and other aspects of the financial administration of public sector pension schemes can only be achieved where those involved have the requisite knowledge and skills.
2. Organisations have in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective acquisition and retention of public sector pension scheme finance knowledge and skills for those in the organisation responsible for financial administration and decision making.
3. The associated policies and practices are guided by reference to a comprehensive framework of knowledge and skills requirements such as that set down in the CIPFA Pensions Finance Knowledge and Skills Frameworks.
4. The organisation has designated a named individual to be responsible for ensuring that policies are implemented.

The Code of Practice recommends that all organisations responsible for the financial management of public sector pension schemes should adopt CIPFA's practice and policy statements.

## The Pensions Regulator (TPR)

From 1 April 2015 The Pension Regulator (TPR) became responsible for regulatory oversight of public service pension schemes including the LGPS because of the Public Service Pensions Act 2013. In January 2015 TPR published a Code of Practice for the Governance and Administration of Public Service Pension Schemes.

In 2024, TPR published a new General Code of Practice (GCoP) for all pension schemes including the public sector. This became effective on 28 March 2024. This new code consolidates and updates ten existing codes of practice into a single set of clear and consistent expectations for scheme governance and administration. The GCoP applies to all pension schemes, both public and private.

The “Knowledge and Understanding Requirements” section of the GCoP mandates that the governing body, or pension board, must demonstrate that, collectively, they possess the skills, knowledge, and experience necessary to effectively manage the scheme. The governing body should:

- Have a balance of skills and experience throughout the board and be able to demonstrate this.
- Be able to apply its knowledge to governing the scheme.
- Have enough skills to judge and question advice or services provided by a third party.
- Be able to identify and address skills gaps.
- Have enough understanding of industry good practice and standards to assess scheme performance and its service providers.
- Keep records of the learning activities of individual members and the body as a whole.
- Be able to demonstrate steps it has taken to comply with the law.
- Have and maintain training and development plans to ensure that individual and collective knowledge and understanding is kept relevant and up to date.

# Training Needs Assessment

The GCoP on Public Sector Pensions Finance Knowledge and Skills, together with supporting Framework and guidance documentation provides additional support for assessing the training needs of individual members and officers, using self-assessment tools. Members and officers are encouraged to carry out the self-assessment to identify training needs.

Members may then wish to approach relevant senior officers to discuss how individual training needs can be met. In doing so it is, however, important for members to appreciate that an in-depth knowledge of all the core knowledge areas is neither assumed nor necessary. In many cases what the framework expects is only an understanding or awareness of an area, and knowledge of where more detailed knowledge can be sought.

The training needs self-assessment will be issued to members of the sub-committee, board and officers periodically to determine levels of knowledge and identify areas where further training is required.

## The Training Plan

The Council's approach to training will be supportive and provide Pension Fund Sub-committee members, Pension Board members and senior officers with regular sessions that will contribute to and advance their level of skills and knowledge. This will include regular events to cover the latest developments in the Local Government Pension Scheme, investment strategy and performance monitoring.

A training plan will be produced annually and presented to the Pension Fund Sub-committee for approval in February each year. All members must participate in at least one training event, or equivalent to five hours training, as a minimum requirement, each financial year.

The training plan will set out how levels of understanding will be assessed, and how the knowledge and skills requirements and other regulatory requirements will be supported through training events over the next financial year.

Training requirements for key individuals will be identified having regard for:

- Topics identified in relevant frameworks or in publications by relevant bodies (e.g. CIPFA, TPR etc).
- The business plan of the fund.
- Current or topical issues.

In addition, members and officers should make use of the Pension Regulator's Trustee Toolkit. This online resource will enable users to target the areas of knowledge they feel would benefit them most by completing individual modules at a time that is convenient.

The Toolkit consists of 11 modules, 9 of which are relevant to defined benefit schemes such as Orkney Islands Council's Pension Fund, as follows:

- Introducing pension schemes.
- The Trustee's role.
- Running a scheme.
- Pensions law.
- An introduction to investment.
- How a defined benefits scheme works.
- Funding your defined benefits scheme.
- Defined benefit recovery plans, contributions and funding principles.
- Investment in a defined benefit scheme.

## Pension Board Specific Requirements

Members of the Pension Board are required to have the capacity to take on the role of assisting the Scheme Manager in relation to compliance with scheme regulations and the requirements of the Pensions Regulator.

