

The Lothian Pension Fund

Pensions Committee and Pension Board

Training and Attendance Policy

Introduction

Pensions Committee: The City of Edinburgh Council (“CEC” or “Scheme Manager”) operates a Pensions Committee (the “Pensions Committee”) for the purposes of facilitating the administration of the Lothian Pension Fund, the Lothian Buses Pension Fund, the Scottish Homes Pension Fund and any other Local Government Pension Scheme that it may administer from time to time (the “Funds”). Members of the Pensions Committee owe an independent fiduciary duty to the members and employer bodies in the Funds and the taxpayer. Such members are therefore required to carry out appropriate levels of training to ensure they have the requisite knowledge and understanding to properly perform their role.

Pension Board: The Scheme Manager is also required to establish and maintain a Pension Board (the “Pension Board”), for the purposes of assisting with the ongoing compliance of the Funds. The Pension Board is constituted under the provisions of the Local Government Pension Scheme (Governance) (Scotland) Regulations 2015 (the “2015 Regulations”) and the Public Service Pensions Act 2013. Members of the Pension Board should also receive the requisite training and development to enable them to properly perform their compliance role.

This policy sets out the requirements and practicalities for the training of members of both the Pensions Committee and the Pension Board. It also provides some further detail in relation to the attendance requirements for members of the Pension Board and in relation to the reimbursement of expenses.

1. Training of the Pensions Committee and Pension Board Members

1.1 New members of the Pensions Committee and/or Pension Board must attend an induction course by the Scheme Manager before taking up their role. This course will provide an overview of the structure and operation of the Funds and insight into the roles and responsibilities of the members on their respective body. The purpose of this training is to allow the Pensions Committee members to consider and decide on all matters relating to the Funds, involving complex investment and pension matters, and to enable Pension Board members to assist the Pensions Committee in providing input on the compliance implications associated with such matters.

1.2 Members of the Pensions Committee and Pension Board will also be required to undertake no less than three days (21 hours) of training in each financial year. This training obligation will be met through the following:

- Internal training events designed specifically for this purpose and to cover a range of pension administration and investment matters.
- External events for Funds' stakeholders, such as the annual employer seminar and finance briefing.
- Seminars and conferences offered by industry wide bodies, such as the LAPFF, LGC and NAPF.
- Seminars and training events offered by the Fund's external professional advisers, investment managers and other service providers.
- Online training, including that provided by the Pensions Regulator (e.g. the Pensions Trustee and Public Service Schemes/Toolkits) from time to time.
- Other training deemed appropriate by the Scheme Manager from time to time.

1.3 In designing a programme of training for the members of the Pensions Committee and the Pension Board the Scheme Manager will have regard to the Pensions Regulator's codes of practice and guidelines, the CIPFA Guidelines on the Principles for Investment Decision Making in the Local Government Pension Scheme and the CIPFA Knowledge and Skills Framework issued from time to time.

1.4 Members of the Pension Board may be required to attend further specific training which will focus on any regulatory, legislative or other technical updates which they should be aware of in the performance of their compliance role.

2 Training of the Secretaries of the Pension Board

2.1 Any joint secretary of the Pension Board appointed by the trade unions pursuant to the Constitution must also attend an induction course which provides an overview of the structure and operation of the Funds by the Scheme Manager and focuses on any key matters associated with the ongoing governance and administration of the Funds.

3 Attendance of the Pension Board

3.1 Section 2.2 (b) of the constitution of the Pension Board (the "**Constitution**") requires members of the Pension Board to make all reasonable efforts to regularly attend the meetings of the Pension Board. To provide further clarity, and pursuant to section 2.2(d) of the Constitution, the Scheme Manager requires that members of the Pension Board must attend a minimum of two out of the four quarterly meetings of the Pension Board which will be held concurrently with the quarterly meetings of the Pensions Committee. In addition, members of the Pension Board should use all reasonable efforts to attend any meetings of

the Pension Board held out-with the main cycle of quarterly meetings and, in any event, shall not miss any more than two such additional meetings in any financial year.

4. Monitoring and Reporting

- 4.1 Each member of the Pensions Committee and Pension Board will inform the Scheme Manager of relevant training attended from time to time.
- 4.2 A report will be submitted to the Pensions Committee annually highlighting the training and attendance of each member of the Pensions Committee and Pension Board.
- 4.3 Where the Scheme Manager has a concern that a member of the Pension Board is not complying with the requisite training or attendance requirements it may serve a notice on the Pension Board, pursuant to section 2.3 of the Constitution, requiring the Pension Board to remove that member and seek to appoint a replacement. The Pension Board shall be given reasonable opportunity to review the circumstances and, where appropriate, liaise with the Scheme Manager with a view to demonstrating that such member will be able to continue to properly perform the functions required of a member of the Pension Board and request that the Scheme Manager withdraw the notice. Any decision to withdraw such notice will be made by the Scheme Manager at its sole discretion.
- 4.4 This training policy will be reviewed on an ongoing basis by the Scheme Manager.

5. Reimbursement of expenses

- 5.1 All reasonable expenses properly incurred by members of the Pensions Committee, appointed pursuant to the Nominations and Appointments Policy, and the Pension Board necessary for the performance of their roles will be met by the Funds, provided that the Scheme Manager's prior approval is sought before incurring any such expenses (other than routine costs associated with travelling to and from Pensions Committee meetings) and appropriate receipts are sent to the Scheme Manager evidencing the expenses being claimed for.