

Lancashire County Council

Lancashire Local Pension Board

Tuesday, 4th July, 2017 at 2.00 pm in Room A05 - 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 11th April 2017** (Pages 1 - 8)
To be confirmed, and signed by the Chair.
- 4. Lancashire Local Pension Board - Annual Report.** (Pages 9 - 16)
The Chair will present his draft Annual report for discussion.
- 5. Tracing Missing Members** (Pages 17 - 18)
- 6. Local Government Association Survey**
Oral report from the Chair.
- 7. Scheme Advisory Board - Code of Transparency.**
Oral report
- 8. Part I reports to be considered by the Pension Fund Committee** (Pages 19 - 20)
- 9. Feedback from Board members on attendance at training events and conferences** (Pages 21 - 22)
- 10. 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.

11. Date of Next Meeting

The next scheduled meeting of the Board will be held on the 17th October 2017 at 2pm in Room BO2 at County Hall, Preston.

12. 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)

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| 13. Local Pension Partnership internal audit plan | (Pages 23 - 40) |
| 14. Lancashire County Pension Fund - Data Collection Report as at 31 May 2017 | (Pages 41 - 46) |
| 15. Part II reports to be considered by the Pension Fund Committee. | (Pages 47 - 48) |

I Young
Director of Governance, Finance and Public
Services

County Hall
Preston

Lancashire Local Pension Board

Minutes of the Meeting held on Tuesday, 11th April, 2017 at 2.00 pm in Room A05 - A Floor, County Hall, Preston.

Present:

Chair

William Bourne

Board Members

Steve Browne, Employer rep - LCC

Steve Thompson, Employer rep - Unitary, City, Boroughs, Police and Fire

Kathryn Haigh, Scheme rep - Active Members

John Hall, Scheme rep - Deferred Members

Bob Harvey, Scheme rep - Pensioner Members

Yvonne Moulton, Scheme rep - Active Members

Officers

Abbi Leech, Head of Fund, Lancashire County Council.

Mike Neville, Senior Democratic Services Officer, Lancashire County Council.

1. Apologies

Apologies for absence were received from Mr C Gibson and County Councillor T Martin.

2. Disclosure of Pecuniary and Non-Pecuniary Interests

No disclosures of interest were made in relation to items appearing on the agenda.

The Chair informed the meeting that in accordance with the Terms of Reference it was intended to review the existing Register of Interests and members of the Board would be contacted in due course and asked to provide updated information regarding their interests which will be published on the County Council's website.

Resolved: That Mr Neville consult all members of the Board in order to update the Register of Interests.

3. Minutes of the Meeting held on 17th January 2017

Resolved: That the Minutes of the meeting held on the 17th January 2017 are confirmed as an accurate record and signed by the Chair.

4. Programme of meetings 2017/18

It was reported that after consulting with the Chair, the Head of Fund and members of the Board, a proposed programme of meetings had been developed for 2017/18, with all meetings to start at 2pm and be held at County Hall, Preston.

The Chair suggested that arrangements be made for members of the Pension Board to meet informally in order to build relationships and it was proposed that members have lunch together ahead of the next meeting.

Resolved:

1. That the following programme of meetings for 2017/18 is agreed, with all meetings to start at 2pm.

4th July 2017 in Room A05 on 'A' Floor, County Hall, Preston.

17th October 2017 in Room A05 on 'A' Floor, County Hall, Preston.

23rd January 2018 in Room A07 on 'A' Floor, County Hall, Preston.

24th April 2018 in Room A07 on 'A' Floor, County Hall, Preston.

3rd July 2018 in Room A07 on 'A' Floor, County Hall, Preston.

16th October 2018 in Room A07 on 'A' Floor, County Hall, Preston.

2. That arrangements be made for members of the Board to meet for an informal lunch at 1pm ahead of the meeting scheduled for the 4th July 2017.

5. Stewardship Update

The Board considered a report which provided updates on the following stewardship matters.

