

## Lancashire County Council

### Lancashire Local Pension Board

Tuesday, 24th April, 2018 at 2.00 pm in CHG:04 - A Floor, County Hall, Preston

### Agenda

#### Part I (Open to Press and Public)

#### No. Item

#### Part I (Open to Press and Public)

1. **Apologies**
2. **Disclosure of Pecuniary and Non-Pecuniary Interests**
3. **Minutes of the Meeting held on the 16th January 2018** (Pages 1 - 8)  
To be confirmed, and signed by the Chair.
4. **Membership and Terms of Reference of the Lancashire Local Pension Board** (Pages 9 - 12)
5. **Chairs report on the Lancashire Local Pension Board Appraisal** (Pages 13 - 18)
6. **Lancashire County Pension Fund - Regulatory Update** (Pages 19 - 24)
7. **Lancashire Local Pension Board Work Plan 2018/19** (Pages 25 - 28)
8. **Lancashire County Pension Fund - Breaches Log** (Pages 29 - 40)
9. **Feedback from members of the Board on pension related training, conferences and events.** (Pages 41 - 42)
10. **Part I reports from the last Pension Fund Committee** (Pages 43 - 44)

## **11. Urgent Business**

An item of urgent business may only be considered under this heading where, by reason of special circumstances to be recorded in the minutes, the Chair of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency. Wherever possible, the Chief Executive should be given advance warning of any Member's intention to raise a matter under this heading.

## **12. Date of Next Meeting and approval of dates for two meetings in 2019**

The next scheduled meeting of the Board will be held at 2pm on the 3<sup>rd</sup> July 2018 in Room CHG 04 at County Hall, Preston.

The subsequent meeting is scheduled to be held on the 16<sup>th</sup> October 2018 though there are no further meetings arranged. Therefore, after consulting members of the Board arrangements have been made for additional meetings to be held at 2pm on the 29<sup>th</sup> January 2019 and 30<sup>th</sup> April 2019 in Room CHG: 05 at County Hall, Preston.

The Board will be consulted on dates for a 2019/20 programme of meetings in due course.

## **13. Exclusion of Press and Public**

The Board is asked to consider whether, under Section 100A(4) of the Local Government Act, 1972, it considers that the public should be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part I of Schedule 12A to the Local Government Act, 1972, as indicated against the heading to the item.

### **Part II (Not Open to Press and Public)**

- |   |                 |
|---|-----------------|
| <b>14. The Local Pension Partnership Governance review</b>      | (Pages 45 - 56) |
| <b>15. Part II reports from the last Pension Fund Committee</b> | (Pages 57 - 58) |
| <b>16. Review of the Local Pensions Partnership</b>             | (Pages 59 - 60) |
| <b>17. Lancashire County Pension Fund - Risk Register</b>       | (Pages 61 - 72) |

L Sales  
Director of Corporate Services

County Hall  
Preston





# Agenda Item 3

## Lancashire Local Pension Board

Minutes of the Meeting held on Tuesday, 16th January, 2018 at 2.00 pm in Room CHG: 03 - A Floor, County Hall, Preston.

### Present:

#### Chair

William Bourne

#### Committee Members

County Councillor Christian Wakeford, Employer rep - LCC  
Steve Thompson, Employer rep - Unitary, City, Boroughs, Police and Fire  
Carl Gibson, Employer rep - Other Employers  
Kathryn Haigh, Scheme rep - Active Members  
Yvonne Moulton, Scheme rep - Active Members  
Bob Harvey, Scheme rep - Pensioner Members

#### Officers

Diane Lister, Head of Your Pension Service, Local Pension Partnership.  
Abbi Leech, Head of Fund, Lancashire County Council.  
Colin Smith, Technical Advisor, LCPF, Lancashire County Council  
Mukhtar Master, Governance & Risk Officer, LCPF, Lancashire County Council.  
Mike Neville, Senior Democratic Services Officer, Lancashire County Council.

Also present - County Councillor K Ellard and County Councillor R Whittle (both members of the Responsible Investment Working Group) for items 1 to 4 only.

### 1. Welcome and Apologies

The Chair welcomed everyone to the meeting and introduced County Councillor K Ellard and Councillor R Whittle from the Responsible Investment Working Group who were attending the meeting to present the report at item 4 on the agenda.

It was noted that no apologies had been received.

### 2. Disclosure of Pecuniary and Non-Pecuniary Interests

There were no declarations of interest in relation to matters on the agenda.

### 3. Minutes of the Meeting held on the 17th October 2017

The draft Minutes of the meeting held on the 17<sup>th</sup> October 2019 were presented for approval. In response to a query Mr Neville confirmed that he would check to ensure that information on HMRC annual allowances had been circulated to the members of the Board.

No further comments were made in relation to the statement at the previous meeting regarding the County Council having no obligation to purchase IT equipment for use by Board members.

**Resolved:** That the Minutes of the meeting held on the 17<sup>th</sup> October 2017 are confirmed as an accurate record and signed by the Chair.

#### **4. Draft LCPF Responsible Investment Policy and Climate Change Policy**

County Councillor K Ellard and Councillor R Whittle gave a presentation on the work done by the Responsible Investment Working Group which had been established in June 2017 by the Pension Fund Committee to explore how to further support responsible investment.

In considering the draft Responsible Investment and Climate Change Policies set out at Appendices 'A' and 'B' the Board noted that the Working Group had consulted with representatives from the LPFA, the Investment Panel and the Responsible Investment Manager from LPPI. Board members welcomed the draft policies and recognised the pragmatic view which the Working Group had adopted when developing them. With regard to divestment the Board agreed that it was better to remain engaged with companies in order to effect change, though it was recognised that in a small number of cases it may be considered necessary to disinvest and the draft policy would provide for that.

The Board also discussed the responsible investment issues which were identified as being of interest and noted that organisations such as LAPFE and Share Action provided information which would assist in identifying companies with a proven record of supporting the living wage. It was also acknowledged that care would need to be taken to ensure that the interest in supporting Lancashire based companies did not contradict other interests identified in the policy.

