

## **Lancashire Local Pension Board**

**Minutes of the Virtual Meeting held via Zoom on Tuesday, 20th April, 2021  
starting at 2.00 pm.**

### **Present:**

#### **Chair**

William Bourne

#### **Board Members**

Tony Pounder, Employer representative, Lancashire County Council  
County Councillor Matthew Salter, Employer representative, Lancashire County Council  
Carl Gibson, Employer representative - Other Employers  
Kathryn Haigh, Scheme Member representative  
Yvonne Moulton, Scheme Member representative  
Deborah Parker, Scheme Member representative.

#### **Officers**

Sean Greene, Head of Pension Fund, LCPF, Lancashire County Council.  
Colin Smith, Technical Adviser (Pensions) LCPF, Lancashire County Council.  
Mukhtar Master, Governance & Risk Officer, LCPF, Lancashire County Council.  
Laura Sales, Director of Corporate Services and Monitoring Officer, Lancashire County Council  
Mike Neville, Senior Democratic Services Officer, Lancashire County Council

#### **Others**

Mr K Ellard (observer).  
Ms J Morville-Smith, Head of Risk and Compliance, Local Pensions Partnership Administration Ltd.

### **1. Welcome and Apologies**

The Chair welcomed everyone to the meeting and introduced Sean Greene, the new Head of the Pension Fund who had been appointed since the last meeting. He also welcomed Mr Ellard who was attending the meeting as an observer pending his formal appointment to fill the Scheme Member representative vacancy on the Board. The Chair also acknowledged that the County Council's Monitoring Officer was also observing the meeting.

Apologies for absence were received from Mr S Thompson (Employer representative for Unitary City, Borough Councils, Police and Fire) and presented on behalf of County Councillor E Pope, the Chair of the Pension Fund Committee, who was unable to attend the meeting as an observer.

### **2. Disclosure of Pecuniary and Non-Pecuniary Interests**

No declarations of interest were made by Board members at this point in the meeting with regard to items of business on the agenda.

### **3. Minutes of the Last Meeting.**

An issue was raised by a Board Member in relation to comments made at the last meeting during the discussion at item 3 regarding governance and assurance which were not recorded in the Minutes. It was suggested that clarification be sought outside of the meeting regarding the omission so that an amendment could be presented to the next meeting for approval and recorded in the Minute Book.

The Chair also acknowledged that Board Members had not been given an opportunity to comment on the scope of the planned audit as reflected in the next report on the agenda.

**Resolved:** That the Minutes of the meeting held on the 19<sup>th</sup> January 2021 are not approved pending clarification that during the discussion of the planned audit of the Local Pensions Partnership it was highlighted that the work had arisen from a fundamental concern previously raised at the Board around governance and assurance and, whilst of some value, would not fully address the concerns raised.

### **4. Local Pension Partnership Administration - Audit Assurance Report**

The Board discussed the update on the Local Pensions Partnership Audit Assurance Report which had been commissioned from Pricewaterhouse Coopers (PwC) by the County Council's Internal Audit team in response to the concerns raised by the Board in October 2020 around the present governance arrangements and the degree of assurance they provided. The Board had agreed that further assurance would be helpful at the 13<sup>th</sup> October 2020 meeting. Board members expressed their disappointment at not having been consulted on the scope of the audit, as agreed on the 19<sup>th</sup> January 2021, but accepted Officers' explanations that it had been missed in the transfer from the Interim to the newly appointed Head of the Pension Fund.

Board members commented that the scope of the audit presented in the report was narrower than had been intended (as it focussed on retirement, deaths and transfers out) and queried the reasoning behind the sample sizes used. They gained some comfort from a previous Head of Fund being involved in the scoping of the audit, but did not believe that the Audit Assurance Report as commissioned fully met the original objective of the Board which was to gain independent assurance over the underlying business controls behind the data presented to them in reports from Local Pensions Partnership Administration. Some concerns were raised that the scope of the report did not address the broader governance and accountability issues previously noted at the Board. It was suggested that consideration could be given in future to engaging external support to assist in reviewing governance and accountability arrangements.

The Head of Fund informed the Board that some of the concerns would be addressed in other ways, such as the Pensions Regulator's revisions of the Code of Practice governing the LGPS (which was expected to cover service level agreements and outsourcing) or the Scheme Advisory Board's Good Governance

Initiative, which was expected to become a regulatory requirement in 2021 and required a biennial independent report into Fund governance.