1. Annual reporting against the Principles of Responsible Investment (PRI)

It was reported that as a signatory to the RPI the Lancashire County Pension Fund (LCPF) was required to publicly report progress in implementing the Principles annually before the 31st March deadline and produce a "Transparency Report" detailing the responses to all completed indicators other than those set as private on the basis of confidentiality. LCPF had worked with LPP to produce a report on the Fund's overall approach and specific efforts/activities during the 12 months to 31st December, 2016, particularly in relation to the Fund's relationship with LPP.

It was noted that the "Transparency Report" was expected to be made publicly available in June 2017 and a detailed report would be presented to the next meeting of the Pension Fund Committee to draw out specific learning points from the experience of working through the reporting framework.

2. Statement of Compliance with the UK Stewardship Code.

The Board discussed the requirement to revise the Statement and noted that the Chair of the Pension Fund Committee in December 2016 had approved the LCPF being temporarily delisted as a signatory to the UK Stewardship Code for a period of 6 months pending the Fund's development of an Investment Strategy Statement.

It was noted that once finalised the revised Statement of Compliance would be circulated to the Chair of the Pension Fund Committee and Board members for comment and approval before being submitted to the Financial Reporting Council for assessment.

Resolved:

1. That the updates set out in the report are noted.
2. That a copy of the "Transparency Report" in relation to the Funds compliance with the Principles of Responsible Investment be circulated to the members of the Board for information once it is publicly available.
3. That once it has been finalised a copy of the revised Statement of Compliance with the UK Stewardship Code be circulated to the Board members for comment and approval before it is submitted to the Financial Reporting Council for assessment.

6. Funding report of the Actuarial Valuation

A report was presented regarding the Actuary's final funding report on the 2016 actuarial valuation on the Lancashire County Pension Fund.

In considering the report the Board recognised that the Fund was able to withstand an element of risk in order to meet the deficit as indicated by the minimum risk funding position. It was also suggested that the increase in the primary contribution rate related to one off costs in establishing LPP and that the Fund had performed well over the year.

Resolved: That the detail set out in the Actuary's final funding report on the 2016 actuarial valuation on the Lancashire County Pension Fund is noted.

7. Annual review of communication between Lancashire County Pension Fund, its employers and Scheme members.

A report was presented regarding the annual review of communication between the Fund, its employers and scheme members.

In considering the report the Board acknowledged that the Fund adopted a variety of approaches to communication including a website, telephone, email, mail, face to face and events. The increase in the number of telephone calls to the dedicated helpdesk was noted and it was suggested that an increase in queries from employers was to be expected in an Actuarial valuation year.

With regard to data collection it was reported that 90% of employers (encompassing 99% of the active scheme membership) regularly provided data and further detail was requested in relation to the remaining 10% and also in connection with activity to update inaccurate information in relation to deferred members.

In summary the Board noted that the annual review of the communications policy had not identified any issues which required attention.

Resolved:

1. That the report is noted.
2. That the Head of Fund be requested to provide updates in relation to
 - a) the background to the increase in the number of telephone calls to the dedicated telephone helpdesk for scheme members and employers.
 - b) the composition of the remaining 10% of employers who do not regularly provide data collection.
 - c) the ongoing identification of those deferred members whose addresses have been identified as inaccurate.
3. That a requirement to monitor the number of 'missing' deferred members on a biennial basis be added to the Work Plan.

8. Allocation of additional resources to the Head of Fund

Abbi Leech, the Head of Fund informed the meeting that she was in the process of interviewing candidates for a new post within her team which would provide support in relation to governance, risk and data security.

Resolved: That the report is noted.

9. Cooperation between Pension Board and LPFA regarding future monitoring of LPP.

At the suggestion of the Chair the Board discussed the possibility of working in partnership with the Local Pension Board of LPFA in relation to common processes such as monitoring and KPIs. It was suggested that whilst joint meetings between members of each Board would be impractical the sharing of certain information/documents (such as the Communication Policy) or in relation to standards/practices used to hold LPP to account (including risk management) would be beneficial in order to ensure a complimentary approach.

It was also suggested that a closer working partnership with the Local Pension Board of LPFA would be beneficial in establishing a consistent approach which could be applied to any additional organisations who may join the Partnership in the future.