#### **Resolved:**

1. That the views of the Board as set out above in relation to the draft 'Responsible Investment Policy' for the LCPF and 'Climate Change Policy' are noted and referred to the Working Group on the 1<sup>st</sup> February 2018 for further consideration before final recommendations are made to the Pension Fund Committee on the 23<sup>rd</sup> March 2018 for approval.
2. That an update on the Responsible Investment and Climate Change Policies is presented to the next meeting of the Board.

#### **5. Fraud Control - Lancashire County Pension Fund**

The Head of Your Pension Service presented a report on the following fraud control arrangements which were in place in relation to the Lancashire County Pension Fund.

- Tell us Once
- Overseas Life Certificates
- Pensions Scams Information

When considering the report the Board recognised the measures which were in place to minimise the possibility of fraud (including external audit) and was informed that in the last 16 years there had only been 1 identified case of fraudulent activity in relation to the LCPF

**Resolved:** That the report is noted.

## **6. Compliance with The Pension Regulator Requirements - Update**

The Head of Your Pension Service presented a report regarding The Pensions Regulator's Code of Practice No. 14 (COP14) and informed the meeting that the updated draft Compliance Statement reflected the fact that LCPF remained generally compliant with the regulator's requirements for public service pension schemes and also recognised that action taken to improve data quality had been successful.

In response to a query regarding the development of a record to monitor the payment of contributions the Head of Fund confirmed that an update would be presented to the next meeting.

**Resolved:**

1. That the draft updated Compliance Statement in relation to COP14, as set out in Appendix 'A' to the report presented, is noted.
2. That an update on the development of a record to monitor the payment of contributions be presented to the next meeting.

## **7. Discretionary Policies Update**

It was reported that the published discretions which the administering authority can exercise under the Local Government Pension Scheme (LGPS) Regulations had been reviewed in order to ensure that they were still appropriate in terms of the decision making process, especially following the formation of the Local Pension Partnership.

The Board was informed that following the review it was proposed to make changes to the Admissions and Termination policy, the Pensions Administration Strategy Statement and the actuarial calculation of early retirement costs (Pension Strain). Details of the proposed changes were set out in the report presented.

In considering the report the Board the intention was to present a report on the revised Pension Administration Strategy Statement (PASS) to the Pension Fund Committee in March 2018. In view of the timescales it was suggested that once it

was finalised the draft PASS should be circulated to the members of the Board for comment so that any views could be included in the report to the Committee.

It was also suggested that employers within the Fund should be given advance notice of the proposal to increase pension strain costs by 5% in relation to early retirement as this would need to be taken into account when planning future budgets.

**Resolved:**

1. That the Admissions and Termination Policy, as set out at Appendix 'A' to the report presented, and the proposal to revise the actuarial calculation for pension strain from 1 April 2018 as detailed in the report are noted.
2. That the proposed amendments to the Pensions Administration Strategy Statement, as set out in the report, are noted and that once finalised a copy of the draft Statement be circulated to members of the Board for comment so that any views can be reported to the Pension Fund Committee on 23<sup>rd</sup> March 2018 when the Statement is presented for approval.
3. That the contents of the current discretionary policy statement, as set out at Appendix 'B' to the report presented, and the intended actions to review the powers of delegation within those statements are noted.

**8. Membership of the Lancashire Local Pension Board**

A report was presented on the processes for identifying and appointing replacement Employer and Deferred Member representatives to fill the existing two vacancies on the Board.

Initially the Board considered whether the vacancies should be filled. Whilst acknowledging that the membership was larger than other Boards it was felt that the current balance of 4 representatives each for employers/members, together with an independent Chair represented a valuable breadth of knowledge and experience and minimised the possibility of meetings being inquorate.

It was reported that the Employer Member vacancy would be filled by a nomination from the County Council which was anticipated to be made early in the New Year with a view to the appointment being presented to the full County Council in February 2018 for approval.

With regard to the Deferred Member vacancy the Board noted it was for individual Administering Authorities to establish an appropriate appointment process and consideration was given to different methods. It was noted that the ballot process used to recruit some Board members had been expensive and had resulted in a low response from eligible members.

After considering the various options the Board agreed that a two stage nomination and selection process would be a more cost effective way of filling the vacancy. It

was also agreed that in future the 4 scheme member representatives should act as representatives for all scheme members rather than the particular groups within the membership from which they were drawn.

**Resolved:**

1. That the membership of the Board continue to operate on the basis of an independent Chair and 4 Employer Member representatives (as set out in the Terms of Reference) and 4 Scheme Member representatives.
2. That with regard to the 4 Scheme Member representatives referred to in 1 above the full County Council be recommended to agree to amend the Terms of Reference of the Board so that the Scheme Member representatives are appointed to represent all active, pensioner and deferred members.
3. That the process for the appointment of an Employer Member representative from Lancashire County Council, as set out in the report presented, is noted.
4. That the vacancy for a Scheme Member representative be filled following a two stage nomination and selection process, as set out in the report presented.

**9. Lancashire Local Pension Board Work Plan 2018/19**

The Board considered a report on the proposed Work Plan for 2018/19 and agreed a number of minor amendments.

With regard to dates for meetings of the Board in 2019/20 Mr Neville confirmed that discussions were underway and that members of the Board would be consulted in due course on a proposed programme of meetings.

**Resolved:** That, subject to the following amendments, the proposed Work Plan for 2019/20, as set out at Appendix 'A' to the report presented, is approved.

1. The Chairs report on the appraisal of the Board and Terms of Reference to be presented to the Board in January each year.
2. The annual report on the review of training records for members of the Board to be presented in July.
3. The review of the induction pack for new members to be deleted from the Work Plan.
4. An update report on regulatory changes to be presented on a quarterly basis if applicable.
5. The Risk Assurance map and LPP internal report to be presented to meetings in January and July.

6. That the next Actuarial Report be presented to the Board in 2020/21.

#### **10. Lancashire County Pension Fund - Regulatory Update**

A report was presented to update the Board on the following regulations.

- Exit payment reform (exit payment recovery, exit cap and further reform to exit payments)
- The eligibility of Assistant Coroners for membership of the LGPS.
- The 3.0% increase in 2018 Pensions expected to be confirmed by Government early this year.
- The Scheme Advisory Board tier 3 employer project.

