

## **Pension Fund Committee**

Meeting to be held on Friday, 12 March 2021

Electoral Division affected: (All Divisions);
--

## **Pension Administration Strategy Statement Review**

(Appendix 'A' refers)

Contact for further information:

Colin Smith, 01772 534826, Technical Pensions Lead,  
colin.smith@lancashire.gov.uk

### **Executive Summary**

Although the Pension Administration Strategy Statement is reviewed as a matter of course where there are significant changes to the Scheme regulations or Pension Fund policies, it is also prudent and best practice to ensure that a general review is undertaken of the Fund's policies and statements at regular intervals to ensure they remain appropriate and compliant with the Fund's policy intentions. The review of the Pension Administration Strategy Statement was completed recently by the Local Pensions Board.

### **Recommendation**

The Pension Fund Committee is asked to approve the Pension Administration Strategy Statement set out at Appendix 'A' , as reviewed by the Local Pensions Board on 19<sup>th</sup> January 2021.

### **Background and Advice**

The County Council is responsible for administering the Lancashire County Pension Fund and delegates its functions in respect of the Scheme to the Pension Fund Committee who further delegate the administration of the Scheme to the Local Pensions Partnership Administration under the terms of a Service Level Agreement.

The Pension Fund Committee, in conjunction with the Local Pension Board, have responsibility for the monitoring and review of this Administration Strategy.

The primary purpose of the statement is to facilitate the improvement of administrative processes in compliance with regulatory provisions and the Code of Practice No 14 as issued by the Pension Regulator.

The key objective in relation to administration is to deliver an efficient, quality and value for money service to the Fund's scheme employers and scheme members.

As such the key objectives will be to ensure that:

- the Pension Fund and scheme employers understand their responsibilities under the Scheme and the processes in place to meet those responsibilities.
- the Pension Fund and scheme employers are compliant with the scheme rules and the Pension Regulator's code of practice.
- accurate records are maintained, and data/documents are submitted in a timely and secure manner.
- lines of communication between the Pension Fund and scheme employers are maintained and enhanced to maximise employer engagement.
- in house and external training continues to be developed and rolled out.
- service standards are maintained, improved and regularly monitored.

The Pension Administration Strategy Statement was last revised in September 2018 following a consultation with scheme employers. The changes made at that time included the extension of the number of employer and fund performance standards to be measured, the introduction of charges to be levied on a scheme employer whose performance falls short of the employer performance standards and minor amendments to reflect procedural changes in relation to data collection processes.

The statement was reviewed by the Local Pension Board when they met on the 19<sup>th</sup> January 2021 where it was reported that no significant changes had arisen from the review and that the Local Pensions Partnership Administration (LPPA) was currently meeting all key performance indicators. It was noted that the Statement was primarily a document on the relationship between employers, the administering authority and Local pensions Partnership Administration. However, the Board acknowledged that there was merit in also making the document available to the Fund membership so that individuals could find out more about their employer and the administrator if they wished to do so.

The financial penalties for employers who failed to provide information in accordance with the Statement was also discussed and it was noted that such penalties were considered a last resort and rarely used in relation to the Fund.

The Board Resolved:

1. That the content of the Pension Administration Strategy Statement, as set out at Appendix 'A' to the report presented, is noted and that the new Fund branding be applied to the document before it is published.
2. That the Communication Strategy for the Fund be updated to include reference to the Administration Strategy Statement and direct the Fund membership to a copy should they wish to access it.

## **Consultations**

The Lancashire Local Pension Board on the 19<sup>th</sup> January 2021

## **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		
-----	--	--