Resolved: That the Chair explore potential areas for future joint working with the LPFA Board and report his findings to the next meeting.

10. Workplan 2017/18

The Board considered a report on the Work Plan and was informed that in future the Plan would be a 'live' document that would be updated on a rolling programme. It was noted that some of the items highlighted for this meeting in the Plan would be

discussed as part of the report at item 12 on the agenda rather than as individual reports.

Resolved: That the updated Work Plan, as presented, is noted.

11. Feedback from Board Members on Recent Training Events and Conferences

A report was presented on training events and conferences which members of the Board had attended since the last meeting.

Yvonne Moulton informed the meeting that she had attended the CIPFA 2016/17 LGPS Local Pension Board Seminar in March with S Thompson and C Gibson which had included a presentation on the scheme advisory board, group discussion regarding the role of Pension Boards and an update from the Department for Communities and Local Government. It was noted that information from the Seminar was available for Board members to view via the Pensions Library.

The Chair reported that he was to attend the Local Pension Boards 'Two Years On' event on the 28th June 2017 and would report back to the next meeting.

Steve Browne reported that a Workshop on the 27th March regarding the LPP had been informative and had provided clarity regarding certain aspects of the relationship between the Fund and the Partnership.

Resolved: That the report and the feedback given at the meeting are noted.

12. Part I reports considered by the Pension Fund Committee in March.

The Board considered a report on Part I items which had been considered at the Pension Fund Committee on the 17th March 2017.

Mike Neville informed the Board that the Terms of Reference set out at Appendix 'A' to the report differed slightly to the version which had been approved by the Committee as the wording at item 4 had subsequently been amended to reflect the fact that the Code of Conduct and Conflict of Interests Policy had been incorporated into the document as an Annex.

It was noted that in accordance with the Conflict of Interest Policy all members of the Board would be requested to review any Financial and Non Financial interests they may have so that the Register of Interests could be updated.

It was further reported that the LCPF Budget for 2017/18 had been approved and details of the LPP budget would be presented to the next meeting of the Committee. In considering the matter the Board recognised that approval of the LPP budget may be a matter for the full County Council (as a joint owner of LPP) to determine rather than the Committee and it was suggested that a review of existing reserved matters be undertaken in order to clarify those items which would be determined by the Committee or full County Council.

The Board also acknowledged that the Committee had approved the Funding Strategy Statement and the 2016/17 external Audit Plan. Abbi Leech confirmed that details of the internal audit would be presented to the Committee in June.

Resolved:

1. That the inclusion of the Code of Conduct and Conflict of Interests Policy into the revised Terms of Reference for the Board is noted.
2. That a review of existing reserved matters be undertaken in order to clarify those items, including approval of the LPP budget, that should be determined by the full County Council (as a joint owner of LPP) or the Pension Fund Committee.
3. That the updates in relation to approval of the Funding Strategy Statement and the 2016/17 external Audit Plan are noted.

13. Urgent Business

No items of urgent business were raised under this heading.

14. Date of Next Meeting

It was noted that in accordance with the programme of meetings approved earlier the next scheduled meeting of the Board would be held at 2pm on Tuesday 4th July, 2017, in Room A05 on 'A' Floor at County Hall, Preston preceded by an informal lunch for Board members at 1pm.

15. Exclusion of Press and Public

Resolved: - That the press and members of the 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, 1972, indicated against the heading to 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. Update on the Local Pension Partnership Administration Transformation Plan

Not for Publication – Exempt information as defined in Paragraphs 1 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972. It is considered that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

A report was presented regarding the Local Pension Partnership Administration Transformation Plan which included a summary of the work completed to date, details of LPP's governance framework and details of the key milestones in the plan. In considering the matter the Board recognised that work was ongoing in relation to the internal audit of LPP and it was suggested that a report be presented to the next

meeting in order to assure the Board that no significant concerns had been identified.

Resolved:

1. That the report is noted.
2. That details of the internal audit work plan for LPP to be reported to the Pension Fund Committee also be presented to the next meeting of the Board for consideration.

17. Part II reports considered by the Pension Fund Committee in March

Not for Publication – Exempt information as defined in Paragraphs 1 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972. It is considered that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The Board considered a report on Part II items which had been considered by the Pension Fund Committee on the 17th March 2017.