**Resolved:** That the report is noted.

#### **11. Feedback from members of the Board on Training events and Conferences attended since the last meeting.**

Individual members of the Board gave feedback on external training conferences or internal workshops which they had attended since the last meeting. Members agreed that all the events which had been attended had been useful.

The Head of Fund informed the meeting that that the workshop on the 31<sup>st</sup> January 2018 at County Hall, Preston, would be on pensions law and regulations.

**Resolved:** That the report and feedback from Board members is noted.

#### **12. Part I reports from Pension Fund Committee**

The Head of Fund updated the Board on discussions and decisions taken at the last Pension Fund Committee in relation to items in Part I of the agenda.

**Resolved:** That the reports considered under Part I of the agenda at the Pension Fund Committee on the 17<sup>th</sup> October 2017 and decisions taken are noted.

#### **13. Urgent Business**

No items of urgent business were raised at the meeting.

#### **14. Date of Next Meeting**

It was noted that the next scheduled meeting would be held at 2.00pm on the 24<sup>th</sup> April 2018 in Room CHG 04 at County Hall, Preston.

## **15. Exclusion of Press and Public**

**Resolved:** That the press and public be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A to the Local Government Act, 1972, as indicated against the heading of the item. It was considered that in all the circumstances the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

## **16. LCPF Risk Assurance Map Update**

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information).

A report was presented on the outcome of a review of the detailed assurance requirements in relation to the 25 priority ratings set out in the Risk Assurance Map. The Board noted that following the review it was considered that the risk associated with 12 of the ratings had been reduced and remained the same for the other 13 ratings.

The Board discussed the ongoing pension administration transformation process and agreed that a detailed review on the administration/cost savings and budgets associated with pooling be presented to the meeting in July 2018.

### **Resolved:**

1. That the updates set out in Appendix 'A' to the report presented, regarding the findings of the review of detailed assurance requirements for the 25 priority ratings in the Risk Assurance Map, are noted.
2. That a revised version of the Risk Assurance Map, which reflects the updates referred to in 1 above is presented to a future meeting.
3. That a detailed review of the administration/cost savings and budgets associated with the Lancashire Pension Partnership be presented to the meeting in July 2018.

## **17. Part II reports from the last Pension Fund Committee**

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information).

The Head of Fund updated the Board on discussions and decisions taken at the last Pension Fund Committee in relation to the following items in Part II of the agenda.

- The Investment Panel report
- The Investment Strategy Review
- The Local Pensions Partnership Quarter 2 update
- The Lancashire County Pension Fund Performance Overview September 2017
- The appointment of an Independent Investment Adviser to the Pension Fund.

**Resolved:** That the reports considered under Part II of the agenda at the Pension Fund Committee on the 17<sup>th</sup> October 2017 and decisions taken are noted.

**18. Breaches reported to Pension Fund Committee since the last meeting**

The Head of Fund informed the meeting that there had been no material breaches regarding information held by the LCPF since the last meeting.

**Resolved:** That the current position regarding breaches of information relating to the LCPF is noted and that the Board be kept informed of any future breaches.

L Sales  
Director of Corporate Services

County Hall  
Preston

## Lancashire Local Pension Board

Meeting to be held on Tuesday, 24 April 2018

Electoral Division affected: None;
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### Membership and Terms of Reference of the Lancashire Local Pension Board.

Contact for further information: Mike Neville, Tel: (01772) 533431, Senior Democratic Services Officer, [mike.neville@lancashire.gov.uk](mailto:mike.neville@lancashire.gov.uk)

#### Executive Summary

An update on activity since the last meeting regarding amending the Terms of Reference and filling the vacancies for an employer representative and scheme members representative on the Board.

#### Recommendations

The Board is asked to note

1. the amended Terms of Reference for the Board.
2. the appointment of Mr T Pounder, Director of Adult Services, as the Lancashire County Council employer representative on the Board.
2. the current position regarding the appointment of a scheme member representative to fill the remaining vacancy on the Board.

#### Background and Advice

At the last meeting a report was presented regarding the processes to be adopted in relation to identifying and appointing replacement employer and scheme member representatives to fill two vacancies on the Board.

After considering the various options the Board agreed:

1. That the membership of the Board continue to operate on the basis of an independent Chair and 4 Employer Member representatives (as set out in the Terms of Reference) and 4 Scheme Member representatives.
2. That with regard to the 4 Scheme Member representatives referred to in 1 above, the full County Council be recommended to agree to amend the Terms

of Reference of the Board so that the Scheme Member representatives are appointed to represent all active, pensioner and deferred members.

3. That the process for the appointment of an Employer Member representative from Lancashire County Council, as set out in the report presented, is noted.
4. That the vacancy for a Scheme Member representative be filled following a two stage nomination and selection process, as set out in the report presented.

Set out below is an update on activity since the last meeting regarding the amendment of the Terms of Reference and filling the two vacancies on the Board.

### **Amendment of the Terms of Reference.**

The full County Council has approved the amendment of the Terms of Reference of the Board so that Scheme Member representatives are appointed to represent all active, pensioner and deferred members rather than individual groups. In order to avoid any delay the approval was sought under the urgent business procedure and a copy of the amended Terms of Reference is available to view at [Article 7 of the county council constitution](#)

### **Appointment of a new employer representative from Lancashire County Council.**

The urgent business procedure referred to above was also used to approve the appointment of Mr T Pounder, Director of Adult Services, as the Employer Member representative from Lancashire County Council on the Board.

### **Appointment of a new Scheme member representative.**

On the 10<sup>th</sup> March 2018 an email was circulated to inform the membership of the LCPF of the vacancy for a scheme member representative and to request expressions of interest by a deadline of 15<sup>th</sup> April 2018.

An update will be given at the meeting in relation to responses received. The intention is that interviews for the position will be held ahead of the next Board on the 24<sup>th</sup> April 2018.

### **Consultations**

The Head of Fund and the Governance and Risk Officer for the Lancashire County Pension Fund.

### **Implications:**

This item has the following implications, as indicated:

## **Risk management**

In accordance with Section 5(4) (c)6 of the public Service pensions Act 2013 the pension Board is required to include employer and members representatives in equal numbers, thus ensuring that it can undertake its role in assisting the administering Authority with the governance and administration of the LCPF.

