

## **Pension Fund Committee**

Meeting to be held on Friday, 21 June 2019

Electoral Division affected: None
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### **Lancashire County Pension Fund Risk Management Framework**

(Appendix 'A' refers)

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#### **Executive Summary**

The Risk Management Framework forms part of the internal controls to ensure that the Local Government Pension Scheme is administered and managed in accordance with the scheme rules and with the requirements of the law.

The framework sets out all the key processes and responsibilities for effective risk management and thereby ensure compliance against all relevant Scheme guidance, regulation and legislation.

#### **Recommendation**

The Committee is asked to note the new Lancashire County Pension Fund Risk Management Framework as set out at Appendix 'A'.

#### **Background and Advice**

Effective risk management stands at the heart of sound corporate governance across all organisations and functions and the Local Government Pension Scheme is no exception.

The introduction of governance requirements in the Scheme in 2015, specifically the Pensions Regulator's new role and the establishment of local pension boards, reflect the increasing importance of risk management.

The Risk Management Framework forms part of the internal controls for the purpose of ensuring that the Scheme is administered and managed in accordance with the scheme rules and with the requirements of the law.

The Risk Management Framework primarily aims to:

- Establish and maintain a robust framework and procedures for the identification, analysis, assessment and management of risk;
- Outline key roles and responsibilities for risk management;

- Comply with all the relevant guidance, regulation and legislation in relation to risk management.

A copy of the updated LCPF Risk Management Framework is set out at Appendix A.

### **Consultations**

The Local Pensions Partnership was consulted.

### **Implications:**

This item has the following implications, as indicated:

### **Risk management**

The Lancashire Local Pension Board provide scrutiny and support to the Pension Fund Committee, in relation to their responsibility to ensure there is effective risk management over the Pension Fund operations.

### **Local Government (Access to Information) Act 1985**

#### **List of Background Papers**

Paper	Date	Contact/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A