

Royal Borough of Greenwich Pension Fund
Knowledge and Skills Policy and Framework

I Aims and Objectives

- I.1 This document sets out the Knowledge and Skills Policy for the Royal Borough of Greenwich Pension Fund. It has been prepared to ensure that all members and decision makers carrying out their roles and responsibilities on behalf of the Royal Borough of Greenwich Pension Fund & The Royal Borough of Greenwich are and remain sufficiently knowledgeable & competent to do so. There is an expectation that officers involved in the governance of the Fund participate in the relevant training activities as part of their Continuing Professional Development.
- I.2 The Royal Borough of Greenwich, as the administering authority of the Royal Borough of Greenwich Pension Fund, has adopted the key recommendations of the Code of Practice on Local Government Pension Scheme Knowledge and Skills issued by the Chartered Institute for Public Finance Accounting (CIPFA) in 2021 as per the following statements:
- I.3 As required by CIPFA's Code of Practice, The Royal Borough of Greenwich is committed to the following principles;
- 1) That The Royal Borough of Greenwich adopts the key principles of the code of practice on LGPS knowledge and skills.
 - 2) That The Royal Borough of Greenwich recognises that effective management, governance, decision making and other aspects of the delivery of the LGPS can only be achieved where those involved have the requisite knowledge and skills to discharge the duties and responsibilities allocated to them.
 - 3) That The Royal Borough of Greenwich has in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements to effectively acquire and retain LGPS knowledge and skills for those responsible for the management, delivery, governance and decision making of the LGPS.

4) That the policies and practices will be guided by reference to a comprehensive framework of knowledge and skills requirements such as that set down in the CIPFA Knowledge and Skills Framework.

5) That The Royal Borough of Greenwich will ensure that it has adequate resources in place to ensure all staff, members, or other persons responsible for the management, decision making, governance and other aspect of the delivery of the LGPS acquire and retain the necessary knowledge and skills.

6) That The Royal Borough of Greenwich will report annually on how their knowledge and skills policy has been put into practice throughout the financial year in the fund's annual report.

7) That The Royal Borough of Greenwich has delegated the responsibility for the implementation of the requirements of the CIPFA Code of Practice to the appropriate officer, who will act in accordance with the Royal Borough of Greenwich's knowledge and skills policy statement, and, where they are a CIPFA member, with the CIPFA Standards of Professional Practice (where relevant).

1.4 The policy covers the knowledge and understanding of the following groups:

- Members of the Local Pension Board ('the Board')
- Members of the Pension Fund Investment and Administration Panel ('the Panel')
- Officers of the administering authority responsible for the management of the Fund

1.5 The Royal Borough of Greenwich recognises that effective financial administration and decision-making can only be achieved where those involved have the necessary knowledge and skills. Accordingly, the Royal Borough of Greenwich will ensure that it has formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective acquisition and retention of the relevant public sector pension scheme finance knowledge and skills for those in the organisation responsible for financial administration and decision-making.

- I.6 Under MiFiD II regulations (which came into effect on 3 January 2018), those that are responsible for the management of the Royal Borough of Greenwich LGPS Fund need to demonstrate a high level of skills and knowledge to enable the Fund to opt-up and be recognised as a professional investor. Being downgraded to retail investor status means that the Fund will not have access to the type of investment products commensurate with the types of investment in which the Fund invests.
- I.7 Failure to adequately demonstrate a high level of collective knowledge and skills across the Pensions Panel and Pension Board could result in the loss of professional investor status and access to the appropriate investment opportunities.
- I.8 The 2023 consultation on the future direction of LGPS pooling includes reference to the need for appropriate expertise for those tasked with pension fund decision making. Members of Pensions Boards have mandatory training requirements. However, this is not currently the case for the Pensions Panel (or equivalent Pensions Committee), although it is generally accepted as best practice. Government is therefore proposing that each administering authority set out a training policy for committee members (i.e. members of Panel) and that the training undertaken by members should be reported on regularly.
- I.9 The Royal Borough of Greenwich has adopted the following Knowledge and Skills Policy Statement:
- The Royal Borough of Greenwich recognises the importance of ensuring that all staff and members charged with the financial administration and decision-making with regard to the pension fund are fully equipped with the knowledge and skills to discharge the duties and responsibilities allocated to them.
 - The Royal Borough of Greenwich therefore seeks to utilise individuals who are both capable and experienced and it will provide / arrange training for staff and members of the pension

decision-making bodies to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills.

