

The University of Reading Employees' Pension Fund

The Role of the Trustee

What is a Trust?

The University of Reading Employees' Pension Fund is set up under trust. A trust is simply an arrangement under which the Trustees hold the assets of the trust for the beneficiaries of the Fund. The Trustees act independently from the University and hold the assets of the Fund, which are kept separate from the University's, on behalf of the beneficiaries.

What is a Trustee?

The Trustees administer the Fund in accordance with legal documents which contain the framework of the Fund, including the Trustees' powers and duties and set out the rights and interests of the beneficiaries. The Trustees must act impartially at all times for all beneficiaries and not a particular class of beneficiary.

What are the duties of a Trustee?

- Regularly attending and making a valid contribution to Trustee meetings (usually four two-hour meetings per year plus time to read the meeting papers and meeting preparation). Meetings normally take place either at the University of Reading or online via a video conferencing facility;
- Potentially sitting on one or more Sub-Committees requiring attendance at additional meetings;
- Maintaining strict confidentiality at all times;
- Acting in good faith;
- Acting prudently;
- Being conversant with the Scheme Rules and other key governing documentation;
- Completion of the Pension Regulator's Trustee Toolkit (or equivalent) within six months of appointment;
- Having a good understanding of the law relating to pensions and trusts, as well as general funding and investment principles;
- Not acting in a manner to cause "breach of trust";
- Keeping up to date with legislative and regulatory requirements by participating in ongoing training and reading throughout the term of the appointment;
- Developing and maintaining effective governance and internal controls to deliver investment / funding activities;
- Making decisions and setting the Fund's objectives and strategy;
- Investing the Scheme funds wisely;
- Effectively monitor and overseeing advisers and those carrying out scheme activities;
- Complying with statutory body requirements.

Much of the day to day duties are carried out or delegated to specialists appointed by the Trustees. These include the scheme administrator, our investment managers, legal adviser and actuary. These are all supported by the University's Pensions team.

Whilst you do not have to be a pensions expert, the law does require Trustees to have an understanding of the law relating to pensions and trusts, the funding of pension schemes and investment of scheme assets. There are civil and criminal penalties which may apply to Trustees who fail to exercise their statutory duties.

As a Trustee you have to act in accordance with legislation. For example, The Pensions Regulator has put in place requirements, known as the Trustee Knowledge and Understanding requirements and an MNT will have to be familiar and comply with these. Before putting yourself forward, you may like to read the 'Guidance for trustees' from the Pensions Regulator, which can be found at www.thepensionsregulator.gov.uk/trustees.

What training will I be given?

This will depend on individual needs but you will be expected to attain the Certificate of Completion from the Pension Regulator's Trustee Toolkit (which is an online interactive e-learning self-assessment tool covering all aspects of trusteeship). You will have 6 months to do this so you can work at your own pace when it is convenient to you.

Training sessions are also provided by the professional advisers associated with the Fund and there are a range of other training courses which may be appropriate. In house training and support is also available from the Pensions team and of course from your fellow Trustees.