

## AGENDA MANAGEMENT SHEET

<b>Name of Committee</b>	<b>Pension Fund Investment Board</b>
<b>Date of Committee</b>	<b>17 February 2006</b>
<b>Report Title</b>	<b>Pension Fund Investment Board Member Training Assessment</b>
<b>Summary</b>	Report setting out the requirement for an assessment of member training needs.
<b>For further information please contact:</b>	Phil Triggs Group Accountant Tel: 01926 412227 philtriggs@warwickshire.gov.uk
<b>Would the recommended decision be contrary to the Budget and Policy Framework?</b>	No.
<b>Background papers</b>	None

### CONSULTATION ALREADY UNDERTAKEN:-

Details to be specified

Other Committees	<input type="checkbox"/>	.....
Local Member(s)	<input type="checkbox"/>	
Other Elected Members	<input checked="" type="checkbox"/>	Cllr Davis - Chair of Pension Board
Cabinet Member	<input type="checkbox"/>	.....
Chief Executive	<input type="checkbox"/>	.....
Legal	<input checked="" type="checkbox"/>	Jane Pollard, Assistant County Solicitor
Finance	<input checked="" type="checkbox"/>	David Clarke, Strategic Director of Resources
Other Chief Officers	<input type="checkbox"/>	.....
District Councils	<input type="checkbox"/>	.....
Health Authority	<input type="checkbox"/>	.....
Police	<input type="checkbox"/>	.....
Other Bodies/Individuals	<input type="checkbox"/>	.....

**FINAL DECISION YES**

**SUGGESTED NEXT STEPS:**

Details to be specified

- |  |                          |       |
|--|--------------------------|-------|
| Further consideration by<br>this Committee | <input type="checkbox"/> | ..... |
| To Council                                 | <input type="checkbox"/> | ..... |
| To Cabinet                                 | <input type="checkbox"/> | ..... |
| To an O & S Committee                      | <input type="checkbox"/> | ..... |
| To an Area Committee                       | <input type="checkbox"/> | ..... |
| Further Consultation                       | <input type="checkbox"/> | ..... |

## Agenda No

### Pension Fund Investment Board - 17 February 2006

#### Pension Fund Investment Board Member Training Assessment

#### Report of the Strategic Director of Resources

##### **Recommendation**

That the Board consider the recommended training questionnaire as set out in **Appendix A** with a view to each completing the document in order to provide material for analysis for the Board's training requirements.

### **1. Introduction**

- 1.1 In line with the corporate governance requirements of the Pension Fund, the Council's consultant has drafted a questionnaire for PFIB Members to complete.

### **2. Questionnaire**

- 2.1 The questionnaire covers the key areas of knowledge of LGPS pension funds as outlined in the Local Government Pension Scheme Regulations 1997, the Local Government Pension Scheme (Management and Investment of Funds) Regulations 1998 (both made under the Superannuation Act 1972).
- 2.2 The draft questionnaire is shown in **Appendix A**.

### **3. Recommendation**

- 3.1 Members are asked to consider the questionnaire in **Appendix A** and to approve the document with a view to each member completing it for the Council's consultant to compile an analysis of the Board's training needs.

DAVID CLARKE  
Strategic Director of Resources

Shire Hall, Warwick  
27 January 2006

# Member Training Questionnaire

## Local Government Pension Scheme

### Member knowledge, understanding and conversance

#### Introduction

As a result of the Myners Report and the subsequent CIPFA Principles (backed up by statutory regulation), local authority pension board members should have sufficient knowledge and understanding of pensions and investment management to run their LGPS schemes properly.

#### How do I get started?

Mercer has designed this questionnaire as the first stage in a process to support you in identifying where your knowledge and understanding as a board member currently lies, where there may be gaps and what individual training needs might be.

## Completing the questionnaire

It's not a test!

When completing the questionnaire it is important that you assess your own level as accurately and honestly as possible so your specific development needs can be identified.

The following is aimed at helping you to choose the most suitable response to each of the questions:

Not confident	Limited exposure to the issues
Partially confident	Some exposure to the issues
Mostly confident	Reasonable level of exposure to the issues
Completely confident	Full exposure to the issues to a high level of detail

# Board Member Training Questionnaire

## Defined benefit scheme

### About you

Please enter your details below:

Your name

Pension Scheme to which you are a Board member

Length of time as a Board member of the Scheme (years & months)

