

London Borough of Merton Pension Fund Advisory Committee

Date: 07 March 2018

Wards: All

Subject: Merton Pension Fund – Training Policy

Lead officer: Caroline Holland Director of Corporate Services

Lead member: Councillor Phillip Jones

Contact officer: Roger Kershaw

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RECOMMENDATION

Members are asked to note the content of this report in particular the training plan for 2018-19 and approve the attached Merton Pension Fund's training policy (Appendix 1)

The Purpose of the Report

This report presents the Merton Pension Fund's Training Policy. The 2004 Pensions Act and the MIFIDii requires that trustee of occupational pension schemes should be trained and have knowledge and understanding of the law relating to pensions and role of trustees, the principles of scheme funding and investment, and the management and administration of pension scheme benefits.

Pension Fund Advisory Panel (PFAP) the Pension board and the officers in performing Pension responsibilities will be expected to undertake regular training to ensure they have sufficient knowledge of the LGPS, pension benefits and investment issues to make informed Pension decisions for the benefit of all stakeholders

1. **Context**

- 1.1 This is the Training Policy of the London Borough of Merton in its role as the Administering Authority of the Merton LGPS Pension Fund. The policy details the training strategy for members of the PFAP, Pension Board (PB) and senior officers responsible for the management of the Fund.
- 1.2 The Training Policy is established to aid the PFAP, PB members and officers in performing and developing personally in their individual roles, with the ultimate aim of ensuring that Merton Pension Fund is managed by individuals who have the appropriate levels of knowledge and skills

2.0 **Objective**

- 2.1 The pension funds are managed and their services delivered by people who have the appropriate knowledge and expertise, and that this knowledge and expertise is maintained within the continually changing LGPS and wider pensions landscape.
- 2.2 Those persons responsible for governing the Fund have sufficient expertise to be able to evaluate and challenge the advice they receive, ensure their decisions are robust and well based, and manage any potential conflicts of interest.
- 2.3 The implementation of MiFID II (Markets in Financial Instruments Directive) reclassifies local and public authorities as retail investors from 3rd January 2018. The authorities elected for a return to professional status in order to ensure they can access the full range of vehicles and managers to meet the needs of their investment strategy.
- 2.3 To maintain the professional status with the investment managers and to take advantage of new investment options the Fund have a responsibility ensure that the PFAP members and the officers have the relevant knowledge and they receive regular training to make effective investment decisions

3 **CIPFA Knowledge and Skills Framework**

- 3.1 The Chartered Institute of Public Finance and Accounting (CIPFA) has developed a technical knowledge and skills framework which is intended as a tool for pension funds to determine whether they have the right skill mix to meet their scheme financial management needs and an assessment tool for individuals to measure their progress and plan their development.

3.2 The Fund will have to demonstrate that it has adopted the knowledge and skills framework as a basis for the training and development of Members and officers, or outline what alternative basis it has selected to determine develop and measure their skills

4. OTHER ISSUES AFFECTING THE FUND

None

5. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

5.1 None.

6. LEGAL AND STATUTORY IMPLICATIONS

6.1 None.

7. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

7.1 N/A

8. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

8.1 None

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