## **Local Government (Access to Information) Act 1985 List of Background Papers**

Paper	Date	Contact/Tel
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NA

Reason for inclusion in Part II, if appropriate

N/A



## Lancashire Local Pension Board

Meeting to be held on Tuesday, 24 April 2018

Electoral Division affected: None;
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## Report on the Lancashire Local Pension Board Appraisal

(Appendix 'A' refers)

Contact for further information: Mike Neville, Tel: (01772) 533431, Senior Democratic Services Officer, [mike.neville@lancashire.gov.uk](mailto:mike.neville@lancashire.gov.uk)

### Executive Summary

This report presents a summary of the main points which came out of the appraisal meetings which the Chair of the Pension Board held with individual members of the Board and makes recommendations for the future.

### Recommendation

The Board is asked to consider the recommendations from the Chair, as set out in Appendix 'A'.

### Background and Advice

At the meeting on the 17<sup>th</sup> January, 2017, the Board received a report from the Chair which summarised the main points which had been identified following a series of one to one meetings with individual members of the Board. The recommendations from that appraisal were subsequently referred to the Head of Fund for attention.

In January 2018 arrangements were made for a second appraisal which saw the Chair meet with the 6 members of the Pension Board (due to there being 2 vacancies following the resignations of J Hall and S Browne) together with Abbi Leech, the Head of Fund, and Mr Neville the Senior Democratic Services Officer.

Following the appraisals the Chair produced an initial report which was shared with the members of the Board. A copy of the final report on the appraisals is set out at Appendix 'A'.

### Consultations

N/A

### Implications:

This item has the following implications, as indicated:

## **Risk management**

There are no significant risk management implications.

## **Local Government (Access to Information) Act 1985 List of Background Papers**

Paper	Date	Contact/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A

## Report on Lancashire Pension Board Appraisals

*This note summarises the main points which came out of the appraisal meetings I held with Local Pension Board (LPB) members and Officers and makes recommendations for the future. Note that there are two vacancies, and I therefore spoke to six Board members.*

*William Bourne, Chair of the Local Pension Board*

*8<sup>th</sup> February 2018*

### Appraisal meetings held

Name	Representative	Date
Steve Thompson	Employers	17 <sup>th</sup> January
Carl Gibson	Employers	17 <sup>th</sup> January
Yvonne Moulton	Members	17 <sup>th</sup> January
Bob Harvey	Members	16 <sup>th</sup> January
Kathryn Haigh	Members	17 <sup>th</sup> January
Christian Wakeford	Employers	16 <sup>th</sup> January
Abigail Leech	Officer	16 <sup>th</sup> January
Mike Neville	Officer	17 <sup>th</sup> January

### General

Twelve months ago my review focused on how to make the Board add value more effectively. We decided to scrutinise through assurance reports and agreed on ways to influence the Pension Committee when we felt it was necessary. There is general agreement today that the Board operates in a more structured way with a detailed Work Plan, that it works as a unit, that the reports provided to it by Officers usually strike the right balance of detail, and that it has therefore been more effective in performing its duties. One member commented that it was beginning collectively to understand what is needed to be effective as a governance body.

A number of members commented, as last year, that the volume of reports (eg. 166pp for the Board's own pack and 228pp for the PFC papers for the 16/01/18 meeting) and the short timescale to read them is an issue. I am told there is an LCC wide initiative to try to reduce the paper produced and additionally the suggestion was made that each member of the Board should be allocated specific areas of expertise, where they would be expected to lead discussions. This would have the benefit of utilising members' specific knowledge and also of helping members to learn more about particular areas. However, it is important to note that it would not remove the responsibility for members to make themselves familiar with the main issues in all areas.

Last year I noted Board members' concern about the lack of processes to monitor LPP's activities, with the exception of investments. Twelve months later there has been significant work done on governance processes but there is still a grey area caused by the fact that the pension fund is a client of LPP while, at the same time, Lancashire County Council is a shareholder. The LPB's role should focus on governance in respect of the client relationship by holding the PFC to account. However, in practice the PFC also has responsibility for some aspects of the shareholder relationship, which are outside the LPB's remit, and that can cause significant confusion.

Board members commented once again that while the approach of using assurance statements has helped, they have not always been able to see the evidence that LPP is fulfilling its duties as a service provider. In particular there is some concern about the Board's ability to scrutinise oversight of the administration

transformation programme. All members agreed that after two years of operation they would, in the interest of members and employers, like to see an independently provided report on the business benefits delivered by LPP to the LCPF as a client.

There was strong agreement that the Board should continue to have eight members and a clear desire that due attention be given to diversity considerations when the two vacant positions are filled. The need to change the Terms of Reference as a matter of urgency to reflect the decision (at the 16<sup>th</sup> January 2018 meeting) to use a two-step appointment process rather than a ballot was noted.

I recorded universal agreement from Members that Officers provide effective and responsive support to the Board. There was a request from some members that papers be provided earlier if possible, because five working days provide little time to read them. Officers have looked at the possibility of doing this, but concluded that it is not practically possible to vary from established Lancashire County Council practice. I note in this context that LPB members are alerted to the publication of PFC agenda packs when they are published enabling members to read these papers earlier, and that these and other information is also available through the Pensions Library well ahead of the Board's meetings.

In order to ensure the LPB's role and activities are communicated to members, some Board members asked whether it was possible for there to be updates as part of the Pension Fund's regular communication programme to employers and members.

## **Training**

There was a general view that training had improved during the year, though - as last year - some members felt that trainers might be directed to take the LPB's specific needs, which are not always the same as the PFC's, more into account. The suggestion was also made that newer members of the PFC might benefit from training on the LPB's role.

The analysis of knowledge levels revealed two areas where collectively Board members felt their knowledge was weakest: one was record-keeping and the second was reporting breaches of the law. I therefore recommend training in these two areas.

## **Topics for 2018**

It was generally agreed that the WorkPlan agreed at the 16/01/2018 meeting provides a good basis for 2018's work schedule. Other areas which were mentioned were cyberfraud and data protection.

## **Recommendations**

1. Review Terms of Reference and amend terms covering the process of selecting member representatives as a matter of urgency so that new members can be appointed.
2. Board activities to be divided into the following areas and two individual Board members to be asked to take formal responsibility for leading discussions on each of them. I have made some suggestions for discussion at our next meeting based on where I believe members have expertise or interest. Members should contact me if there are particular areas they do or do not wish to lead on.