It was noted that PwC was expected to complete the audit by the end of April and report to the Pension Fund Committee on the 18<sup>th</sup> June 2021. The Head of Fund suggested that the Board be given an opportunity to discuss any recommendations with a representative from PwC towards the end of May in order that any comments can be included in the report to Committee.

**Resolved:**

1. That the disappointment of the Board regarding the scoping of the audit of the Local Pensions Partnership Administration, and ongoing concerns about the implications of the lack of adequate assurance are noted.
2. That arrangements be made for Board members to review and discuss the findings of the audit with a representative from Pricewaterhouse Coopers at any early date in order that comments can be included in the subsequent report to the Pension Fund Committee on the 18<sup>th</sup> June 2021.

**5. Report on the Annual Review of the Lancashire Local Pension Board**

The Chair presented his report following discussions with Board members and others as part of the Annual Review of the effectiveness of the Pension Board in January 2021.

With regard to training it was noted that Officers had already determined that in view of the improved uptake the majority of future training workshops for members of the Pension Fund Committee/Pension Board would be delivered on-line with recordings available via the secure online library. As a result, the Chair proposed to replace that part of his recommendation with the suggested topics for future training set out in the body of his report.

**Resolved:**

1. That the continued allocation of particular areas of activity to Board members who will have lead responsibility during discussions is approved as set out in the table below.

<b>Area</b>	<b>Includes</b>	<b>Board Members</b>
Compliance with regulations and statutory guidance	TPR, LGPS regulations	K Haigh & Chair
Communications	Engagement, Comms policy	D Parker & C Gibson
Administration	KPIs, ABSs, admin breaches	Y Moulton & S Thompson
IT	Systems, data protection, cyber	T Pounder & M Salter

Investment policy documents	Investment Strategy Statement, actuarial report, Responsible Investment.	D Parker & S Thompson
Service providers governance	LPP, custodian, audit	T Pounder & Y Moulton
Risk	Risk Register	C Gibson & Vacancy

2. That the Work Plan for the Board be updated to include time in 2021 to review the following items:
  - The format in which the Fund Risk Register is presented.
  - Continuous improvement processes at the Fund and Local Pensions Partnership Administration/Local Pensions Partnership Investments.
3. That when Covid-19 restrictions are relaxed and face-to-face Board meetings begin again, suitable facilities be put in place to enable presenters to both attend and present remotely to the Board.
4. That the following suggestions for training in 2021 are referred to the Head of Fund:
  - More detail on governance responsibilities and structures around Local Pensions Partnership Administration and Local Pensions Partnership Investment.
  - General refresh on the legal framework and requirements both for Board members and the Fund.
  - Exit payments.
  - The Board's role in assisting the Fund to mitigate ESG issues such as climate change.
  - The longer-term effects of Covid-19.
5. That existing induction training/information for newly appointed Board members is reviewed and an existing Board member be appointed to mentor all new Board appointments.
6. That Officers at the Local Pensions Partnership be asked to notify the Board of opportunities either to give presentations or to write short articles in newsletters in order to publicise the Board's role.
7. That the Key Person Dependency Risk in the Fund Risk Register be reviewed in the context of the Head of Pension Fund.
6. **2020/21 Training Record and Feedback from members of the Board on pension related training.**

Individual Board members gave feedback on their experience at different training events, the majority of which had been considered informative and useful. However, it was recognised that there had been some issues raised at the 23<sup>rd</sup> March 2021

workshop regarding communications with scheme members which the Local Pensions Partnership needed to address.

It was noted that Covid-19 had significantly impacted on the number of external training opportunities as reflected in the 2020/21 Training Record. However, when previous training records were taken as a whole there was a significant body of evidence regarding the knowledge/experience of Board members.

**Resolved:** That the feedback from individual Board Members on their experiences at the training events referred to in the report together with the contents of the Training Record for 2020/21, as set out in the Appendix, are noted.

## **7. Lancashire Local Pension Board Annual Report 2020/21**

The Chair presented a report on the draft 2020/21 Annual Report on the Board which highlighted key areas of activity undertaken by the Board during the previous year and included information regarding attendance at meetings, participation in training and the cost associated with the operation of the Board.

**Resolved:**

1. That, subject to an amendment to show Mr T Pounder as having attended the Board on 19<sup>th</sup> January 2021, the 2020/21 Annual Report of the Lancashire Local Pension Board, as set out at Appendix 'A' to the report presented, is approved.
2. That the Annual Report referred to at 1 above is recommended to the Pension Fund Committee on the 18<sup>th</sup> June 2021 for approval and inclusion in the Lancashire County Pension Fund Annual Report.

