

**Lancashire County Council**

**Lancashire Local Pension Board**

**Minutes of the Meeting held on Tuesday, 2nd April, 2024 at 2.00 pm in  
Committee Room 'B' - The Diamond Jubilee Room at County Hall, Preston.**

**Present:**

**Chair**

Mrs F Miller

**Board Members**

County Councillor G Mirfin, Employer representative - Lancashire County Council.

Mr S Dunstan, Employer representative - Other.

Ms D Parker, Scheme Member representative.

Mr K Ellard, Scheme Member representative.

Ms G Hart, Scheme Member representative.

Mr A Egerton, Scheme member representative.

In attendance – County Councillor E Pope, Chair of the Pension Fund Committee (observer).

**1. Welcome and Apologies.**

The Chair welcomed everyone to the meeting and noted that apologies had been received from Mr M Davies, Employer representative - Unitary/City/Borough Councils, Police/Fire.

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

The Chair reported that she was an Executive Director for another pension pooling company and a deferred member of the Local Government Pension Scheme.

**3. Minutes of the Last Meeting.**

The Board considered the Minutes from the previous meeting which included a number of actions that would be addressed by items of business on the agenda.

**Resolved:** That the Minutes of the meeting held on 23<sup>rd</sup> January 2024 are confirmed as an accurate record and signed by the Chair.

**4. 2023/24 Training Record and update on pension related training for Board members.**

Mr Neville, Senior Democratic Services Officer, presented the report and informed the Board that County Councillor Mirfin, Mr Dunstan, Ms Parker, Mr Ellard, Ms Hart, and Mr Egerton had all participated in the internal workshop on 27<sup>th</sup> March 2024 regarding legal duties and responsibilities of the Lancashire County Pension Fund.

He also reported that the Training Record for 2023/24, which reflected the participation of individual Board members in external/internal training events over 12 months, would be used to inform figures to be included in the Pension Board Annual Report which would be presented to the next meeting for consideration. It was noted that the Training Record would be updated to take account of attendance at the workshop on 27<sup>th</sup> March 2024.

**Resolved:**

1. That the attendance of County Councillor G Mirfin, Mr S Dunstan, Ms Parker, Mr Ellard, Ms Hart, and Mr Egerton at the internal workshop on 27<sup>th</sup> March 2024, is noted.
2. That the Training Record for 2023/24 set out at Appendix 'A' to the report presented is noted and updated to include the attendance of Board Members at the workshop referred to at 1 above.

**5. Regulatory Update**

Ms Hunt, Technical & Administration Pensions Lead, from the Pensions Team, presented a report on various pension related regulatory issues including updates on the McCloud remedy, Pensions Dashboard and abolition of the Lifetime Allowance as announced in the Autumn Statement. She answered questions from Board members on the updates and also confirmed that the General Code of Practice had come into operation (on 28<sup>th</sup> March 2024).

**Resolved:** That the updates on various regulatory matters, as set out in the report presented and discussed at the meeting, are noted.

**6. Discretions Policy Review**

Ms Hunt, Technical & Administration Pension Lead from the Pensions Team, presented a report on the Lancashire County Pension Fund Discretions Policy Statement which had been updated following a review. The Board discussed the Policy which would be presented to a future meeting of the Pension Fund Committee for approval.

**Resolved:** That the updated Lancashire County Pension Fund Discretions Policy Statement presented at Appendix 'A' and the revision of the Fund's abatement policy for any pre-1<sup>st</sup> April 2014 element of pensions in payments (where a member is re-employed following ill-health retirement) as set out at Appendix 'B' are noted.



## **7. Lancashire County Pension Fund Breaches Report**

Mr Almond, Senior Governance Officer from the Pensions Team, presented a report on data, contribution, administration breaches, received during the period 1<sup>st</sup> December 2023 to 29<sup>th</sup> February 2024, none of which had been deemed significant enough to warrant reporting to the Information Commissioner or The Pension Regulator. Information on the number and nature of complaints received during the same period were also presented.

