



# **LONDON BOROUGH OF MERTON PENSION FUND**

## **TRAINING POLICY**

## **Introduction**

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 Pension Committee (PC), Pension Board (PB) and senior officers responsible for the management of the Fund.

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.

## **Implementation**

This Policy was approved on 07 March 2018 and updated in January 2020 by the Merton Pension Fund Advisory Panel and it is effective from this date.

This policy will be reviewed annually to ensure it remains up to date and meets the necessary regulatory requirements and the Fund's specific needs. It will be available on our website at: [add link].

## Objectives

The Merton Pension Fund's (Fund) objectives relating to knowledge and skills are:

- 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.
- 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.

All PFAP, PB members, officers and advisers to whom this Policy applies are expected to continually demonstrate their own personal commitment to training and in ensuring these objectives are met.

To assist in achieving these objectives, the Fund will aim for compliance with:

- The CIPFA's Knowledge and Skills Frameworks.
- The knowledge and skills elements of the Public Service Pensions Act 2013 and the Pensions Regulator's (tPR) Code of Practice.

## Application

The Training Policy applies to all members of the PFAP PB including scheme member and employer representatives. It also applies to all officers in the Merton Pension Fund are also expected to demonstrate they can meet the objectives of this Policy.

## CIPFA Knowledge and Skills Framework

The CIPFA Training Policy applies to all members of the PFAP, including scheme member and employer representatives. It also applies to all officers in the Fund. Advisers to the Merton Pension Fund are also expected to demonstrate they can meet the objectives of this Policy.

## The Merton Pension Fund training plan

The Merton Pension Fund recognises that attaining and then maintaining relevant knowledge and skills is a continual process for PFAP.PB members and officers, and training is a key element of this. The Merton pension Fund will develop a rolling Training Plan based on the following key elements:

- **Areas of knowledge and understanding required**  
The core technical requirements for those working in public sector finance are:
- **Pensions Legislation**  
Have a working knowledge of the Local Government Pension Scheme and discretionary policies.
- **Public Sector Pensions Governance**  
Understand how the pension board interacts with other elements of the governance structure.
- **Pensions Administration**  
Understand the requirements of this complex area and assist the Scheme Manager to ensure compliance.
- **Pensions Accounting and Auditing Standards**  
Understanding the accounting and audit requirements
- **Pensions Services Procurement and Relationship Management**  
Gain an understanding of the procurement rules for the public sector
- **Investment Performance and Risk Management**  
Gain an understanding of investment risk and performance
- **Financial Markets and Product Knowledge**  
Understand how the pension fund manages its investment portfolio to ensure that this is done effectively.
- **Actuarial methods, Standards and Practices**  
Understand the work of the actuary and the way in which actuarial information is produced.

All training costs will be met directly by the Pension Fund.

## **General Awareness**

PFAP, PB members and officers are expected to maintain a reasonable knowledge of ongoing developments and current issues, which will allow them to have a good level of general awareness of pension related matters,

Each of these areas will be focused on the role of the individual including Pension Committee members requiring more detailed knowledge of investment matters.

### **The Training Plan will be delivered through a variety of methods including:**

- In-house training days provided by officers and/or external providers
- Training as part of meetings (e.g. Pension Committee) provided by officers and/or external advisers
- External training events – London CIV,
- Circulation of reading material
- Attendance at seminars and conferences offered by industry wide bodies
- Attendance at meetings and events with the Merton Pension Fund's investment managers and advisers
- Links to on-line training

In addition to the above Merton Pension Fund's officers and advisers are available to answer any queries on an ongoing basis

## Measurement and assessment

In order to identify whether we are meeting the objectives of this policy we will:

- 1) Compare and report on attendance at training based on the following:
  - Individual Training Needs – ensuring training on the key elements takes place for each individual at least once every three years.
  - Risk Based Training – Compulsory attendance required PC members and officers at planned risk based training sessions. □ General Awareness – each PC member or officer to attend at least one day each year of general awareness training or events.
  - Induction training – identified areas of for individual training need to be completed within six months.
- 2) Carry out an independent review of our governance arrangements,

## Reporting

A report will be presented to the PFAP and PB on an annual basis setting out:

- the training provided / attended in the previous year at an individual level
  - Future training needs and the training plan for the next financial year.

### 2020/21 Training plan

<b>Topic</b>	<b>Date</b>	<b>Duration</b>
Investment strategy review and asset classes	March 2020	1 hours
Pension Fund Governance arrangement and the tPR Requirement Good Governance Review	July 2020	1 hours
ESG -the responsivity at the Fund and the Pool level	Sept 2020	1 hour
Asset classes – As per the new investment strategy	Nov 2020	1 hours
Pension administration and accounting	March 2021	1 hours

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