## **8. Regulatory Update**

Mr Smith, Technical Adviser (Pensions) presented a report which updated Board members on various pension related regulatory issues. In considering the report members of the Board discussed the following and received clarification of specific questions from Mr Smith.

- Restricting exit payments in the public sector (95k Cap).
- Review of employer contributions and flexibility on exit payments and employer risk.
- Mc Cloud.
- Update on cost control mechanisms.
- Guaranteed Minimum pension Indexation – consultation response.

**Resolved:** That the updates on regulatory matters, as set out in the report presented and discussed at the meeting, are noted.

The Chair informed the Board that there would be a short refreshment break at this point in the meeting after which he would take item 10 (LCPF Breaches report) as the next item of business when an Officer from the Local Pensions Partnership Administration would join the meeting.

## **9. The Lancashire County Pension Fund Breaches Report Q4 2020/21**

Ms Morville-Smith, Head of Risk and Compliance, dialled into the meeting to present the report and explain how Local Pensions Partnership Administration Ltd managed and recorded breaches in relation to data, Code of Practice 14 and process.

Mr Master, Governance and Risk Officer, reported that during the period 1<sup>st</sup> January 2021 to 31<sup>st</sup> March 2021 there had been no breaches in contribution payments and eight data breaches, none of which had been deemed significant enough to warrant reporting to the Information Commissioner. With regard to administration breaches it was noted that there had been one COP 14 breach and 2 process breaches, none of which considered to be material or worthy of reporting to the Pension Regulator. In all three cases corrective action had been taken to minimise future recurrence.

A Board member requested clarification in relation to the number of incidents where employers had failed to submit contribution figures in order to establish whether there was an identifiable training/education issue for certain employers.

Ms Morville-Smith informed the Board that specific training on data protection would be given to administrators aimed at minimising administration breaches in the future.

### **Resolved:**

1. That the summary of the Lancashire County Pension Fund breaches log for the period 1<sup>st</sup> January 2021 to 31<sup>st</sup> March 2021, as set out in the report presented, is noted.
2. That the Board be provided with further details regarding the number of incidents where employers had failed to submit contribution figures in order to establish whether there was an identifiable training/education issue for certain employers.

The Chair thanked Ms Morville-Smith for her contributions to the discussion before she dialled out of the meeting.

## **10. Risk Register Review**

Mr Master, Governance and Risk Officer, presented a report on the proposed review of the Lancashire County Pension Fund Risk Register and sought the views of Board members on various options set out in the report.

In considering the report the Board recognised the need to be clear about concerns/risks and have a Register which identified risks, specified assurance and provided details on work undertaken during each quarter in relation to risks. The Head of Fund reported that consideration was being given to using the concept of confidence and targets in the future in order clarify ownership of specific controls and individual roles in relation to risks in the Register.

## **Resolved:**

1. That having considered the various options set out in the report presented the Board agree the following improvements to future Risk Register reporting for the Fund.
  - a) The Full Register to be presented to every six months with key risk reporting every quarter.
  - b) The Governance and Risk Officer to be given discretion as to whether the register be split between Local Pensions Partnership Administration and Local Pensions Partnership Investments. However, the Board commented that all significant risks should be highlighted alongside the assurance given, any gaps in control be identified together with who has responsibility and an implementation date where gaps are identified.
  - c) 'Controls' and 'Actions' to be separated from the main Register using MSWord in order to facilitate easy management of the Register and provide change control for audit purposes.
  - d) Other improvements to include:
    - Heat maps for easy visual presentation of risks
    - Register to include 'risk symptoms' with insight on information monitoring to alert any change in the risk impact/probability, subject to the level of work being proportionate to the available resources.
    - That once closed risks are to be removed from the Register after consulting the Board.
2. That a prototype Risk Register, focussed on one area and taking account of the measures outlined in 1 above, be presented to the Board in July 2021 for further discussion.

## **11. Part I reports presented to the most recent Pension Fund Committee**

The Board considered a report on items considered by the Pension Fund Committee on the 12<sup>th</sup> March 2021 under Part I of the agenda and discussed the following.

Lancashire County Pension Fund Investment Strategy Statement – It was noted that the Strategic Asset Allocations had been the subject of a rigorous review by the Investment Panel and responsible investment considerations taken into account. The Head of Fund confirmed that the Committee had signed off the statement which was now available to view of the new Fund website.

