

## **Pension Fund Committee**

Meeting to be held on Friday, 12 March 2021

Electoral Division affected: None;
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## **Lancashire County Pension Fund Strategic Plan 2021-24**

(Appendices 'A' and 'B' refer)

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### **Executive Summary**

The Strategic Plan defines the key objectives of the Fund. Given the dependence of the Fund on the three yearly actuarial valuation cycle as a driver for much of its activity, the strategic plan looks at specific objectives over this time period. The management of the Fund is broken down into four areas, namely:

- Governance
- Asset and Liability Management
- Administration
- Communication

The 3 year plan is attached at Appendix 'A' and the annual update is attached at Appendix 'B' to this report.

### **Recommendation**

The Committee is asked to approve the draft Lancashire County Pension Fund Strategic Plan 2020/21 – 2023/24, and the 12 month update as attached at Appendices 'A' and 'B' to this report.

### **Background and Advice**

It is considered good governance for pension funds to develop a clear planning and risk management framework. The Lancashire County Pension Fund has produced its Strategic Plan to cover the three year period 2020/21 to 2023/24.

The Independent Advisers to the Fund and the Actuary reviewed the previous strategic plan and considered that the areas of activity around which the existing Plan is constructed are still valid and therefore the proposed Plan for 2020/21 to 2023/24 is framed around four thematic areas of focus:

- Governance – Ensuring the effective operation of the framework of control and the understanding and addressing of the risks to which the Fund is exposed.

- Asset and Liability Management – The design and delivery of investment strategies aimed at meeting specific investment objectives, whether in terms of growing the asset base or offsetting movements in liabilities.
- Administration – Processes for maintaining member contribution records and for the accurate and timely calculation and payment of benefits.
- Communication – Processes for communicating both with scheme members and employers and promoting the benefits of participation in the scheme.

A draft three year Strategy, together with an annual update are attached at Appendices 'A' and 'B' to this report for approval.

### **Consultations**

The draft plan was consulted with LPP and the Funds advisers.

### **Implications:**

This item has the following implications, as indicated:

### **Risk management**

The Strategic Plan has been developed in line with the risk register. Having a strategic plan will assist in the management of those risks faced by the Fund.

### **Financial**

There are no direct financial consequences of adopting the Plan.

### **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		