In response to a query the Head of Fund reported that future performance monitoring of LPPI would be on a quarterly basis. It was also reported that LPP was in the process of recruiting two officers in relation to data monitoring/governance and had reviewed internal procedures regarding data security.

Resolved: That the report be noted.

I Young
Director of Governance, Finance and
Public Services

County Hall
Preston

Lancashire Local Pension Board

Meeting to be held on 4th July 2017

Electoral Division affected: None

Local Pension Board - Annual Report 2016/17

(Appendix 'A' refers)

Contact for further information: Mike Neville (01772) 533431, Legal and Democratic Services mike.neville@lancashire.gov.uk

Executive Summary

The Terms of Reference for the Local Pension Board includes the requirement that the Pension Board "shall on an annual basis produce a report on both the nature and effect of its activities for consideration by the Administering Authority".

Recommendation

The Board is asked to consider and approve the draft annual report for 2016/17 as set out at Appendix 'A' for presentation to the Pension Fund Committee in September 2017.

Background and Advice

The Terms of Reference for the Board include the requirement that the Board "shall on an annual basis produce a report on both the nature and effect of its activities for consideration by the Administering Authority". There is a requirement that the contents of the annual report should be subject, in the first instance, to consideration and agreement at a meeting of the Board, and should, in any event, include the following:

- a) Details of the attendance of members of the Board at meetings;
- b) Details of the training and development activities provided for members of the board and attendance at such activities;
- c) Details of any recommendations made by the Board to the Scheme Manager and the Scheme Manager's response to those recommendations;
- d) Details of the costs incurred in the operation of the Board

A draft report for the municipal year 2016/17 has been drafted and is set out at Appendix 'A'. Subject to the Board's approval, the annual report will be presented by the Chair of the Board to the meeting of the Pension Fund Committee on 15th September 2017 and published on the Lancashire County Pension Fund's website.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

There are no significant risks associated with the proposals set out in this report.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Tel
Report to the Lancashire Local Pension Board - 'Local Pension Board Annual Report 2016/17'	May 2016	Mike Neville OCE (01772) 533431

Reason for inclusion in Part II, if appropriate

N/A

Lancashire Local Pension Board – Annual Report 2016/17

A year ago, I wrote my first report as the Independent Chair of the Lancashire County Pension Fund's Local Pension Board (LPB). I commented then that we had successfully established the Board in accordance with the regulations, but were still finding our feet within the overall governance structure. This was particularly so given the changes taking place as a result of the formation of the London Pensions Partnership Ltd (LPP) pool to manage the investments, liabilities and administration of the Fund. I ended my report by stressing the need for the LPB to add value to the Fund's governance and activities. Although still early days, I said then that I believed it was already fulfilling two important functions: offering challenge to the executive; and providing valuable Members' and Employers' perspectives to the Executive which they might otherwise struggle to obtain.

Twelve months on, as a Board we have a much clearer view of our role and where and how we can add value, and I shall devote some of this report to setting that out in more detail. First, however, I should report on the mechanics. The Board has nine members, four Employer representatives who were chosen to be representative of the Fund's Employers, four Member representatives elected in a public election, and myself as the Independent Chair. All members served throughout the year. My term comes to an end in March 2019, while members may serve for a maximum of two terms of four years. We have met four times during the year, and held one Working Group (comprising 3 Board members) to consider revised Terms of Reference.

The following table shows members attendance at Board meetings

Name	Representing	5 th July 2016	18 th Oct 2016	17 th Jan 2017	11 th Apr 2017
W Bourne	Chair	✓	✓	✓	✓
S Browne	Employer - LCC	✓	✓	apologies	✓
C Gibson	Employer - Others	✓	✓	✓	apologies
K Haigh	Active members	✓	✓	✓	✓
J Hall	Deferred members	apologies	✓	✓	✓
R Harvey	Pensioner members	✓	✓	✓	✓
County Councillor T Martin	Employer – LCC	✓	apologies	apologies	apologies
Y Moul	Active members	✓	✓	✓	✓
S Thompson	Employer – Unitary, City, Borough, Police & Fire	✓	apologies	✓	✓

Information about the Board, including minutes and public papers are available on the Pension Fund [website](#).