Lancashire County Pension Fund 2021/22 Budget – The Head of Fund reported that at the Committee it had been clarified that the deficit shown in the budget was the result of employer contribution prepayments received in 2020/21 which when reallocated to 2021/22 represented a surplus of £49m. The budget had been approved.

Lancashire County Pension Fund Strategic Plan 2021-24 – It was noted that the Plan approved by Committee included a number of key projects for 2021/22 including a Service Based Review of Investments/Administration and further work regarding the Employer Risk function and the Pension Regulator's single Code of Practice. The Head of Fund confirmed that the Board would receive updates as the projects progressed.

It was also confirmed that in accordance with the decision of the Committee employers would be consulted on the Lancashire County Pension Fund Admission and Termination Policy/Inter-valuation contributions review policy with an end date for comments in May 2021.

The improved reporting to Committee with regard to Responsible Investment was noted.

**Resolved:** That the reports considered by the Pension Fund Committee on the 12<sup>th</sup> March 2021 and decisions taken are noted.

## **12. Urgent Business**

No items of urgent business were raised at this point in the meeting.

## **13. Date of Next Meeting**

It was noted that the next scheduled meeting of the Board would be held at 2.00pm on the 6<sup>th</sup> July 2021 either remotely via Zoom or in a meeting room at County Hall, Preston.

## **14. Exclusion of Press and Public**

**Resolved:** That the press and public be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraphs of Part I of Schedule 12A to the Local Government Act 1972, as indicated on each item. It is considered that in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The Chair briefly paused the meeting at this point while the live web stream was turned off.

## **15. Lancashire County Pension Fund Risk Register**

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information).

Mr Master, Governance and Risk Officer, presented a report on the current Fund Risk Register and the specific Covid-19 Register. In considering the report the Board discussed number of matters including the following:

Additional Voluntary contribution (AVC) payments – the Head of Fund confirmed that he was due to meet with a representative from an insurance provider to discuss issues around the allocation of members' AVC contribution payments and would report back to a future meeting.

The introduction of additional measures to mitigate pension scams in the future, particularly in response to the increase in such scams during the Covid-19 pandemic. The Board also discussed historical scams and requested further information regarding numbers, the controls in place to mitigate the issue and the level of assurance regarding management of the issue.

Key Person Dependency – whilst noting that a new Head of Fund was now in post the Board considered that a risk still existed in the event that the postholder was unable to perform their role and so the risk should remain on the Register with the original score in place.

**Resolved:**

1. That the comments of the Board regarding the contents of the Fund Risk Register and Covid-19 Risk Register, as set out respectively at Appendices 'A' and 'B' to the report presented, are noted.
2. That reports regarding the Following matters are presented to the next meeting of the Board.
  - a) the outcome of the Head of Fund's discussion with an insurance provider in relation to issues around the allocation of members' AVC contribution payments.
  - b) details of the number of historical scams, the controls in place to mitigate the issue and the level of assurance regarding management of the issue.

**16. Communications Update**

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information).

A report was presented to update the Board on communications from both a Fund and Local Pensions Partnership Administration (LPPA) perspective.

The Board noted that the new Fund website was operational, and members of the Pension Fund Committee and Board had been given a demonstration of its functionality at a workshop on the 23<sup>rd</sup> March 2021. The Board also discussed

communications between LPPA and the Fund membership which had been covered in the March workshop.

**Resolved:**

1. The Board are concerned about the quality and frequency of communications from Local Pensions Partnership Administration Ltd to the Fund membership.
2. The Board consider that whilst Local Pensions Partnership Administration Ltd has the capability to issue communications the Lancashire County pension Fund Team do not have sufficient resource to provide the required content. Therefore, the Board recommend the Head of Fund to recruit an additional post of sufficient grade to the Team in order to address this issue.

**17. Part II reports presented to the most recent Pension Fund Committee**

(Exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information).

The Head of Fund reported that the Committee had approved an extension of the term of the existing contract with the Custodian up to 15<sup>th</sup> April 2024 and that during that period there would be a full procurement exercise with regard to awarding a new contract for the provision of custodian services with effect from the expiry of the extended term.

The Board discussed the Key Performance Indicators (KPIs) for the administration service as set out in the Local Pension Partnership Strategic Update. Individual Board members commented on various aspects of the information including the breakdown of figures for individual areas and with regard to clarifying some of the information. However, there was also concern regarding transparency on the methodology used by the administration service when measuring of KPIs and it was suggested that this should be discussed further at the next meeting.