1.10 The objectives of the strategy are to:

- Ensure that Board members meet the legal requirements placed upon them in respect of knowledge and understanding of the local government pension scheme and maintain their training and development, which will be assessed and recorded annually.
- Ensure Panel members have adequate knowledge, training and skills to enable informed decision making even though they do not have the same statutory obligations as board members, which will be assessed and recorded annually.
- Ensure that Officers have adequate knowledge and skills to manage the administration and investment arrangements of the Fund, which will be assessed and recorded annually.

2 Delivery

2.1 The Fund will collaborate with its investment advisers, fund managers, actuary and other stakeholders in the delivery of its training.

2.2 Newly appointed members of both the Pensions Panel and the Pensions Board will receive induction training, carried out by the Fund's investment advisers. The induction will cover the requirements of their roles and the training strategy.

2.3 The training strategy will be delivered to all Board and Panel members via a rolling programme of training, ensuring that the key six areas of

knowledge covered by the code are reviewed. Relevant officers will also receive this training.

- 2.4 Where appropriate, knowledge and skills requirements will be met via in- house training, external training and attendance at relevant networks.
- 2.5 A Training Plan will be produced on an annual basis and will be updated as necessary to account for any changes in legislation, updated guidance and other relevant changes. Alongside the training plan, officers will maintain a training register which will hold details of training courses/events available alongside details of who has attended.
- 2.6 The Royal Borough of Greenwich has delegated the responsibility for the implementation of the requirements of the CIPFA Code of Practice to the Director of Finance, who will act in accordance with the organisation's policy statement and with CIPFA Standards of Professional Practice.
- 2.7 Pension Board members will use the e-learning toolkit provided by the Pensions regulator (or equivalent) to undertake a personal training needs analysis, putting in place a personalised training plan in order to meet the statutory obligations placed upon them. Whilst there is no statutory obligation placed on them to do likewise, Panel members and officers are encouraged to do the same.
- 2.8 Each year, when possible, the Fund will hold an annual 'away day' for officers, Board members and Panel members. This is an opportunity to cover training on a vast number of topics

3 Review and measurement of effectiveness

- 3.1 The Royal Borough of Greenwich Pension Fund will report on an annual basis how these policies have been put into practice throughout the financial year.
- 3.2 We have worked with our advisers in putting together, template monitoring sheets that can record collectively or individually training achievements. This is done to comply with The TPR code, MHCLG statutory guidance, CIPFA Code and Framework and MiFID II requirements.
- 3.3 The knowledge & skills will cover Public Sector pensions, the pension industry in general, the relevant requirements of the Financial Conduct Authority & the completion of any other relevant training in connection with a Member's role, for example, data protection training. As a minimum requirement Members will be expected to embrace the eight topics of the CIPFA Knowledge & Skills Framework, namely;
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| Legislation & Guidance. | Governance. |
| Administration & Communications. | Accounting & Audit Standards. |
| Procurement & Relationship Mngt. | Investment Performance & Risk Management. |
| Financial Markets & Product Knowledge. | Actuarial Methods, Standards & Practice. |
- 3.4 Monitoring will help develop personalised training plans which will be used to document and address any knowledge/skills gaps and update areas of learning when deemed necessary. This will assist in the acquisition of new areas of knowledge in the event of change.
- 3.5 Training has been provided to members of the Board and Panel at each quarterly meeting this year, with a multiple-choice answer sheet to complete afterwards as a way of monitoring training progress. These were returned anonymously, and so far the average score for both Board and Panel was 4.25/5.00.

4 Training methods

4.1 There are numerous methods and materials available to help prepare and equip individuals to perform their respective roles. Options include (but are not limited to) –

- On site, off site or online training
- Collaborating with other Funds
- A full day to cover many topics in one go
- A formal presentation
- A workshop with participation
- Spotlight sessions - short sessions on topical issues or scheme-specific issues
- Informal discussion
- One to one

5. Risk Management

5.1 The compliance and delivery of a training plan is at risk in the event of –

- Frequent changes in membership of the Pension Committee or Pension Board
- Poor individual commitment
- Resources not being available
- Poor standards of training
- Inappropriate training plans

5.2 These risks will be monitored, and appropriate records of a learning programme maintained, in order to minimise the risk.