

Pension Fund Committee

Meeting to be held on Friday, 20 September 2019

Electoral Division affected: (All Divisions);
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Internal audit assurance over the Local Pensions Partnership

Appendix 'A' refers

Contact for further information:

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Executive Summary

At its meeting on 21 June 2019 the committee resolved that the Head of Internal Audit would review the findings of all seven of the internal audits of the Local Pensions Partnership for 2018/19 and present a further report to the committee in September 2019 to give the Council assurance on the administration and investment operations of the Partnership.

This report presents those findings and provides the opportunity for representatives of the partnership's senior management team to present more information about their responses to this work.

Recommendation

The committee should consider the assurance available from the partnership's own internal auditor and the response of its senior managers to the issues raised by the audit work completed during 2018/19.

Background and Advice

Local Pensions Partnership Ltd (LPP) provides the Lancashire County Pension Fund's administration and investment functions. It was formed in 2016 through a collaboration between Lancashire County Council and the London Pensions Fund Authority. It now manages £16 billion of pension assets and provides pensions administration services to more than 580,000 members across the local government, police and firefighters pension schemes.

The company has engaged Deloitte LPP to provide its internal audit service and Deloitte has now completed the second year of its work.

Consultations

The county council's director of finance, and LPP's chief risk officer have been consulted on this report. Tom Richardon, chief risk officer, will be present at the committee meeting should any members want to discuss the findings of the audit work reported.

Implications:

This item has the following implications, as indicated:

Risk management

The county council's Audit, Risk and Governance Committee's role includes providing independent oversight of the adequacy of the council's governance, risk management and control framework. This includes matters relating to the governance, risk management and control framework of the Lancashire Pension Fund for which the council is the scheme manager. The council has delegated this function to the Pension Fund Committee, and the committee will therefore be interested in understanding the risks that Deloitte has concluded are not sufficiently mitigated.

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

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