Board members also welcomed the proposed format for future reporting on breaches/complaints, as set out at Appendix 'A'. County Councillor Mirfin suggested some additional data sources for the Pensions Team to explore as potential benchmarking or contextual information for this item in future reports.

### **Resolved:**

1. That the summary of the Lancashire County Pension Fund breaches and complaints during the period 1<sup>st</sup> December 2023 to 29<sup>th</sup> February 2024, as set out in the report presented, is noted.
2. That the Dashboard set out at Appendix 'A' to the report presented, be used for future reporting to the Board regarding breaches and complaints.

## **8. Communications update**

Mr Almond, Senior Governance Officer from the Pensions Team, presented a report on communications activity by the Local Pensions Partnership Administration Ltd (LPPA) Engagement and Communications Team and the Pension Fund Team and answered questions from Board members.

In response to a query from a Board member the Head of Fund undertook to ask LPPA for feedback from satisfaction surveys on employer training session to be included in a future report.

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

## **9. Annual Review of the Lancashire Local Pension Board.**

The Head of Fund presented a report summarising the main points from the Chairs discussions with individual Board members and others as part of the Annual Review of the effectiveness of the Pension Board held in January 2024. It was noted that County Councillor Mirfin had spoken with the Chair separately following his appointment to the Board.

In response to a request the Head of Fund agreed to update the Pension Team structure chart from the Strategic Plan so that it included officer names and contact details and circulate it to Board members for future reference.



**Resolved:** Having considered the summary report and recommendations from the Chair following the annual review the Board agreed:

1. That the Chair continue to allocate particular areas of Board activity to selected Board members with lead responsibilities during discussions as set out below.

Area	Includes	Board Members
Compliance with regulations and statutory guidance	Pensions Regulator Local Government Regulations, ICO and Audit requirements	M Davies K Ellard A Egerton
Communications	Engagement Communications Policy	M Davies Ms D Parker
Administration	Key Performance Indicators Annual benefit Statements Administration breaches	S Dunstan A Egerton
Information Security and ICT	Systems, Data Protection, Information Security, GDPR.	County Councillor G Mirfin Ms G Hart
Investment policy Governance	Investment Strategy Statement, Actuarial Report, Responsible Investment.	S Lawrence Ms D Parker
Service provider Oversight and Governance	Local Pensions Partnership Custodian, Audit	County Councillor G Mirfin S Dunstan K Ellard
Risk	Risk Register	S Lawrence Ms G Hart

2. That arrangements be made for training sessions to be held on the following subjects:
  - Legal Update - including breaches reporting policy.
  - Audit and assurance framework.
  - Investment vocabulary, jargon-busting, and attributes of main asset classes.
  - Administration Update - including Pensions Dashboard.
3. To ensure that all new Board members receive sufficient training and support to progress the Board.
4. To identify and implement a process whereby the connections and networks of the Board members can be utilised to engage more successfully with employers and scheme members.
10. **Part I reports presented to the most recent Pension Fund Committee.**



The Head Fund presented a report on items considered by the Pension Fund Committee on 8<sup>th</sup> March 2024 under Part I of the agenda and informed the Board:

- That an unqualified opinion from the external auditor regarding the Fund accounts was expected in late April 2024.
- That the Lancashire County Pension Fund budget was in a good position and had been approved by Committee.
- That the Committee had considered and noted an update report on overpayments for the period 1st April 2022 to 31st March 2023, and
- That an interim 6-month Training Plan had been approved and an updated Plan would be produced later in the year.

It was suggested that the 2024/25 Workplan be updated to include reference to a review of the Business Continuity Plan.

**Resolved:** That the Part I reports considered by the Pension Fund Committee on 1st December 2023 and the subsequent decisions taken are noted.

#### **11. Urgent Business.**

No items of urgent business were raised at the meeting.

