

REPORT TO:	Pension Board 12 January 2023
SUBJECT:	Review of Board Training
LEAD OFFICER:	Matthew Hallett, Acting Head of Pensions and Treasury
<p>1. RECOMMENDATION</p> <p>1.1 The Board is asked to note the contents of the Pension Board Training Log.</p>	

2. EXECUTIVE SUMMARY

- 2.1 This report advises the Board of training undertaken by the Pension Board members in Year 2022/23 to 31 December 2022 and asks them note the contents of the Log attached to this report as Appendix A.

3 DETAIL

- 3.1 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 policy was agreed on 17 March 2020 (Minute 26/20). This policy has since been reviewed and the revised version was agreed by the Committee in their meeting of 14 June 2022.
- 3.2 Following the introduction of Markets in Financial Instruments Directive (MiFID II) in 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.
- 3.3 All Officers, Pension Committee Members and Pension Board Members charged with management operations and decision-making with regard to the Fund must be fully equipped with 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.

3.4 The CIPFA Knowledge and Skills Framework was updated in 2021 eight areas of knowledge and skills identified as the core requirements:

- pensions legislation;
- pensions governance;
- pension accounting and auditing standards;
- pensions administration;
- pension services procurement and relationship management;
- investment performance and risk management;
- financial markets and products knowledge; and
- actuarial methods, standards and practice.

3.5 This report provides the Board with a summary of the training undertaken by them in Year 2022/23 to 31 December 2022 (attached as Appendix A).

3.6 Members of the Pension Board and Pension Committee were asked to take part in the National Knowledge Assessment run by Hymans. This was instead of the annual training needs analysis. It is a national assessment to determine knowledge levels and provide benchmarking data across Funds, as well as information to inform future training required. This was a compulsory item on the Training plan agreed by the Committee at their meeting of 11 October 2022. The participation level of the Board at the close of the exercise was 100%. Hymans have issued a report which officers are studying. A report on the results and recommendations from this will be presented at the next Board meeting.

3.7 The 3 Fundamentals programme sessions have been run. 2 Board members attended the first session, 3 attended the second session and 3 attended the third session. This course was one of the compulsory options on the training plan, with the other option being the Hymans on-line training.

3.8 The latest report on the Hymans on-line training uptake shows that 4 Board members have completed 1 or more modules and that 2 Board members have started 1 or more modules.

3.9 The Board is asked to note the contents of this report.

4. CONSULTATION

4.1 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.

5. DATA PROTECTION IMPLICATIONS

5.1 Will the subject of the report involve the processing of 'personal data'?

No.

Has a data protection impact assessment (DPIA) been completed?

No. This report relates to matters relating to the administration of the LGPS and the Croydon Pension Fund.

Approved by: Matthew Hallett on behalf of Jane West, Corporate Director of Resources (Section 151 Officer)

CONTACT OFFICER:

Matthew Hallett, Acting Head of Pensions and Treasury

BACKGROUND DOCUMENTS:

None

APPENDICES:

Appendix A: Training Log