

Lancashire Local Pension Board

Meeting to be held on Tuesday, 14 July 2020

Electoral Division affected: None;

Written resolution procedure and decisions taken since the last meeting of the Lancashire Local Pension Board.

(Appendices 'A' and B refer)

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

Executive Summary

This report sets out the written resolution procedure which enables the Board to take decisions between meetings and details three decisions taken using the procedure during April/May 2020.

Recommendation

That the following decisions of the Pension Board, taken using the written resolution procedure, are noted.

1. The approval of four recommendations from the Chair of the Board following his one to one meetings with Board members and others as part of the Annual Review.
2. The approval of the 2019/20 Annual Report of the Lancashire Local Pension Board and its recommendation to the Pension Fund Committee for approval and inclusion in the Lancashire County Pension Fund Annual Report.
3. The approval of the new Terms of Reference for the Lancashire Local Pension Board and their recommendation to the Pension Fund Committee for approval.

Background and Advice

Following consultation with the Chair the Board meeting scheduled for the 21st April 2020 was cancelled in response to the developing Covid-19 pandemic. In the circumstances it was considered appropriate to establish a procedure for dealing with any decisions which the Board may need to make between scheduled meetings if required, particularly given the uncertainty as to the impact of the pandemic on future meetings.

Under the Terms of Reference all Employer/Scheme Member representatives on the Board have an individual voting right but it is expected that the Board will, as far as

possible, reach a consensus. Under Regulation 106(7) of the LGPS Regulations 2013 the Chair is explicitly excluded from having a vote.

In the event that the Board need to take a decision between scheduled meetings then all Employer/Scheme Member representatives are consulted by email on the proposal and asked to indicate whether or not they support a recommended course of action. The Chair will also receive a copy of the written resolution for his information. The decision of the Board is then based on a simple majority of the responses received.

Once a decision has been taken using the procedure the Chair, Board members and the Head of Fund are informed by email and the decision is reported to a subsequent Board meeting so that it is a matter of public record.

Decisions taken since the last meeting of the Pension Board

1. Chairs Report on the 2019 Annual Review of the Lancashire Local Pension Board

The Chair of the Pension Board produced a report which summarised the main points from his one to one meetings with Board members and others as part of the Annual Review and made some recommendations to improve the effectiveness and efficiency of the Board in the future. A copy of the report is attached at **Appendix 'A'**. Normally the report would have been presented to the Board for discussion and approval but as the meeting scheduled for the 21st April 2020 had been cancelled it was considered appropriate to seek approval via the written resolution procedure.

After consulting all Employer/Scheme member representatives on the Board the following decision was taken under the written resolution procedure on the 9th April 2020:

Resolved – That the Lancashire Local Pension Board approve the following:

1. The continued allocation of particular areas of activity to Board members as set out in the table below and that individuals take formal responsibility for leading discussions on those activities in meetings.

Area	Includes	Members
Compliance with regulations and statutory guidance	The Pensions Regulator, Local Government Pensions Regulations	K Haigh & W Bourne
Communications	Engagement, Communications policy	D Parker & K Wallbank
Administration	Key Performance Indicators, ABSs, administration breaches	Y Moulton & S Thompson
IT	Fraud Control, data protection, cyber security	T Pounder & C Gibson
Investment policy documents	ISS, actuarial report, responsible Investment	D Parker & S Thompson

Service providers governance	Local Pension Partnership, custodian, audit	T Pounder & Y Moulton
Risk register		C Gibson & Vacancy

2. That Officers at the Local Pensions Partnership to be asked to notify the Board of opportunities either to give presentations or to write short articles in newsletters in order to publicise the role of the Pension Board.
3. That a social lunch for Board members be held ahead of each October meeting on an annual basis (to be funded from the Pension Board budget).
4. That the Head of the Pension Fund be requested to consider succession planning and, in particular, whether the Fund should have the option to invite Board members who are due to retire at the end of their eight-year term to continue for a further two years.

All members of the Board and the Head of the Pension Fund were subsequently informed of the decision by email on the 17th April 2020.

2. Lancashire Local Pension Board Annual Report 2019/20

The Terms of Reference for the Pension Board include the requirement for the Board to produce an Annual Report on its activities for consideration by the Pension Fund Committee, as the Administering Authority for the Lancashire County Pension Fund.

Attached at **Appendix 'B'** is a copy of the final draft 2019.20 Annual Report of the Pension Board produced by Mr W Bourne, the independent Chair of the Board following consultations with the Head of the Pension Fund, the Senior Democratic Services Officer and Board members.

Normally the draft would be presented to the Board for discussion and approval but as the meeting scheduled for April was cancelled due to the Covid19 pandemic and the next meeting would not be until July it was considered appropriate to seek approval via the written resolution procedure so that the draft could be finalised.

After consulting all Employer/Scheme member representatives on the Board the following decision was taken under the written resolution procedure on the 21st April 2020:

Resolved – That the attached 2019/20 Annual Report of the Lancashire Local Pension Board is approved and recommended to the Pension Fund Committee for inclusion in the Lancashire County Pension Fund Annual Report.

All members of the Board and the Head of the Pension Fund were subsequently informed of the decision by email on the 28th April 2020.

At that time the intention was for the draft to be presented to the Pension Fund Committee in June for approval before it was incorporated into the Lancashire County Pension Fund Annual Report. However, the Committee was cancelled and so the draft will now be incorporated into the LCPF Annual Report before it is presented to the Committee on the 18th September 2020 for approval

3. Approval of the new Terms of Reference of the Lancashire Local Pension Board.

At the meeting on the 14th January 2020 the Pension Board considered a report on the proposed new Terms of Reference and agreed that further work be undertaken on specific sections of the text and that a revised version be circulated to all members of the Board outside of the meeting for review and comment so that a final draft could be agreed and presented to the Pension Fund Committee for approval.

The Terms of Reference of several Pension Boards across the Country were examined in order to establish what provisions were in place elsewhere with regard to the specific issues raised at the Board. An updated version of the Terms of Reference was circulated by email to all Board members with a request that comments be submitted by the deadline of 30th April 2020. As no adverse comments were received by the deadline the final version of the new Terms of Reference (**Appendix 'C'**) were presented for formal approval by the Board under the written resolution procedure so that they could then be referred to the Pension Fund Committee for consideration and approval.

After consulting all Employer/Scheme member representatives on the Board the following decision was taken under the written resolution procedure on the 1st May 2020:

Resolved – That the new Terms of Reference for the Lancashire Local Pension Board, as attached, are approved and recommended to the Pension Fund Committee for approval.

The new Terms of Reference will be presented to the Pension Fund Committee on the 18th September 2020 for approval

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

No significant risks have been identified

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

Paper	Date	Contact/Tel
N/A		

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