In addition, in accordance with Section 248A of the Pensions Act 2004 which was introduced to make provision relating to pensions and financial planning for retirement, it is expected that every individual who is a member of a Local Pension Board will receive training, and as a result:

- Be conversant with the regulations governing the Local Government Pension Scheme, such as the Transitional Regulations and the Investment Regulations.
- Be conversant with any policy document relating to administration of the Fund.
- Have knowledge and understanding of the law relating to pensions.
- Have knowledge and understanding of such other matters as may be prescribed.

## Training Delivery

Training is delivered through a variety of mediums including:

- Formal reports and presentations to the Pension Fund Sub-committee and the Pension Board.
- Specific training sessions/conferences/seminars provided by Council Officers, investment managers and investment advisors, including national bodies.
- Other briefings and associated research material.

The methods of delivery used are:

- In person.
- Hybrid.
- Documentation.

## Monitoring and Reporting

Attendance at all training events is documented by the Accountancy team in a training log, which records the subjects covered and the duration of each session.

In line with the CIPFA Code of Practice, a disclosure will be made in the Fund's Annual Report and Accounts that covers:

- How the Skills and Knowledge framework has been applied.
- What assessment of training needs has been undertaken.
- What training has been delivered against the identified training needs.

An annual training update will be presented to the Pension Fund Sub-committee each February. This report will summarise the training undertaken in the previous 12 months and outline the training plan for the forthcoming year.

## Review

This policy will be reviewed on a regular basis and updated where necessary.



## Equality Impact Assessment

The purpose of an Equality Impact Assessment (EqIA) is to improve the work of Orkney Islands Council by making sure it promotes equality and does not discriminate. This assessment records the likely impact of any changes to a proposal or changes by anticipating the consequences and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

Should you have any questions or wish for your draft EqIA to be reviewed by our Equality, Diversity and Inclusion Adviser, please contact [OD@orkney.gov.uk](mailto:OD@orkney.gov.uk).

### 1. Identification of the Proposal or Change

Name of proposal or change being assessed.	Pension Fund Training Policy
Responsible Service and Directorate.	Finance
Date of assessment.	29/01/2026
Is the proposal or change existing? (Please indicate if the service is to be deleted, reduced or changed significantly).	This is a revised training policy for the Orkney Islands Council Pension Fund.

### 2. Primary Information

What are the intended outcomes of the proposal or change?	The purpose of the revised Pension Fund Training Policy is to set out: <ul style="list-style-type: none"><li>• The policy objectives and key principles as well as the regulatory requirements.</li><li>• Details of the training needs assessment and the formulation of the training plan and how this will be delivered and monitored.</li></ul>
Is the proposal or change strategically important?	Strategic plans include major investment plans, new strategic frameworks or plans such as annual budgets, locality plans or corporate plans. Where a proposal is identified as strategic, evidence relating to socio-economic impacts and inequalities will be required in the relevant section <b>No.</b>

State who is or may be affected by this proposal or change, and how?	Members of the Pension Fund Sub-committee and Pension Board and administering officers of the Pension Fund.
How have stakeholders been involved in the development of this proposal or change?	<p>The Pension Fund Sub-committee and the Pension Board, as quasi-trustees of the OIC LGPS Pension Fund, are involved in regular training sessions and receive training updates annually as well as a training plan for the coming year.</p> <p>The training needs self-assessment is issued to all members and officers and used to inform the training plan. This policy underpins the training process and requirements.</p>
Is there any existing data and / or research relating to equalities issues in this policy area? Please summarise. E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking.	No.
Is there any existing evidence relating to socio-economic disadvantage and inequalities of outcome in this policy area? Please summarise. E.g. For people living in poverty or for people of low income. See <a href="#">The Fairer Scotland Duty Guidance for Public Bodies</a> for further information.	No.
Could the proposal or change have a differential impact on any of the following equality areas?	Please provide any evidence – positive impacts / benefits, negative impacts and reasons:
1. Race: this includes ethnic or national groups, colour and nationality.	No.
2. Sex: a man or a woman.	No.
3. Sexual Orientation: whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.	No.

4. Gender Reassignment: the process of transitioning from one gender to another.	No.
5. Pregnancy and maternity.	No.
6. Age: people of different ages.	No.
7. Religion or beliefs or none (atheists).	No.
8. Disability: people with disabilities (whether registered or not).	No.
9. Marriage and Civil Partnerships.	No.
10. Caring responsibilities	No.
11. Socio-economic disadvantage.	No.
12. Care experienced	No.

### 3. Impact Assessment

Does the analysis above identify any differential impacts which need to be addressed?	No.
Does the analysis above identify any potential negative impacts?	N/a.
Do you have enough information to make a judgement? If no, what information do you require?	N/a.