<b>Area</b>	<b>Includes</b>	<b>Members</b>
Compliance with regulations and statutory guidance	TPR, LGPS regulations,	KH, ST
Communications	Engagement, comms policy	YM, CG
Administration	KPIs, ABSs, admin breaches	YM, ST
IT	Fraud Control, Data protection, Cyber	Vacant, CW
Investment strategy	ISS, Actuarial report, Responsible Investment	RH, ST
Service providers governance	LPP, custodian, audit	CW, RH
Risk register		CG, Vacant

3. Consideration be given to providing training on the LPB's role for PFC members, particularly those who have recently been appointed.
4. Consideration be given to the LPB having regular slots on Employer or Member newsletters or other communications.
5. Training be provided on the subjects of record-keeping and reporting breaches of law.



## Lancashire Local Pension Board

Meeting to be held on Tuesday, 24 April 2018

Electoral Division affected: None;
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## Lancashire County Pension Fund – Regulatory Update

Contact for further information:

Colin Smith, 01772 534826, Technical Advisor,

Colin.Smith@lancashire.gov.uk

### Executive Summary

This report provides an update in relation to regulations in order to enable members of the Board to exercise their functions effectively.

### Recommendation

The Board is asked to note the contents of this update.

### Background and Advice

To assist members of the Pension Board to exercise their functions effectively, this report provides an update on regulations affecting the pension fund.

### Regulatory Update

#### 1 Consultation outcome on indexation and equalisation of GMP in public service pension schemes

The above consultation run by HM Treasury ceased on 27 February 2018.

Historically a Guaranteed Minimum Pension (GMP) was required to be provided for, at a member's state pension age, by the LGPS (and all other public service pension schemes) as a consequence of being contracted out of the State pension scheme.

The way in which annual pensions increases were applied to the GMP element of a LGPS member's pension was shared between the LGPS pension and the State pension. However when the new single-tier state pension was introduced the government was no longer able to share the indexation.

As an interim solution, for those reaching state pension age (SPA) between 6 April 2016 and 5 December 2018 inclusive, public service pension schemes are required to fully index the GMP.

The consultation considered what should happen with members with a GMP who attain SPA from 6 December 2018.

The consultation considered the following options:

- a) Case-by-case basis – Where a GMP is not fully indexed, the member will obviously lose out. However, it should be remembered that some members will gain as a result of the introduction of the single-tier pension (i.e. they may get more state pension than they would have got under the old state pension rules). Under this approach, the scheme will pay a top-up to someone whose loss as a result of their GMP not being fully indexed is not outweighed by any gain from the single-tier pension.
- b) Full indexation – the scheme would be required to fully index the GMP (i.e. an extension of the interim approach)
- c) Conversion – the scheme would convert the GMP into a scheme benefit. This would have similar outcomes to option 2 but the scheme would no longer need to consider GMP legislation.

The Government responded to the consultation on 22 January 2018.

The outcome is as follows:

- a) The interim solution will be extended to those reaching SPA between 6 December 2018 and 5 April 2021 (inclusive).
- b) The government will review the possibility of implementing conversion as a longer-term solution for those attaining SPA from 6 April 2021. They will also continue to take account of alternative solutions that may also address this issue (though the Case-by-Case option is ruled out).

## **2 The Pensions Advisory Service dispute function moves to the Pensions Ombudsman**

The Pensions Advisory Service's (TPAS) dispute resolution function has now moved to The Pensions Ombudsman (TPO).

LGPS members and prospective members used to approach both TPO and TPAS for help when dealing with a pension complaint. TPAS usually focussed on complaints before the pension scheme's internal dispute resolution procedure (IDRP) had been completed, whilst TPO deals with complaints that have been through IDRP.

The transfer of functions is expected to simplify the process for our members as the intention is that they will be able to access all pension dispute resolution, previously handled by two services, whether pre or post IDRP, in one place.

Our own IDRPs documentation is currently being revised to reflect these changes.

### 3 Annual updates confirmed

- The pay ranges to establish employee contribution levels have been increased by 3% and are effective from 1 April 2018 as set out below:

Band	Range	Contribution rate	
		Main section	50/50 section
1	Up to £14,100	5.5%	2.75%
2	£14,101 to £22,000	5.8%	2.90%
3	£22,001 to £35,700	6.5%	3.25%
4	£35,701 to £45,200	6.8%	3.40%
5	£45,201 to £63,100	8.5%	4.25%
6	£63,101 to £89,400	9.9%	4.95%
7	£89,401 to £105,200	10.5%	5.25%
8	£105,201 to £157,800	11.4%	5.70%
9	£157,801 or more	12.5%	6.25%

- The LGPS annual Additional Pension purchase limit for members applicable for 2018/19 is increased by 1% from £6,755 to £6,822
- The Lifetime Allowance (linked to the Sept 2017 CPI figure of 3%) will increase from £1,000,000 to £1,030,000 with effect from 6 April 2018. (The lifetime allowance is a limit on the value of pension benefits at retirement that can be made without triggering an extra tax charge.)
- The Annual Allowance (the limit on the total amount of benefits that can be built up in a defined benefit pension scheme each year without triggering a tax charge) remains unchanged at £40,000 for 2018/19.
- The full year increase to be applied on 1 April 2018 to the career average pension earned up to 31 March 2018 is 3.0%.
- The increase to be applied from 9 April 2018 to a pension in payment and deferred pensions, which began before 10 April 2017, will be 3.0%.
- The maximum “week’s pay” for calculating a statutory redundancy payment has increased from £489 per week to £508 per week from 6 April 2018.

### 4 Scheme Advisory Board (SAB) - 50/50 section awareness project

A member survey initiated by the shadow board that ran between April and July 2017 indicates that the low take up rate of the 50/50 section could be attributed to poor communication. The SAB are, therefore, of the view that improving the level of awareness amongst the scheme’s membership, in particular optants out and those considering opting out of the scheme, should result in an increase in the take up rate and in turn, the prospect of the scheme savings assumed from the Treasury’s assumption on take up being realised.