#### **12. Date of Next Meeting.**

It was noted that the next scheduled meeting of the Board would be held at 2.00pm on 9<sup>th</sup> July 2024 in Committee Room 'B' - The Diamond Jubilee Room at County Hall, Preston.

#### **13. 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 each item. It is considered that in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The Managing Director and the Head of Risk and Compliance from Local Pensions Partnership Administration Ltd joined the meeting at this point.

#### **14. Pension Administration 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).



Ms Darbyshire, Managing Director of Local Pensions Partnership Administration Ltd, presented a report on various administration matters, including performance, Service Level Agreement metrics, the Efficiency and Service Improvement progress, and the retirement action plan. With the permission of the Chair additional information regarding performance in February/March 2024 was also circulated at the meeting.

When considering the report, the Board discussed the following:

- Progress on identifying those scheme members who would be eligible for the underpin as a result of the McCloud judgement.
- Monthly returns and engagement with employers with regard to the production of Annual Benefit Statements.
- Improved staff recruitment and retention.
- Improvements to the Service Level Agreement metric to ensure it represents the end-to-end member experience and is in line with requirements, including disclosure, as agreed by the Board in October 2023.

**Resolved:**

1. That the report and updates from the Managing Director of Local Pensions Partnership Administration Ltd are noted.
2. That the Head of Fund and the Managing Director of Local Pensions Partnership Administration Ltd will consider improvements to the Service Level Agreement metric and report back to the Board at its next meeting.

**15. Assurance Reporting - Pensions Administration**

(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).

Ms Morville-Smith Head of Risk and Compliance from Local Pensions Partnership Administration Ltd (LPPA) presented a report and answered questions on assurance reporting in relation to LPPA and the provision of independent assurance of internal controls.

In considering the report the Board noted the key points identified in the Type 1 AAF report on pension administration and information technology and the proposed timescale regarding the Type 2 AAF report.

**Resolved:**

1. That the update regarding assurance reporting in relation to LPPA and the provision of independent assurance of internal controls is noted.



2. That a further report regarding the findings of the AAF Type 2 report be presented to the Board in July 2025.

## **16. Lancashire County Pension Fund Risk Register.**

(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 presented a report on various risks associated with the operation of the Fund and highlighted four key risks including the provision of statutory information in relation to the Annual Benefit Statements, and implementation of the McCloud remedy.

The Board discussed activity and engagement with employers in relation to the production of Annual Benefit Statements and noted that an update report would be presented to the next meeting. The Board also discussed the structure and definition of roles within the Pensions Team, risk appetite, root cause analysis of risks and the format of future reporting on risk (focusing on appropriate presentation to the Board of information contained within risk templates).

### **Resolved:**

1. That the Lancashire County Pension Fund Risk Register and updates on specific risks, as set out in the report presented, are noted.
2. That an update report on the production of Annual Benefit Statements be presented to the next meeting of the Board.

## **17. Lancashire County Pension Fund - Strategic Plan 2024/25**

(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).

Mr J Laly, Special Projects Pensions Lead, presented a report on extracts from the 2024/25 Strategic Plan approved by the Pension Fund Committee in March 2024 which defined the key projects for the Fund and identified activities to be undertaken by the Pensions Team over the next 12 months.

**Resolved:** That the timeline of activity associated with the Strategic Plan 2024/25 together with the Pension Team objectives and resourcing, as set out in the report presented, are noted.

## **18. Part II reports from the most recent 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 Service – Pension Fund Client presented a report on two specific items considered by the Pension Fund Committee on 8<sup>th</sup> March 2024 under Part II of the agenda which had been covered by earlier discussions in the meeting.

**Resolved:** That the two Part II reports considered by the Pension Fund Committee on 8<sup>th</sup> March 2024 referred to in the report presented and decisions taken are noted.

H MacAndrew  
Director of Law and Governance

County Hall  
Preston

