

## **Meeting of the Full Council - 28 February 2019**

### **Report of the Pension Fund Committee Meeting held on 1 February 2019**

**Chair: County Councillor Eddie Pope**

#### **Part II (Not open to the press and public)**

##### **Local Pensions Partnership 2019/20 Strategic Plan and Budget**

(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 Committee received presentations from the Local Pension Partnership representatives in relation to the proposed 2019/20 budget and short term objectives and noted that the associated strategic plan had not changed from the one approved by Committee in June 2018.

It was reported that the Local Pension Partnership had faced challenges over the last 9 months and had responded to the issues raised by the Committee with regard to the pension administration service. A number of examples were given of recent improvements to the service and in relation to the ongoing performance of the Fund.

The Committee considered the budget set out at Appendix 'A' to the report which was primarily focussed on short term measures to provide a quality, cost effective service with an emphasis on the continuing improvement of the pension administration service. The current funding level was discussed and the Committee questioned the representatives from the Local Pension Partnership on various elements of the proposed budget and the short term objectives, requesting further clarification of the information provided where appropriate.

#### **Decision taken:**

1. That the Local Pensions Partnership 2019/20 budget, as set out in Appendix 'A' to the report presented, is approved.
2. That the 2019/20 short term objectives of the Local Pensions Partnership, as set out in Appendix 'B' to the report presented, are approved.
3. That the Local Pension Partnership provide the following information to the Committee outside of the meeting.
  - a) A detailed breakdown of the figures for 'Travel' and 'Other' referred to in the 'Non Staff Costs' section of Appendix 'A'.
  - b) Details of the 'growth roles' referred to under 'Staff Costs' in Appendix 'A'.

- c) A breakdown of staff numbers at the various locations across the Local Pension Partnership.
- d) Examples of diversity/legal statements in relation to responsible investment.
- e) An update on progress towards the achievement of cultural targets in relation to addressing pay differentials and climate change.

The Chair thanked the representatives from the Local Pension Partnership for their attendance and contributions to the discussion before they left the meeting.

### **Independent Investment Adviser to the Pension Fund - New Contract**

(Exempt information as defined in Paragraphs 1, 2 and 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 Committee considered a proposal to award a new 3 year contract to one of the independent advisers on their existing terms of employment and discussed the proposed salary, the knowledge/experience of the individual concerned and the benefit of having overlapping contracts for the two independent advisers to ensure continuity of advice. It was also noted that any approval would be subject to the Cabinet agreeing a waiver of the county council procurement rules in accordance with paragraph 9 of Appendix R in the county councils Constitution.

**Decision taken:** That, subject to the Cabinet agreeing a waiver of the county council procurement rules, Aoifinn Devitt, the independent adviser to the Committee, be awarded a contract for three years up to the 28<sup>th</sup> February 2022, on the basis set out in the report presented.

### **Reappointment of the Chair of the Lancashire Local Pension Board**

(Exempt information as defined in Paragraphs 1, 2 and 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 Committee considered a report which recommended that the current Chair of the Lancashire Local Pension Board be appointed for a further two years with an option for an extension of an additional two years and discussed the salary for the post, the knowledge/experience of the Chair and the contributions he had made to the work of the Board.

**Decision taken:**

1. That the appointment of Mr W Bourne as the independent Chair of the Lancashire Local Pension Board, on the basis set out in Appendix 'A' to the report presented, is approved.
2. That the full council be recommended to approve the appointment specified at 1 above with effect from the 1<sup>st</sup> April 2019.