Treasury assumed when the new scheme was designed that 10% of scheme members earning less than £21k would opt into the 50/50 section. The cost of future service of 19.5% was partially based on that assumption. However, in reality the take up rate is not exclusive to those earning less than £21k and the Board’s actuarial adviser has suggested that the same scheme cost savings would be achieved if there was a take up rate of 4-5% across the scheme.

Within the Lancashire Fund the take up rate for the 50/50 scheme is currently 0.7% of the total active membership.

As a result the SAB are to consider proposals for an awareness project and how that might be taken forward.

## **5 High Court judgement in the case of Elmes v Essex – co-habiting partners**

The case above was heard in the High Court on 18 January 2018.

The outcome of the case effectively removes the requirement for a nomination form to be in place in order for cohabitees (who meet the other regulatory requirements) to be eligible for a partner's pension in the LGPS. Previously the requirement to nominate a partner only existed for deaths between 1 April 2008 and 31 March 2014 for the LGPS in England and Wales. The necessity to nominate a co-habiting partner was removed for all deaths following the implementation of the new regulations on 1 April 2014.

As a fund Lancashire have already identified potential eligible cohabitees who would have been entitled to a partner's pension but for the nomination requirement. However the Ministry of Health Communities and the Local Government (MHCLG) has confirmed that they are waiting for the Judge's reasoning to be issued, before deciding what the judgment means for the LGPS regulations. Once issued, it will be for MHCLG to take a legal view on the implications. The Lancashire Fund are currently awaiting that steer before progressing this (the potential cases affected number less than 20).

## **6 LGPS amendment regulations**

It is expected that the amendment regulations published under a DCLG consultation on 27 May 2016 would be issued over the summer 2018 but will contain technical amendments only (the exit cap and fair deal proposals will be dealt with separately).

### **Consultations**

N/A

### **Implications:**

This item has the following implications, as indicated:

### **Risk management**

No significant risks have been identified.

**Local Government (Access to Information) Act 1985**  
**List of Background Papers**

Paper	Date	Contact/Tel
N/A		
Reason for inclusion in Part II, if appropriate		
N/A		



## Lancashire Local Pension Board

Meeting to be held on Tuesday, 24 April 2018

Electoral Division affected: None;
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## Lancashire Local Pension Board Work Plan 2018/19

(Appendix 'A' refers)

Contact for further information:

Abigail Leech, Head of Fund, Lancashire County Pension Fund, 01772 530808

abigail.leech@lancashire.gov.uk

### Executive Summary

This report sets out amendments made to the Lancashire Local Pension Board Work Plan for 2018/19 following consideration of the plan at the Board meeting on 16<sup>th</sup> January 2018.

### Recommendation

The Board are asked to note the amendments to the work plan and agree the plan for 2018/19 as set out in Appendix 'A' to this report.

### Background and Advice

The 2018/19 work plan set out at Appendix 'A' details the timing and frequency of activity to be undertaken by the Lancashire Local Pension Board and has been designed to ensure all the responsibilities set out in the Board's Terms of Reference can be met.

Some minor amendments have been made to the original 2018/19 plan following an initial consideration at the meeting of the Board on 16<sup>th</sup> January 2018.

The amendments made, as noted in the Minutes of the January meeting, are listed below.

1. The Chairs report on the appraisal of the Board and Terms of Reference to be presented to the Board in January each year, with the exception of 2018 when the report will be presented to the board in April.
2. The annual report on the review of training records for members of the Board to be presented in July.
3. The review of the induction pack for new members to be deleted from the Work Plan.

4. An update report on regulatory changes to be presented on a quarterly basis if applicable.
5. The Risk Assurance map and LPP internal report to be presented to meetings in January and July.
6. That the next Actuarial Report be presented to the Board in 2020/21.

**Consultations**

N/A

**Implications:**

This item has the following implications, as indicated:

**Risk management**

The Pension Board is required under regulations to secure compliance and ensure the effective, efficient governance and administration of the Fund.

**Local Government (Access to Information) Act 1985  
List of Background Papers**

Paper	Date	Contact/Tel
N/A	N/A	N/A

Reason for inclusion in Part II, if appropriate

N/A

## Lancashire Local Pensions Board - Work programme 2018/19 - Revised February 2018

	Meeting Date				
	16-Jan-18	24-Apr-18	03-Jul-18	16-Oct-18	Jan-19
<b>Introductory Matters</b>					
Welcome/Apologies, Disclosure of interests, Minutes of Previous Meeting, Urgent business, date of next business, exclusion of press and public	Y	Y	Y	Y	Y
Chair's report on the appraisal of the Pension Board and terms of reference		Y			Y
Work Plan review 2017 workplan create 2018	Y				
Progress on workplan		Y	Y	Y	Y
Feedback from Board members on attendance at training events and conferences	Y	Y	Y	Y	Y
Annual Review of Member Training Records			Y		
Reports considered by the recent Pension Fund Committee	Y	Y	Y	Y	Y
Governance Structure	Y				Y
Update on regulatory changes		Y	Y	Y	Y
LPP Administration Transformation Plan		Y		Y	
<b>Key Policy Documents</b>					
Terms of reference for Board (Annual Review)	Y				Y
Termination Policy (Annual Review)			Y		
Governance Policy Statement (Annual Review)			Y		
Pensions Administration Strategy Statement (Annual Review)	Y				Y
Investment Strategy Statement – consideration of investment on non financial grounds	Y				
Administration Performance Report (Annual Review)			Y		
UK Stewardship Code Compliance (Annual Review)			Y		
Policies update to go to PF Dec 2018					Y
Review RI policy WG recommendation	Y	Y			
Climate Change Policy		Y			
Review of scheme risk register (bi-annual)		Y		Y	
Consider PWC's Risk Assurance Map and LPP internal report	Y		Y		Y
High level scrutiny of LPP (annual review)			Y		
<b>Performance</b>					
Monitoring of KPIs for administration, complaints, governance and investments	Y	Y	Y	Y	Y
Pension Fund Administration Service Quality of Service Report			Y		
Data quality			Y		
<b>Financial Monitoring</b>					
Annual monitoring of investment costs including custodian and transaction costs				Y	
Review and approve the pension fund budget with particular regard to the following areas:					
a)Cost savings		Y			
b)Productivity gain		Y			
c)Risk reduction		Y			
d)Service improvement		Y			
e)Performance		Y			
Breaches reported to Pension Fund Committee since last meeting	Y	Y	Y	Y	Y
Contributions monitoring		Y		Y	
<b>Communications and updates to employers and members</b>					
Scrutiny of all annual documents and processes including communications to employers and members, to include:					
Formal reports and internal/external reports	Y	Y	Y	Y	Y
Assistance with communication to employers and members as arising out of regulations and current issues.	Y	Y	Y	Y	Y
Compliance of employers with their statutory duty under the Scheme.				Y	
Results of regulator survey				Y	
Review of the board effectiveness				Y	
Review of :					
a)compliance with COP14.	Y				
b)fraud control within the LCPF	Y				
c)the current Discretions Policy for the LCPF	Y				
<b>Advance Work Plan - Triennial review</b>					
Funding Strategy Statement	Y			Y	
Actuarial Report		Y			
Communications Policy Statement	Y			Y	
Monitor employer and administrating authority discretions		Y			2023/24
Actuarial Valuation	Y			Y	
Investment Strategy Statement	Y			Y	



