

## Lancashire County Pension Fund

## Business Plan 2011/12

## Action plan 2011/12

Task	Completion Date
<p><b>Investment Strategy Implementation plan:</b></p> <p><b>Revised Governance Arrangements</b></p> <ul style="list-style-type: none"> <li>• Presentation to Pension Fund Committee</li> <li>• Approval by Full Council</li> </ul> <p><b>Creation of Investment Team</b></p> <ul style="list-style-type: none"> <li>• Approval of resource levels</li> <li>• Recruitment process (if required) on a phased basis</li> </ul> <p><b>Procedure and Process</b></p> <ul style="list-style-type: none"> <li>• Design and implement new procedures and processes to ensure appropriate checks and balances</li> </ul> <p><b>Transition to New Arrangements</b></p> <ul style="list-style-type: none"> <li>• Phased transfer of assets to new in-house team</li> </ul>	<p>Jan 2011 and April 2011</p> <p>May 2011</p> <p>Jan 2011</p> <p>Jan 2011 – Jun 2011</p> <p>April 2011 – Jun 2011</p> <p>Jun 2011 – April 2012</p>

<p><b>Review/Procurement of Fund Manager Mandates</b></p> <ul style="list-style-type: none"> <li>• UK Equity mandate</li> <li>• Property</li> <li>• Hedge Funds</li> <li>• Global Equities</li> </ul>	<p>June 2011</p> <p>April 2011- April 2012</p> <p>Sept 2011</p> <p>Sept 2011 – April 2012</p>
<p><b>Infrastructure implementation:</b></p> <p>Completion of procurement process of Global Custodian</p> <ul style="list-style-type: none"> <li>• Review of questionnaire answers and short list of candidates</li> <li>• Visits to short listed candidates</li> <li>• Proposals put to Pension Fund committee</li> <li>• Appointment of Custodian</li> </ul>	<p>Jan 2012</p> <p>Feb 2012</p> <p>April 2012</p> <p>July 2012</p>
<p><b>Tax litigation</b></p> <p>The County Council is participating in two group litigations being jointly managed by KPMG and McGrigors solicitors to recover tax credits withheld from UK pension funds for the period 1993/4 to 1997/8. Some £10 million of tax credits were withheld from the Pension Fund. The claims are based on the premise that the tax credit regime in place at the time was not in compliance with EU law. The situation will be continuously monitored throughout the year and reports will be presented to the committee as and when updates are received from KPMG and McGrigors. (See current report attached at Annex 1).</p>	<p>Throughout 2011/12</p>

**Administration:**

**2010 Actuarial Valuation**

- Funding strategy recommended to committee
- Funding strategy consultation with fund employers
- Formal actuarial valuation report produced
- New employer contribution rates take effect

January 2011

Jan – March 2011

31 March 2011

1 April 2011

**Transfer of pensioner payroll from Delphi to Altair**

- Specification
- Mapping and interfaces
- Implementation
- Go live

February 2011

March – April 2011

May – June 2011

July - August 2011

**Project management of redundancies and early retirements for Scheme Employers**

- Estimate production
- Retirements processing
- Over 65 retirements

October 2010 – March 2011

March 2011 Onwards

Sep – Oct 2011