The Board has a small internal budget, which is used primarily to defray the cost of Members' attendance at training events or conferences. During the year, £.....was spent.

The year has included a triennial actuarial valuation, a new set of investment regulations, as well as the FCA authorisation of LPP and the transfer of assets to it, so there has been no shortage of important subjects. In all of these, the Pension Fund Committee has primary responsibility for executive and strategic decisions, and the LPB's remit is one of scrutiny. We are there as a second pair of eyes on behalf of the Fund's stakeholders, especially the Employers who make contributions and the Members who both contribute and receive pensions, to ensure that good governance is in place. In practice this means that the legal and regulatory requirements are complied with, that due process is followed, that risks are considered beforehand, monitored, and where possible mitigated, and that all is done in an efficient manner. However, it is important to underline the fact that executive power resides with the Committee, and we can only make recommendations or note our concerns.

For our scrutiny role, we rely considerably on third party verification reports from various parties, whether it be from Officers, from internal service providers such as auditors, or from independent parties. These are presented at meetings, and we will normally discuss the background and if we are not comfortable, we will ask to see the original documents. For example during the year we noted our concerns to the Pension Fund Committee that although LPP had commenced operations, the formal governance structure for monitoring its activities had yet to be put in place. Since then, a formal review has been conducted by PWC, and recommendations put in place.

The second major focus of the LPB's activities is assisting the Pension Fund Committee in the efficient running of the Fund. Here the perspectives which Employer and Member representatives on the Board bring to bear are of undoubted value. Looking at ways to improve communication between the Fund and its stakeholders is a perpetual task, but one example is the tracing of Members whose addresses are missing. This was reviewed by the LPB in 2015, a policy of conducting a tracing exercise on a regular basis put in place by Officers, and as result over 3,000 deferred Members are now back in contact with the Fund, and will be able to receive the pensions they are entitled to.

Efficiency is also about keeping an eye on costs. The great majority of costs are now incurred by LPP, because investment and administration activities have been transferred to them. It is important that the Fund obtains good value for the money spent here, and we have made the Pension Fund Committee aware of the importance we place on monitoring the value achieved over a long period in order to demonstrate the benefits delivered to the Fund from the establishment of the pool.

As part of the process of pooling with LPP, there is scope to reduce costs by reviewing and consolidating the arrangements by which the Fund and the LPFA conduct administration. The LPB is supportive of this quite ambitious plan, but is aware that change brings risks with it. We accordingly recommended the Pension Fund Committee conduct an audit to confirm that the risks which transformation inevitably brings have been properly assessed and where possible mitigated. At the time of writing this is still work in process, but we believe our comments have been given due consideration to the benefit of stakeholders.

New investment regulations came into law during the year under consideration as part of the process of pooling. Among other things, they make it clear that the LPB is one of the bodies which need to be consulted in certain circumstances, underlining its status within the formal governance structure as the only body with stakeholder representation. We reviewed the proposed Investment Strategy Statement, required under the new regulations, outside our meeting cycle for time constraint reasons, and made known to the Pension Fund Committee a number of concerns. It is our understanding the Statement will be reviewed again later this year.

Governance is one of the keys to a well-run Fund, and it became apparent to the LPB during the year that in the course of the formation of LPP, the Fund itself had been left with too little resource in this area. We viewed this as particularly concerning at a time when the governance structures were becoming increasingly complex as a result of the pooling process. We therefore made a formal recommendation to the CEO of Lancashire County Council that the Head of the Fund be provided with more support. At the time of writing, I understand that a new hire has been made to achieve this.