## Lancashire Local Pension Board

Meeting to be held on Tuesday, 24 April 2018

Electoral Division affected:  
(All Divisions);

## Lancashire County Pension Fund Breaches Log

(Appendices 'A' and 'B' refer)

Contact for further information: Abigail Leech, 01772 530808, Head of Fund

[Abigail.leech@lancashire.gov.uk](mailto:Abigail.leech@lancashire.gov.uk)

Mukhtar Master, 01772 532018, Governance & Risk Officer,

[Mukhtar.Master@lancashire.gov.uk](mailto:Mukhtar.Master@lancashire.gov.uk)

### Executive Summary

This paper provides the Board with a summary of the Lancashire County Pension Fund Breaches log for the period 1<sup>st</sup> January 2018 to the 31<sup>st</sup> March 2018.

### Recommendation

The Board are asked to note this report.

### Background and Advice

The Lancashire County Pension Fund (LCPF) has policy and procedures in place to effectively record and, if necessary, report breaches to the Pension Regulator.

Practical guidance in relation to the legal requirements are set out in the Pension Regulator's Code of Practice 14.

Code of Practice 14 covers areas such as:

- Governing your scheme;
- Managing Risks;
- Administration;
- Resolving Issues.

The Administration section covers aspects such as:

- Scheme record keeping;
- Maintaining Contributions;
- Providing information to members.

The LCPF, in line with the breaches policy and supported by LPP, have established a breaches log to record all incidents which fall outside of the requirements of Code of Practice 14.

For the period January to March 2018 there have been a total of 54 breaches with regards to contribution payments from employers. See **Appendix A** for the full list of anonymised breaches.

None of these breaches are deemed as being material breaches, as set out within the Code of Practice 14 guidance. Most, if not all, are one off late payments, with one employer specifically experiencing some technical difficulties in making the payment. Practices and procedures are in place to ensure that all late payments are followed up and quickly resolved. This would happen well before the 90 day deadline, after which it would constitute a material breach.

For the same period there have been five data breaches which can be seen on **Appendix B**. All data breaches are managed through the Information Governance Team of Lancashire County Council.

### **Consultations**

LPP were consulted with regards to the data breaches.

### **Implications:**

This item has the following implications, as indicated:

### **Risk management**

The Lancashire Local Pension Board provide scrutiny and support to the Pension Fund Committee, in relation to their responsibility to ensure there is effective compliance with the Pension Regulators' Code of Practice 14 – Governance and administration of public service pension schemes.

### **Local Government (Access to Information) Act 1985 List of Background Papers**

Paper	Date	Contact/Tel
Code of Practice 14 - Governance and administration of public service pension schemes	April 2015	Mukhtar Master 01772 532018

Reason for inclusion in Part II, if appropriate

N/A

## APPENDIX A - CONTRIBUTIONS

Breach Number	Year	Quarter	Date of Breach	Nature of the Breach	Description of Breach	Reported Before (Y/N)	Report to tPR (Y/N)
1	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
2	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
3	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
4	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
5	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
6	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N

## APPENDIX A - CONTRIBUTIONS

Breach Number	Year	Quarter	Date of Breach	Nature of the Breach	Description of Breach	Reported Before (Y/N)	Report to tPR (Y/N)
7	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
8	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
9	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
10	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
11	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
12	2017/18	Q3	12/12/2017	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N

## APPENDIX A - CONTRIBUTIONS

Breach Number	Year	Quarter	Date of Breach	Nature of the Breach	Description of Breach	Reported Before (Y/N)	Report to tPR (Y/N)
13	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
14	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
15	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
16	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
17	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
18	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N

## APPENDIX A - CONTRIBUTIONS

Breach Number	Year	Quarter	Date of Breach	Nature of the Breach	Description of Breach	Reported Before (Y/N)	Report to tPR (Y/N)
19	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
20	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
21	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
22	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
23	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
24	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N

## APPENDIX A - CONTRIBUTIONS

Breach Number	Year	Quarter	Date of Breach	Nature of the Breach	Description of Breach	Reported Before (Y/N)	Report to tPR (Y/N)
25	2017/18	Q4	12/01/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
26	2017/18	Q4	12/01/2018	Contributions	employer now terminated, contributions to be refunded no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
27	2017/18	Q4	12/02/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
29	2017/18	Q4	12/02/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
30	2017/18	Q4	12/02/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
31	2017/18	Q4	12/02/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
32	2017/18	Q4	12/02/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
33	2017/18	Q4	12/02/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N

## APPENDIX A - CONTRIBUTIONS

Breach Number	Year	Quarter	Date of Breach	Nature of the Breach	Description of Breach	Reported Before (Y/N)	Report to tPR (Y/N)
34	2017/18	Q4	12/02/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
35	2017/18	Q4	12/02/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
36	2017/18	Q4	12/02/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
37	2017/18	Q4	12/02/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
38	2017/18	Q4	12/02/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
39	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
40	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
41	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
42	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N

## APPENDIX A - CONTRIBUTIONS

Breach Number	Year	Quarter	Date of Breach	Nature of the Breach	Description of Breach	Reported Before (Y/N)	Report to tPR (Y/N)
43	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
44	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
45	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
46	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
47	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
48	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
49	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
50	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
51	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N