Warwickshire County Council Pension Fund

## Board members should have knowledge and understanding about the law relating to pension schemes.

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
Q1. I am confident that I understand my duties and responsibilities as a Board member.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the requirement that I be 'fit and proper' for the role;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the implications of the individual and personal nature of the Board member role with regard to duties and responsibilities; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the length of time over which I am responsible for actions I take and decisions I make while a Board member.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q2. I am confident that I understand the background of the Local Government Pensions Scheme.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the legal nature of the LGPS and the relationship of the Board members, the administering authority, the employers and the scheme members;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the fiduciary duties imposed on the Board members and the standard of care required for fulfilment of those duties; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- ways to recognise and manage conflicts of interest.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Appendix A

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
Q3. I am confident that I understand the responsibility as a Board member to act prudently when agreeing on investment policy on behalf of scheme members.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q4. I am confident that I understand how to operate the scheme in line with the Pension Fund Investment Board Member Charter,	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
and how to delegate powers or functions whilst remaining responsible.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q5. I am confident that I understand the role of both the internal auditor (where applicable) and external auditor.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q6. I am confident that I understand how Investment Board members are protected.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q7. I am confident that I understand the need for good service delivery, in particular, regarding administration,	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
and the need to identify risks, controls and implement contingency plans.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q8. I am confident that I understand the overall structure for managing the fund and the scheme.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



## Appendix A

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
This includes:				
- the Board members' ability to use advisers and delegates to assist them in managing the scheme;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the roles of all advisors to the fund;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the requirements and implications of an employer ceasing to participate in the fund; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the process and structures in place to ensure the proper management and administration of the scheme.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q9. I am confident that I understand the regulatory framework to which schemes are subject.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the roles and powers of The Pensions Regulator,	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the key provisions of the Local Government Pension Scheme Regulations 1997 and the Local Government Pension Scheme (Management and Investment of Funds) Regulations 1998, which are made under the 1972 Superannuation Act;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the tax privileges and requirements applicable to the LGPS; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- other legislation which might impact on the management of the scheme (for example, data protection and freedom of information legislation).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Appendix A

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
Q10. I am confident that I understand how benefits offered by the State fit with the benefits offered by the scheme.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- any connections between State benefits and scheme benefits.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q11. I am confident that I understand the procedures for resolving disputes (for example from fund members or between the Board members and the employers).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the role of Board members in resolving disputes; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the role and powers of outside parties in resolving disputes (for example The Pensions Regulator, the Pensions Ombudsman and the Pension Advisory Service).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Board members are required to have knowledge and understanding about the principles relating to the funding of occupational pension schemes and the investment of the scheme's assets.**

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
Q12. I am confident that I understand the basic workings of capital markets.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the effect of economic cycles and capital markets; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the effect of changes in interest rates on capital markets.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q13. I am confident that I understand the implications of overseas investment, for example in terms of diversification and foreign exchange risk.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q14. I am confident that I understand the major investment asset classes and their characteristics.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- how the level of risk associated with the major asset classes (e.g. equities, bonds, property, cash etc.) is measured and the risk and reward profile of each asset class;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the differences between domestic and foreign investments (and the differences in risk and reward);	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Appendix A

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
- specialised asset classes (e.g. hedge funds, private equity etc.) and their distinguishing characteristics;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the specialised instruments and techniques available (e.g., derivatives, currency hedging, etc) and their distinguishing characteristics; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- with profit investments, how they work and their advantages and disadvantages.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q15. I am confident that I understand the method for valuing the scheme's assets.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the method in the actuarial valuation for valuing the scheme's assets; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the method used to record the scheme's assets in the employer's financial statements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q16. I am confident that I understand how a defined benefit (DB) scheme is funded.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the nature of the employer's funding obligation;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Appendix A

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
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- |  |                          |                          |                          |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| - the relationship with the Board members;   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| - the effect of the liabilities on the sponsoring employers;   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| - how the liabilities of the scheme are valued;  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| - and how the funding targets are set and the relationship of those targets to the scheme's liabilities. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Q17. I am confident that I understand the roles of the administering authority, the employers and the Board members in funding the scheme.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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This includes:

- |  |                          |                          |                          |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| - the nature and strength of the employer covenant to fund the scheme;   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| - the impact on the scheme of a change in the employer's financial position;   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| - the powers of the Board members in relation to funding, including powers related to the setting of funding targets and contribution rates; and | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| - the impact of funding.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

