

LONDON BOROUGH OF CROYDON

REPORT:	Pension Board	
DATE OF DECISION	25 July 2024	
REPORT TITLE:	Pension Board Training Update	
CORPORATE DIRECTOR / DIRECTOR:	Jane West, Corporate Director of Resources (Section 151 Officer)	
LEAD OFFICER:	Matthew Hallett – Head of Pensions and Treasury	
CONTAINS EXEMPT INFORMATION?	NO	[Public]
WARDS AFFECTED:	N/A	

1. SUMMARY OF REPORT

- 1.1 This report details a list of training opportunities offered to or provided for Board members and highlights upcoming future events and sessions.

2. RECOMMENDATIONS

Each Pension Board Member is recommended

- 2.1 To complete a feedback form for each training opportunity they have completed and to email it to officers so that their attendance can be recorded.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To ensure an accurate record of training is kept helping demonstrate good governance.

4. BACKGROUND AND DETAILS

- 4.1 In their 2019 governance review Aon recommended that the scope of the Knowledge and Skills Policy be extended to the Pensions Committee and Officers, as well as the Pensions Board. They further recommended that the policy should incorporate knowledge of the work of the London Collective Investment Vehicle (London CIV) and have regard to CIPFA guidance. The current policy was agreed by the Committee in their meeting of 14 June 2022.

- 4.2** Following the introduction of the Markets in Financial Instruments Directive (MiFID II) January 2018, in order to be treated as a professional client (rather than a retail investor) a Fund, as a collective, must be able to demonstrate sufficient expertise, experience and knowledge to satisfy financial institutions that it is capable of making investment decisions and understanding the nature of potential risks by ensuring that levels of expertise, experience and knowledge are maintained to satisfy the MiFID II requirements
- 4.3** All officers and Pension Committee Members charged with management operations and decision-making with regard to the Fund must have the knowledge and skills to discharge the duties and responsibilities allocated to them. All members and officers are expected continually to demonstrate their personal commitment to training and to ensuring that the knowledge and skills objective is met.
- 4.4** The CIPFA Knowledge and Skills Framework was updated in 2021. The following eight areas of knowledge and skills were identified as core requirements:
- Pensions legislation
 - Pensions governance
 - Pensions accounting and audit standards
 - Pensions administration
 - Pension services procurement and relationship management
 - Investment performance and risk management
 - Financial markets and products knowledge
 - Actuarial methods, standards and practice
- 4.5** In line with the Scheme Advisory Board (SAB) Good Governance Review recommendations, the training log shows training hours completed and the knowledge area covered by the training. This will not now form part of the quarterly training update reports presented to Board and Committee. Members will be able to contact officers if they wish to be provided with this information.
- 4.6** There have been 5 training events open to one or more members of the Board since 1 April 2024. These events are an Equality, Diversity and Inclusion session delivered by AON, the CIPFA Board Event, the PLSA DB Forum and the Pooling and Private Debt session delivered by the London CIV.
- 4.7** Members are reminded to inform Pension Officers of any training they undertake, including the number of hours the event covered so that this can be recorded in the log.
- 4.8** Future events being offered to Board members are shown in the table below. Members are reminded that they only need to complete the Fundamentals sessions once every 3 years:

Internal	17/09/2024		TCFD	AI
External	16/10/2024		LGA Fundamentals Day 1 in Person	AI
Internal	17/10/2024		Pension Dashboards	AI
External	23/10/2024	30/10/2024	LGA Fundamentals Day 1 Online	AI
External	13/11/2024		LGA Fundamentals Day 2 in Person	AI
External	21/11/2024	28/11/2024	LGA Fundamentals Day 2 Online	AI
Internal	10/12/2024		Business Planning	AI
External	10/12/2024		LGA Fundamentals Day 3 in Person	AI
External	12/12/2024	17/12/2024	LGA Fundamentals Day 3 Online	AI
Internal	16/01/2025		Scams / Fraud	AI
External	30/01/2025	31/01/2025	LGA Annual Governance Conference	AI
Internal	18/03/2025		Valuation	AI

4.9 The Hymans' online learning facility is still being provided for members to use.

5. CONSULTATION

5.1 The Knowledge and Skills Training Policy has been agreed by Committee. This is reviewed every 3 years by the Pension Committee. The Aon governance review recommendations and CIPFA knowledge and skills requirements as well as action points from Board and Committee minutes have been incorporated into the plan.

6. IMPLICATIONS

6.1 LEGAL IMPLICATIONS

6.1.1. Burges Salmon LLP (a legal advisor appointed to the Pension Fund) note that the Pension Committee's Terms of Reference (London Borough of Croydon's Constitution Part 4.N) Paragraph 7. Knowledge and Understanding provides that: Members of the Committee are expected to continually demonstrate their own personal commitment to training and to ensure that governance objectives are met. To assist in achieving these objectives training sessions will be organised to ensure Committee members are familiar with the legislation governing the Fund and other relevant legislation and guidance.

6.1.2. In addition, similar training and knowledge obligations are placed on the Local Pension Board members ("LPB Members") both under the Public Service Pensions Act 2013 Schedule 4 Clause 19 amendment of the Pensions Act 2004 and as detailed in Part 4 M of the Constitution which provides, among other matters, that both Employer and Employee representatives participate in training as and when required. In addition, section 12 of Part 4M specifically deals with training requirements and provides as follows:

12.1. Employer and Member Representatives (including substitutes) of the LPB must be conversant with

- a. The legislation, Scheme Regulations and associated guidance of the LGPS
- b. Any document recording policy about the administration of the LGPS (which is for the time being adopted by the Fund).

12.2. All members of the LPB must have a working knowledge and understanding of:

- a. The law relating to pensions, and
- b. Any other matters which are prescribed in Scheme Regulations

12.3. It is for the Scheme Manager (this is the Administering Authority) to be satisfied that those appointed have the appropriate degree of knowledge and understanding to enable them to properly exercise their functions as a member of the LPB or Committee

12.4. In line with the duties under their role, the LPB and Committee members are required to be able to demonstrate their knowledge and understanding and to refresh and keep their knowledge up to date on anything that would fall within the remit of their role. Members are therefore required to maintain a written record of all relevant training and development (whether internal or external) they have undertaken. In the event that members wish to attend an external course/training event prior approval must be sought from the Scheme Manager. All information in relation to training and development of all members shall be made available to the Board and Committee as part of the Review Process. In addition, the Scheme Manager may, at any time request to inspect such records upon providing the relevant member with a written request which must be adhered to within 7 days of receipt of such a request.

12.5. All members will undertake an annual personal training needs analysis and regularly review their skills, competencies and knowledge to identify gaps or weaknesses as well as mandatory training that the Board or Scheme Manager considers is required to ensure the Board and Committee operates as effectively as possible. Members will comply with the Scheme Manager's training policy, details of which are found in the separate document titled "London Borough of Croydon Pension Fund Knowledge and Skills / Training Policy".

6.1.3. Burges Salmon LLP also note that TPR's new General Code of Practice came into effect in March 2024. The General Code does have application to public service pension schemes (including the LGPS) although not in all areas (for example not in areas of funding or investment). However, the General Code does apply to knowledge and understanding requirements (see pages 25 – 33 of the General Code in particular). Undertaking training, evidencing training and having a training plan will support the Committee in evidencing compliance with the General Code.

6.1.4. Comments approved by Burges Salmon LLP. (Date 29/5/2024)

7. APPENDICES

7.1 None

8. BACKGROUND DOCUMENTS

8.1 None