The LPB also sees all breaches of law or regulations, and considers among other things whether there is a requirement to report a breach to the Pensions Regulator. During the year, no breach was sufficiently serious or systemic that this was necessary, but we will continue to keep a beady eye on the performance of LPP. After a full year of operation, we conducted an appraisal of the LPB, in accordance with our terms of reference. This exercise resulted in a number of recommendations, and considerably greater clarity how we should operate. Our remit is clearly one of scrutiny, and it is the Pension Fund Committee's role to manage the relationship with LPP. We will use our Member and Employer perspectives to assist the Fund in seeking better ways to do things. Where the LPB sees a proposed formal document or decision before it is ratified by the Committee, we will make known our concerns by means of a formal note. Where, as inevitably happens on occasion, we only see a decision after it has been taken, we will make a formal recommendation to the relevant body, usually the Committee.

As a result of the appraisal we also recommended some changes to our Terms of Reference, to bring them in line both with the public requirements for the LPB and

the way we have defined our remit. The new [Terms of Reference](#) can be found on the Pension Fund website.

Training is also required under the Pensions Act 2013, and is covered by the Fund's Training Policy, which was refreshed during the year alongside that for the Pension Fund Committee. Members are invited to and have attended Training Workshops in Lancashire, and are encouraged to attend useful seminars and conferences which will help them to increase their knowledge levels.

The table below shows the number of training events each Board member attended during the year.

Name	Internal event attended	External events attended
W Bourne	Nil	1
S Browne	3	Nil
C Gibson	1	Nil
K Haigh	7	3
J Hall	3	Nil
R Harvey	7	3
County Councillor T Martin	3	Nil
Y Moulton	3	1
S Thompson	2	1

In the next year, the LPB's focus is likely to be on continuing to scrutinise the governance arrangements around LPP as they settle down. We are likely to spend more time on the administration side, as that is where the biggest changes will be happening. We are also proposing to continue to look at engagement with employers and members. Lancashire County Pension Fund has one of the most effective engagement policies anywhere in the country, but that is not a reason for looking for further improvements. The LPB is the best placed body to promote that because it is representative. In both these areas, we will look to share best practice with the equivalent body on our LPP partner, the London Pension Fund Authority's Pension Board.

I will finally highlight the support we get from, first, the Pension Fund Committee and the Chair in particular, and secondly the Officers. The LPB's ultimate objective is the same as that of the Committee, but we also have a clear duty to challenge it on occasion. This can only function effectively if the relationship is a good one, so that when we note concerns or make comments, they are taken constructively. Even when we have made the Committee's lives less than comfortable, the Chair has always been fully supportive of our interventions and comments. Without the assistance of the Officers running the fund, the LPB would simply not function. I have no doubt that in this year the LPB has by acting as a scrutinising body been able to add value during this year now that it has bedded down. We look forward to

the next year with confidence, expecting to be able to make our contribution to making a well-run fund even better.

William Bourne

Independent Chair of the Lancashire Local Pension Board.

Lancashire Local Pension Board

Meeting to be held on 4 July 2017

Electoral Division affected: None

Lancashire County Pension Fund – Tracing Missing Members Exercise

Contact for further information:

Abigail Leech, (01772) 530808, Head of Fund,

Abigail.Leech@lancashire.gov.uk

Executive Summary

At its meeting of 10 June 2016, following a recommendation from the Lancashire Local Pension Board, the Pension Fund Committee resolved that a missing member tracing exercise be undertaken every three years in line with the actuarial valuation process.

This report sets out the results of the exercise carried out in conjunction with the 2016 valuation.

Recommendation

The Board is asked to note this report.

Background and Advice

At its meeting of 10 June 2016, following a recommendation from the Lancashire Local Pension Board, the Pension Fund Committee resolved that a missing member tracing exercise be undertaken every three years in line with the actuarial valuation process. This followed a self-assessment which was carried out to assess how the Fund measured in terms of compliance with TPR's Code 14. The assessment highlighted a significant number of deferred scheme members where address details are known to be inaccurate.

A tracing exercise was carried out between September 2016 and March 2017. The total number of members contacted was 4123 and has resulted in 2,927 members having their addresses updated and being reconnected with their pension entitlement. This indicates a 71% success rate.

Further work is being undertaken in respect of 355 members to identify a last known address in order to conduct a search for a current address.

