

**REPORT OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES**

<b>Training – GDPR and Cyber Security</b>	<b>Classification</b> <b>PUBLIC</b>	<b>Enclosures</b>  None
	<b>Ward(s) affected</b>  <b>ALL</b>	<b>AGENDA ITEM NO.</b>
<b>Pension Board</b> <b>25<sup>th</sup> October 2017</b>		

**1. INTRODUCTION**

- 1.1 This report introduces the presentation of a training session for Board members on General Data Protection Regulation and cyber security, to assist them in meeting the requirements set out in CIPFA’s Knowledge and Skills Framework and in the Fund’s training policy.

**2. RECOMMENDATIONS**

- 2.1 The Pension Board is recommended to note the report.

**3. RELATED DECISIONS**

- Pensions Committee 11<sup>th</sup> September 2017 – Training Policy

**4. COMMENTS OF THE GROUP DIRECTOR OF FINANCE & CORPORATE RESOURCES**

- 4.1 Management of the Pension Fund is complex and varied, covering areas including investment, administration, governance and financial management. It is therefore essential that members of both the Pensions Committee and Pension Board are provided with training, to ensure that they are able to meet the various duties placed upon them. The cost of such training is immaterial in the context of the Pension Fund; many of the training sessions are provided free of charge or at minimal cost.
- 4.2 An understanding of the new General Data Protection Regulation and of the importance of cyber security helps to ensure that Pension Board members are able to discharge their duty to assist the administering authority in the efficient and effective administration of the Pension Fund. Failures of governance and administration can have significant financial and reputational consequences for the Council, particularly in areas such as GDPR and information security where significant fines can be levied.

**5. COMMENTS OF THE DIRECTOR, LEGAL**

- 5.1 Each member of the Pension Board is required by Section 248a of the Pensions Act 2004 (as amended by the Public Service Pensions Act 2013) to obtain ‘a degree of knowledge and understanding...appropriate for the purposes of enabling the individual properly to exercise the functions of a member of the pension board.’ This

includes the rules of the scheme, any policy documents concerning its administration and relevant law relating to pensions.

- 5.2 Knowledge and skills requirements are set out in CIPFA's Code of Practice on Public Sector Pensions Finance Knowledge and Skills. Although not statutory, this guidance provides a framework for both Administering Authorities and individual Committee and Board Members to assess their level of understanding and determine any training needs.
- 5.3 There are no immediate legal implications arising from this report.

## **6. BACKGROUND/TEXT OF THE REPORT**

- 6.1 CIPFA has produced a Technical Knowledge and Skills framework designed for Local Pension Boards, which sets out suggested training requirements for Board members. The requirements are very similar to those set out in the Code of Practice on Public Sector Pension Finance Knowledge and Skills, which the Hackney Pension Fund has adopted as a framework for the Pensions Committee's training programme.
- 6.2 The training session will provide Board members with a broad overview of the new General Data Protection Regulation (GDPR), due to come into force in the UK from 25<sup>th</sup> May 2017. The training session will cover how GDPR applies to the Pension Fund, actions to be taken, and the key areas of assurance the Board and Committee will require. It will also cover the importance of information security, and what the Fund can do to minimise threats to member data.

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