## Appendix A

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
Q18. I am confident that I understand the potential risks to the scheme.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- financial (e.g. instability of employer, organisational restructuring);	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- reputation (e.g. bad publicity of the pension scheme);	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- operational (e.g. benefits mispaid);	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- strategic (e.g. investment strategy does not match liabilities); and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- hazard (e.g. all records destroyed in fire).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q19. I am confident that I understand the impact that transfers in and out of the scheme have on the scheme's funding.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- how transfers arise; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the different impact of individual and bulk transfers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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	Not Confident	Partially Confident	Mostly Confident	Completely Confident
Q20. I am confident that I understand additional pension funding options available to employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- additional voluntary contributions (AVCs) and added years arrangements;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- free standing additional voluntary contributions (FSAVCs)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- stakeholder pensions; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- personal pension arrangements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q21. I am confident that I understand the underlying contribution calculations for the scheme.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the process for setting contribution rates and the relationship between these contributions and the scheme's liabilities; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the effect of the assumptions on the valuation of the liabilities of the fund.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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	Not Confident	Partially Confident	Mostly Confident	Completely Confident
Q22. I am confident that I understand why professional advice is needed on funding, its nature and status, and how it is provided.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q23. I am confident that I understand funding deficits. This includes:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the difference between contributions for future benefit costs and for past service costs (i.e. contributions to fund the scheme's deficit).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q24. I am confident that I understand the requirements for managing funding deficits.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- requirement for increased contribution rates; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- use of varying deficit recovery periods.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q25. I am confident that I understand the principles of strategic asset allocation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the process behind deciding upon a particular strategic asset allocation;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



	Not Confident	Partially Confident	Mostly Confident	Completely Confident
- the concept of asset/ liability matching and the appropriate selection of asset allocation;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- how asset allocations are chosen to reflect objectives for a scheme's funding strategy; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- what particular events would trigger a review of the strategic asset allocation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q26. I am confident that I understand how defined contribution (DC)/AVC schemes are funded.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the risks borne by the members; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- how expenses are levied, including on transfer.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q27. I am confident that I understand the investment choices available under a DC/AVC scheme.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the principles behind deciding upon the appropriate investment strategies;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Appendix A

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
- the rationale for the investment choices available to members;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the administration procedures specific to a DC/AVC scheme;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- responsibilities of the Board members in respect of effective administration; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the risks to member benefits.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q28. I am confident that I understand the principles of fund management and how performance can be measured.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- investment considerations needed to meet the requirements of the scheme's Statement of Investment Principles (SIP);	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the way in which performance is measured (e.g. the use of market indices as a benchmark);	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- ownership of a pension scheme's assets (including implications for Board members in relation to corporate governance);	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the structure of investment portfolios;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the process for selecting fund managers; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
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- |  |                          |                          |                          |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| - how the investment arrangements are monitored on an ongoing basis. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
|--|--------------------------|--------------------------|--------------------------|--------------------------|

**Board members need to be conversant with the documents that are particular to their own scheme so that they are able to make use of those documents in carrying out their functions.**

Q29. I am confident that I understand the broad principles contained in the scheme's rules.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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This includes:

- |   |                          |                          |                          |                          |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| - the duties, powers and discretions set out in the scheme's rules;       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| - the balance of powers between the Council and Investment Board members; | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| - the classes of members in the scheme; and                               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| - the circumstances when benefits are payable and their amount.           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Q30. I am confident that I understand the strategy included in the SIP.

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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## Appendix A

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
This includes:				
- who is responsible for the scheme's investment policy;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- what the investment objectives are and how these were derived;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- what the asset allocation strategy is and how this was derived;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the benefits offered within the final salary scheme arrangements;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the types of investment undertaken;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- issues of socially responsible investment and corporate governance; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- an understanding of the investment mandates currently in place.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q31. I am confident that I understand the investment charges levied.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the fee structure for the DB assets of the scheme;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the use of performance related charges; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
- the reason the charging structures were agreed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q32. I am confident that I understand the Funding Strategy Statement (FSS).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- who is responsible for producing the FSS and when it should be reviewed;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the scheme's statutory funding objective; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the content of the FSS.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Q33. I am confident that I understand the principles contained in the other scheme documentation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
This includes:				
- the scheme's booklet, announcements and other member communications;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the key elements of the most recent actuarial valuation and subsequent advice;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Appendix A

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
- meeting minutes, their importance and policy decisions recorded in them;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- annual report and accounts;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- insurance policies in place and the level of cover;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- agreements and contracts with, for example, professional advisers;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- Board member approval procedures, the appointment of Board members and the appointment of the Chairman;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- compliance with the Myners/CIPFA principles;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- inclusion of the level of the Myners compliance in the SIP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the Council's constitution;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- the scheme's business plan;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
- training plans; and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Not Confident	Partially Confident	Mostly Confident	Completely Confident
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- an understanding of who has custody of all original documents of the scheme and arrangements for their custody, safekeeping and access.

☐
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Q34. Please use the space below to indicate any other development areas you would like to address that may not be covered above.