Going forward missing members will be monitored and reported on a biennial basis in line with the Board's request

Consultations

N/A

Implications:

N/A

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

Paper	Date	Contact/Directorate/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A

Lancashire Local Pension Board

Meeting to be held on Tuesday, 11 April 2017

Electoral Division affected: None

Part I reports considered by the Pension Fund Committee in March 2017

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

Executive Summary

This report lists the reports in Part I of the agenda which will be considered by the Pension Fund Committee at its next meeting

Recommendation

The Board is asked to note the Part I reports considered by the Pension Fund Committee at its meeting on the 30th June 2017 as referred to in the report and to comment as appropriate.

Background and Advice

At the meeting on the 30th June 2017 the Pension Fund Committee will consider the following reports in Part I of the agenda which were available to the press and public.

2. Constitution, Membership and Terms of Reference of the Committee

5. Internal Audit Annual Report 2016/17 and Audit Plan 2017/18

6. Annual Administration Report 2016/17

7. Lancashire County Pension Fund – Annual Governance Statement 2016/17

8. Lancashire County Pension Fund 2016/17 Statement of Accounts and out-turn report

9. Progress on Delivering the Lancashire County Pension Fund Strategic Plan

10. Lancashire County Pension Fund risk register

11. Responsible Investment

12. Feedback from members of the Committee on pensions related training, conferences and events

13. Transaction of Urgent Business - revised Statement of Compliance with the UK Stewardship code

Members of the Board previously received notification when the Committee agenda was published and available to view on the County Councils website at <http://council.lancashire.gov.uk/ieListDocuments.aspx?CId=183&MId=6995>

A copy of the agenda was also available to view in the Pensions Library.

The Head of Fund will update members of the Board in relation to any decisions taken regarding the above reports.

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
Pension Fund Committee agenda and minutes	30 th June 2017	Mike Neville, Democratic Services 01772 533431
Reason for inclusion in Part II, if appropriate		
N/A		

Lancashire Local Pension Board

Meeting to be held on 4 July 2017

Electoral Division affected: None

Feedback from Board Members on Recent Training Events and Conferences

Contact for further information: Mike Neville (01772) 534261, Legal and Democratic Services mike.neville@lancashire.gov.uk

Executive Summary

This report provides members of the Board with an opportunity to provide feedback on pensions related training events and conferences which they have attended since the last meeting.

Recommendation

The Board is asked to note the report and any feedback presented at the meeting.

Background and Advice

The Pension Fund Committee at its meeting on 29th January 2016 approved a refreshed training plan for members of the Committee. As with the previous plan, the purpose of the refreshed plan was to ensure best practice within the Fund, and to comply with the Public Service Pensions Act 2013.

Members and officers are also required to undertake training to satisfy the obligations placed upon them by the:

- Myners Principles (as detailed in the Statement of Investment Principles);
- Pensions Regulations and the Pensions Regulator;
- Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Public Sector Pensions Finance Knowledge and Skills; and the
- Local Government Pension Scheme (LGPS) Governance Compliance Statement.

It is appropriate that the same principles be extended to the operation of the Board and that members of the Board therefore provide verbal feedback at the subsequent Board meeting to cover:

- Their view on the value of the event and the merit, if any, of attendance
- A summary of the key learning points gained from attending the event; and
- Recommendations of any subject matters at the event in relation to which training would be beneficial to Board Members.

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

27th March 2017 – Workshop on the Local Pension Partnership at County Hall, Preston attended by S Browne, K Haigh, J Hall, R Harvey and County Councillor T Martin.

15th to 17th May 2017 - PLSA Local Authority Conference at the De Vere Cotswold Water Park in Gloucestershire attended by W Bourne and P Crewe.

28th June 2017 - Local Pension Boards 'Two Years On' event at Cheapside House, London attended by W Bourne

Those members of the Board who are present at the meeting will be asked to provide feedback on the above.

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 Conferences approved by the Head of Fund under the Scheme of Delegation to Heads of Service	March to June 2017	Abigail Leech, (01772) 530808

Reason for inclusion in Part II, if appropriate
N/A

Agenda Item 13

(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

(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 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)

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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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Agenda Item 15

(NOT FOR PUBLICATION: By virtue of paragraph(s) 3, 7a 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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