#### 4. Equality Impact Assessment Action Plan

Please complete the following action plan where you have identified any differential impacts or potential negative impacts in Section 3 of the Equality Impact Assessment.

Impact Identified	Action to be taken	Owner	How will it be monitored	Date Action to be completed

#### 5. Sign and Date

Signature:	
Name:	KAREN RORIE
Date:	29/01/2026

## Island Communities Impact Assessment

### Pension Fund Training Policy

Preliminary Considerations	Response
Please provide a brief description or summary of the policy, strategy or service under review for the purposes of this assessment.	Pension Fund Training Policy – sets out the training requirements and delivery of training to members of the Pension Board and Pension Fund Sub-committee.
Step 1 – Develop a clear understanding of your objectives	Response
What are the objectives of the policy, strategy or service?	The objectives of the Pension Fund training policy are to ensure members and officers have the appropriate knowledge and expertise to effectively fulfil their roles and to develop the skills and knowledge to support effective and robust decision making which complies with regulatory requirements.
Do you need to consult?	No
How are islands identified for the purpose of the policy, strategy or service?	The Pension Fund training policy focuses on the training requirements of the Pension Board and Pension Fund Sub-committee members and how this will be delivered.
What are the intended impacts/outcomes and how do these potentially differ in the islands?	To approve the revised training policy for the Pension Fund.
Is the policy, strategy or service new?	No
Step 2 – Gather your data and identify your stakeholders	Response
What data is available about the current situation in the islands?	N/a – the training policy forms part of the framework for administration of the Pension Fund.
Do you need to consult?	No
How does any existing data differ between islands?	No

Are there any existing design features or mitigations in place?	No
Step 3 – Consultation	Response
Who do you need to consult with?	N/a
How will you carry out your consultation and in what timescales?	N/a
What questions will you ask when considering how to address island realities?	N/a
What information has already been gathered through consultations and what concerns have been raised previously by island communities?	N/a
Is your consultation robust and meaningful and sufficient to comply with the Section 7 duty?	N/a
Step 4 – Assessment	Response
Does your assessment identify any unique impacts on island communities?	No
Does your assessment identify any potential barriers or wider impacts?	No
How will you address these?	N/a

**You must now determine whether in your opinion your policy, strategy or service is likely to have an effect on an island community, which is significantly different from its effect on other communities (including other island communities).**

If your answer is **No** to the above question, a full ICIA will NOT be required and **you can proceed to Step 6**.

If the answer is **Yes**, an ICIA must be prepared and **you should proceed to Step 5**.

To form your opinion, the following questions should be considered:

- Does the evidence show different circumstances or different expectations or needs, or different experiences or outcomes (such as different levels of satisfaction, or different rates of participation)?

<ul style="list-style-type: none"> <li>• Are these different effects likely?</li> <li>• Are these effects significantly different?</li> <li>• Could the effect amount to a disadvantage for an island community compared to the Scottish mainland or between island groups?</li> </ul>	
<b>Step 5 – Preparing your ICIA</b>	<b>Response</b>
In Step 5, you should describe the likely significantly different effect of the policy, strategy or service:	
Assess the extent to which you consider that the policy, strategy or service can be developed or delivered in such a manner as to improve or mitigate, for island communities, the outcomes resulting from it.	
Consider alternative delivery mechanisms and whether further consultation is required.	
Describe how these alternative delivery mechanisms will improve or mitigate outcomes for island communities.	
Identify resources required to improve or mitigate outcomes for island communities.	
<b>Stage 6 – Making adjustments to your work</b>	<b>Response</b>
Should delivery mechanisms/mitigations vary in different communities?	No
Do you need to consult with island communities in respect of mechanisms or mitigations?	No
Have island circumstances been factored into the evaluation process?	No
Have any island-specific indicators/targets been identified that require monitoring?	No

How will outcomes be measured on the islands?	N/a
How has the policy, strategy or service affected island communities?	N/a
How will lessons learned in this ICIA inform future policy making and service delivery?	N/a
Step 7 – Publishing your ICIA	Response
Have you presented your ICIA in an Easy Read format?	N/a
Does it need to be presented in Gaelic or any other language?	N/a
Where will you publish your ICIA and will relevant stakeholders be able to easily access it?	N/a
Who will signoff your final ICIA and why?	N/a

ICIA completed by:	Karen Rorie
Position:	Senior Accounting Officer (Treasury)
Signature:	
Date complete:	12/02/2026

ICIA approved by:	Gareth Waterson
Position:	Director of Enterprise and Resources
Signature:	
Date complete:	12/02/2026