## APPENDIX A - CONTRIBUTIONS

Breach Number	Year	Quarter	Date of Breach	Nature of the Breach	Description of Breach	Reported Before (Y/N)	Report to tPR (Y/N)
52	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
53	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N
54	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	N	N
55	2017/18	Q4	12/03/2018	Contributions	no contributions submitted on EPIC by the provider, figures carried over from previous month.	Y	N

**APPENDIX B - Data Breaches**

<b>Breach</b>					<b>Report to tPR</b>		<b>Notes</b>	
<b>Number</b>	<b>Year</b>	<b>Quarter</b>	<b>Date of Breach</b>	<b>Nature of the Breach</b>	<b>Reported Before (Y/N)</b>	<b>(Y/N)</b>		<b>Action Taken</b>
IG318167	2018	Q4	05/12/2017	Personal details given to wrong member	Y	N	* LCC informed, * member informed, * investigation into why it happened, * review in process at LPP * communication sent out to LPP about prompt reporting of incidents	breach was not reported until 03/01/2018
IG318168	2018	Q4	18/12/2017	Personal details given to wrong member	Y	N	* LCC informed, * member informed, * investigation into why it happened, * review in process at LPP * * communication sent out to LPP about prompt reporting of incidents	breach was not reported until 03/01/2018
IG72217171	2018	Q4	10/01/2018	Personal details sent to another fund in error	Y	N	* LCC informed, * member informed, * investigation into why it happened, * review in process at LPP	
IG328297	2018	Q4	12/02/2018	Personal details given to wrong member	Y	N	* LCC informed, * member informed, * investigation into why it happened, * review in process at LPP	
IG70455878	2018	Q4	13/03/2018	Personal details given to wrong member	Y	N	* LCC informed, * member informed, * investigation into why it happened, * review in process at LPP * new process signed off and implemented	



## Lancashire Local Pension Board

Meeting to be held on Tuesday, 24 April 2018

Electoral Division affected: None;
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### **Feedback from members of the Board on pension related training, Conferences and events attended since the last meeting.**

Contact for further information: Mike Neville, Tel: (01772) 533431, Senior Democratic Services Officer, [mike.neville@lancashire.gov.uk](mailto:mike.neville@lancashire.gov.uk)

#### **Executive Summary**

This reports lists internal/external training events and conferences which members of the Board have attended since the last meeting.

#### **Recommendation**

Members of the Board are asked to provide feedback on any training events or conferences they may have attended since the last meeting.

#### **Background and Advice**

On the 23<sup>rd</sup> March 2018 the Pension Fund Committee approved a refreshed Training Policy for members of the Committee (which also applies to the pension Board) to ensure best practice within the Fund, and to comply with the Public Service Pensions Act 2013.

The following workshops and events have been attended by Board Members since the last meeting of the Board:

**30<sup>th</sup> January 2018 – internal workshop on Pension Law and Regulations – "Where do I find the rules?"** at County Hall, Preston, attended by K Haigh, R Harvey and Y Moul.

**14<sup>th</sup> March 2018 – internal workshop on Local Pension Partnership development (operations and pension administration)** at County Hall, Preston, attended by K Haigh and R Harvey.

**11<sup>th</sup> April 2018 – internal workshop on the Management of the LCPF Property Investment portfolio** at County Hall, Preston, attended by K Haigh, R Harvey and Y Moul.

Individual members of the Board will have an opportunity to give feedback on the above at the meeting.

**Consultations**

N/A

**Implications:**

This item has the following implications, as indicated:

**Risk management**

Without the required knowledge and skills members of the Board may be ill-equipped to make informed considerations regarding the direction and operation of the Pension Fund.

**Financial**

The cost of attendance, together with travel and subsistence costs is met by the Pension Board.

**Local Government (Access to Information) Act 1985**

**List of Background Papers**

Paper	Date	Contact/Tel
Attendance at events/Conferences approved under the Scheme of Delegation to Heads of Service	January to April 2018	Abigail Leech, (01772) 530808

Reason for inclusion in Part II, if appropriate

N/A

## Lancashire Local Pension Board

Meeting to be held on Tuesday, 24 April 2018

Electoral Division affected: None
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### Part I reports presented to the last Pension Fund Committee

Contact for further information: Mike Neville, Tel: (01772) 533431, Senior Democratic Services Officer, [mike.neville@lancashire.gov.uk](mailto:mike.neville@lancashire.gov.uk)

#### Executive Summary

This report sets out the Part I reports that were presented to the Pension Fund Committee on the 23<sup>rd</sup> March 2018. The Head of Fund will update members of the Board on decisions taken in respect of the reports listed.

#### Recommendation

The Board is asked to comment on the Part I reports considered by the Pension Fund Committee on the 23<sup>rd</sup> March 2018 as set out in the report and decisions taken.

#### Background and Advice

At the meeting on the 23<sup>rd</sup> March 2018 the Pension Fund Committee considered a number of reports in Part I of the agenda which were available to the press and public, including the following.

- LCPF Pension Administration Strategy Statement
- Lancashire County Pension Fund - Admissions and Termination Policy
- LCPF December 2017 budget monitoring report
- LCPF External Audit Plan 2017/18
- Revised 2018/19 Work plan for Lancashire Local Pension Board
- Investment Strategy Statement
- Report of the Responsible Investment Working Group
- Responsible Investment

- Feedback from members of the Committee on pension related training since the last meeting.
- LCPF Training Policy

Members of the Board received notification when the agenda for the Committee was published and available to view on the [County Council's website](#). A full copy of the agenda was also made available for Board members to view via the secure pensions Library.

**Consultations**

N/A

**Implications:**

This item has the following implications, as indicated:

**Risk management**

There are no significant risk management implications.

**Local Government (Access to Information) Act 1985  
List of Background Papers**

Paper	Date	Contact/Tel
N/A		
Reason for inclusion in Part II, if appropriate		
N/A		

# Agenda Item 14

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

Document is Restricted



# Appendix A

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

Document is Restricted



# Agenda Item 15

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

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# Agenda Item 16

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

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# Agenda Item 17

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

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# Appendix A

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

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(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

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(NOT FOR PUBLICATION: By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

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