

Pension Fund Committee

Meeting to be held on Friday, 18 June 2021

Electoral Division affected: (All Divisions);
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Annual Governance Statement 2020/21

(Appendix 'A' refers)

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Executive Summary

This report presents the draft Annual Governance Statement for the Lancashire County Pension Fund for approval.

The Annual Governance Statement is a review of the governance arrangements for 2020/2021 and, once approved, will be incorporated into the statement of accounts for Lancashire County Council.

This item is being considered earlier in the year than usual, due to the fact that the decision has been made to combine the LCPF and LCC Annual Governance Statements into a single Annual Governance Statement which will go to the Audit, Risk and Governance Committee for approval in July 2021.

Recommendation

The Committee is asked to approve the draft Annual Governance Statement for the Lancashire County Pension Fund as set out at Appendix 'A' to this report.

Background and Advice

The purpose of Annual Governance Statement is to enable those charged with the governance of the Fund to review the governance arrangements for the year. Once approved the Annual Governance Statement is incorporated into the statement of accounts.

It has been the case in previous years that a separate statement in relation to the Fund was required as the overall statement prepared by the County Council was not sufficiently detailed to cover the activities of the Fund to provide the necessary assurance. However, it has been decided from this year onwards to combine both the LCPF and LCC Annual Governance Statements into one single statement. This is because CIPFA guidance relating to LGPS Fund Accounts 2020/21 states that in England, where the pension fund accounts form part of the administering authority's statement of accounts then the AGS should also cover the pension fund. Therefore,

this year the pension fund governance statement will be included rather than published as a separate document.

The draft statement set out at Appendix 'A' has been produced to ensure that members of the Committee in their role as "those charged with governance" in relation to the Fund are able to review and consider the adequacy of the Fund's governance arrangements and to provide assurance on governance as part of the process of preparing the Fund's report and accounts.

In compiling the Statement, reliance has been placed on the Pension Fund Governance Policy and the contractual arrangements with the Local Pensions Partnership Limited. In addition, the statement reflects the conclusions drawn by the Head of Internal Audit from her work in relation to the Fund during the year and her review of the internal audit of Local Pensions Partnership Limited.

Consultations

Head of Legal and Democratic Services and Head of Internal Audit.

Implications:

This item has the following implications, as indicated:

Risk management

A sound Annual Governance Statement which reflects the reality of the operation of the Fund represents a key assurance for members that the control framework is operating appropriately to manage risk

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

Paper	Date	Contact/Tel
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None		
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Reason for inclusion in Part II, if appropriate

N/A