

Pension Fund Committee

Composition and role

1. The Pension Fund Committee ("the Committee") comprises fourteen County Councilors and seven voting co-optees representing the following organisations:
 - a. One co-optee representing the Further and Higher Education sector in Lancashire;
 - b. One co-optee from Blackburn with Darwen Council;
 - c. One co-optee from Blackpool Council;
 - d. Two co-optees representing Trade Unions; and
 - e. Two co-optees representing the Lancashire borough and city councils.
2. The role of the Committee is to:
 - a. Fulfil the role of Scheme Manager, as set out in regulations, of the Lancashire County Pension Fund ("the Fund");
 - b. establish policies in relation to investment management, which shall include meeting with the Investment Panel to consider future Investment policy for the Fund;
 - c. monitor and review investment activity and the performance of the Fund; and
 - d. present an annual report to the Full Council on the state of the Fund and on the investment activities during the preceding year.
3. Meetings of the Committee shall be open to the public, but the public may be excluded where information of an exempt or confidential nature is being discussed – see Access to Information Procedure Rules set out at Appendix 'H' to the County Council's Constitution.

Terms of Reference

General

1. To exercise Lancashire County Council's responsibility for the management of the Fund, including the administration of benefits and strategic management of Fund assets and liabilities.
2. To determine which pension related functions and responsibilities should be exercised under a Scheme of Delegation to the Director of the Lancashire County Pension Fund.
3. To review governance arrangements and the efficient and effective use of external advisors to ensure good decision-making.
4. To appoint a minimum of two suitable persons to an Investment Panel through a sub committee convened for that purpose.

5. To meet at least quarterly, or otherwise as necessary, with the Investment Panel in attendance
6. To approve the overall appropriate and necessary training requirements for members of the Committee.

Policy and Strategic Planning

7. To approve the following key policy documents:
 - a. A rolling 3 Year Strategic Plan;
 - b. Statement of Investment Principles,
 - c. Governance Policy Statement
 - d. Governance Compliance Statement.
 - e. Pension Fund Annual Report, including the Annual Administration Report.
 - f. The Funding Strategy Statement to include the Fund's policy in respect of:
 - i. the Funding Target;
 - ii. the collection of employee contributions;
 - iii. the collection of employer contributions;
 - iv. the collection of additional employer contributions; and
 - v. Admissions and Terminations.
 - g. Pensions Administration strategy statement;
 - h. Communication Policy statement;
 - i. Internal Dispute Resolution Procedure;
 - j. Death Grant Procedure;
 - k. Bulk Transfer Payment Policy;
 - l. Commutation policy (small pensions);
 - m. Transfer policy; and
 - n. Abatement policy

Monitoring Performance

8. To receive periodic reports from the Director – Lancashire County Pension Fund to ensure that best practice is being adopted and value for money being delivered in relation to
 - a. The performance of the Fund's investments;
 - b. The performance of the Fund's administration service

Investment

9. To have overall responsibility for investment policy.
10. To approve and review on a regular basis an overall Investment Strategy and subsidiary Strategies for such asset classes as the Investment Panel consider appropriate.

11. To submit an annual report to the Full Council on the performance and state of the Fund and on the investment activities during the year.
12. To approve the policies and procedures for any internally managed Fund investments.

Procurement

13. To approve the procurement process, tender award criteria and evaluation methodology in advance of any tender being invited for the appointment of external advisers and other external assistance in relation to the management of the Fund, to include:
 - a. external Investment Managers to discharge functions to be determined by the Committee relating to the management of the Fund's investments;
 - b. external property agents and advisors;
 - c. an external corporate governance adviser;
 - d. an external Fund custodian;
 - e. external performance measurement advisers;
 - f. the Fund Actuary; and
 - g. the Fund's AVC Provider.