**Resolved:**

1. That the reports considered by the Pension Fund Committee on the 12<sup>th</sup> March 2021 under Part II of the agenda and decisions taken are noted.
2. That the Operations Director at Local Pension Partnership Administration Ltd be invited to attend the next Board meeting to discuss the methodology used when measuring Key Performance Indicators with regard to the administration service.

L Sales  
Director of Corporate Services

County Hall  
Preston

## **Lancashire Local Pension Board**

**Minutes of the Virtual Meeting held via Zoom on Tuesday, 19th January, 2021  
starting at 2.00 pm**

### **Present:**

#### **Chair**

William Bourne

#### **Board Members**

Tony Pounder, Employer representative, Lancashire County Council.

County Councillor Matthew Salter, Employer representative, Lancashire County Council.

Steve Thompson, Employer representative - Unitary, City, Boroughs, Police and Fire.

Carl Gibson, Employer representative - Other Employers.

Kathryn Haigh, Scheme Member representative.

Keith Wallbank, Scheme Member representative.

Deborah Parker, Scheme Member representative.

#### **Officers**

Michelle King, Interim Head of Pension Fund, LCPF, Lancashire County Council.

Colin Smith Technical Adviser (Pensions) LCPF, Lancashire County Council.

Mukhtar Master, Governance & Risk Officer, LCPF, Lancashire County Council.

Mike Neville, Senior Democratic Services Officer, Lancashire County Council.

#### **Others**

County Councillor E Pope, Chair of the Pension Fund Committee (observer).

Mr D Broughton and Ms B Roger from BT Lancashire Services (dialling in for item 14).

### **1. Welcome and apologies**

The Chair welcomed everyone to the meeting and introduced Michelle King, the Interim Head of Fund, who was attending her first Pension Board. Individual Board members introduced themselves and the Chair noted that apologies had been received from Ms Y Moulton and that Mr T Pounder would need to leave the meeting at 3pm due to another commitment.

### **2. Disclosure of Pecuniary and Non-Pecuniary Interests**

No declarations of interest were made by Board Members at this point in the meeting with regard to items of business on the agenda.

### **3. Minutes of the Last Meeting.**

Mr Wallbank informed the Board that he would resign as a Scheme Member representative with effect from the 20<sup>th</sup> January 2021. The Chair and Board Members thanked Mr Wallbank for his contributions to the work of the Board over the last two years.

It was reported that an External Auditor had been engaged to undertake the additional audit work on the Local Pensions Partnership requested by the Board at the previous meeting. The Board discussed the extent of the planned audit and how the outcomes and the level of assurance would be reported to the Audit, Risk and Governance Committee and the Board. The Interim Head of Fund reported that Board members had an opportunity to submit their suggestions for areas which should be covered by the audit which could then be fed into the scoping process.

The Board was also updated on action taken since the last meeting with regard to the following items in the Minutes.

Item 3 - the new Terms of Reference for the Board had been approved by full Council and were included on the agenda for this meeting for information.

Item 6 - the amended strategic asset allocations had come into effect on the 1<sup>st</sup> January 2021.

Item 13 - the Local Pensions Partnership Governance Charter had been approved by the Pension Fund Committee in November 2020.

**Resolved:**

1. That the Board note the resignation of Mr K Wallbank with effect from the 20<sup>th</sup> January, 2021, thank him for his contributions as a scheme member representative to the work of the Board and wish him well for the future.
2. That all Board Members be given an opportunity to comment on the scope of the planned audit of the Local Pensions Partnership.
3. That the updates given at the meeting are noted and the Minutes of the meeting held on the 13<sup>th</sup> October 2020 confirmed as an accurate record and signed by the Chair in due course.

**4. New Terms of Reference of the Lancashire Local Pension Board.**

A report was presented on the new Terms of Reference for the Pension Board which had been approved by full Council on the 15<sup>th</sup> October 2020.

**Resolved:** That the new Terms of Reference, as approved by full Council on the 15<sup>th</sup> October 2020 and set out at Appendix 'A' to the report presented, are noted and that a copy is placed in the Minute Book for future reference.

**5. Feedback from members of the Board members on pension related training**

It was reported that the Training Record for Board Members had been updated to reflect that the Chair, T Pounder, County Councillor M Salter, C Gibson, Ms K Haigh

and Ms D Parker had all participated in the 12<sup>th</sup> January 2021 workshop regarding the Local Pensions Partnership Administration.

Individual Board members gave feedback on the two workshops referred to in the report, both of which were considered to have been informative and helpful.

**Resolved:** That the update and feedback from individual Board Members on their experiences at the training events referred to in the report is noted.

## **6. Part I reports presented to the most recent Pension Fund Committee**

The Board discussed the various reports which had been considered by the Pension Fund Committee on the 27<sup>th</sup> November 2020 under Part I of the agenda.

It was noted that the External Audit findings report had been addressed by the discussion earlier in the meeting regarding the Minutes and that the comments of the Board had been taken into account when finalising the LPP Governance Charter which had been approved by Committee. It was also acknowledged that the report and Dashboard on responsible investment issues continued to evolve into an informative document which reflected the considerable level of activity in that area.

**Resolved:** That the reports considered by the Pension Fund Committee on the 27<sup>th</sup> November 2020 and subsequent decisions taken are noted.

## **7. Regulatory Update**

Mr Smith, Technical Adviser (Pensions) presented a report which updated Board members on various pension related regulatory issues.

He reported that the requirement in LGPS regulations for Fund members to take payment of an unreduced pension conflicted with the more recent exit cap regulations which prevented employers from paying the full strain cost. As a result the new regulations were the subject of legal challenge and applications for judicial review. Mr Smith informed the Board that in accordance with the advice of the Scheme Advisory Board the Fund had advised the Local Pensions Partnership that any cases received for employers in scope of the cap can be released where the exit costs are clearly under the cap and termination dates are not beyond 31<sup>st</sup> March 2021. It was noted that to date there had been no cases for the Fund where the exit cap had been breached.

The Board also noted that the employer risk function currently undertaken by the Local Pensions Partnership Administration would transfer back to the Fund with effect from the 1<sup>st</sup> April 2021 and recruitment was underway to support that function.

**Resolved:** That the updates on regulatory matters, as set out in the report presented and discussed at the meeting, are noted.

## **8. Lancashire County Pension Fund - Pension Administration Strategy Statement Review**

A report was presented on the Administration Strategy Statement for the Fund which had been reviewed to ensure that it remained appropriate and compliant with the Fund's policy intentions.

The Board was informed 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 reported that the Statement was primarily a document on the relationship between employers, the administering authority and LPPA. 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.

**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.

**9. Appeals Update**

Mr Smith, Technical Adviser (Pensions) presented a report on appeals received under the Internal Dispute Procedure for the period 1st January 2020 to 31<sup>st</sup> December 2020.

In considering the report the Board discussed the number of ill health cases received (the majority of which had been dismissed), the processes involved in considering appeals and the availability/accessibility of information to the membership of the Fund.

**Resolved:** That the report is noted and that future reports on appeals received under the Internal Dispute Procedure be presented to the Board on an annual basis.

The Chair informed the Board that he would take the report at item 14 on the agenda as the next item of business so that Mr Pounder could contribute to the discussion before he had to leave for another commitment.

**10. Update on Lancashire County Pension Fund Branding and Website Development**

Mr Broughton and Ms Roger from BT Lancashire Services (BTLS) dialled into the meeting at this point to update the Board on the development of the dedicated

website for the Lancashire County Pension Fund which was due to go live on the 25<sup>th</sup> February 2021.

It was reported that whilst there had been some delays, most notably due to the reallocation of resources by BTLS in response to the Covid-19 outbreak, the website was nearing completion and required final sign off in relation to the agreed specification. Resources had been deployed to resolve an outstanding issue in relation to how the website would display on certain devices and the project was on target to be completed by the February deadline.

The Chair thanked Mr Broughton and Ms Roger for their contributions to the discussion before they dialled out of the meeting.

**Resolved:**

1. That the Board recognise the concerns raised by BT Lancashire Services (BTLS) regarding the delay in signing off the website and accept those concerns. It is noted that the Fund has taken responsibility for ensuring the necessary sign off is provided on a prompt basis and BTLS has given an assurance that the system will be delivered as specified by the deadline of 25<sup>th</sup> February 2021.
2. That a report on the dedicated website for the Lancashire County Pension Fund be presented to the Pension Fund Committee on the 12<sup>th</sup> March 2021.

**11. The Governance Policy Statement**

A report was presented on the latest version of the Governance Policy Statement for the Lancashire County Pension Fund which set out how the County Council discharged its responsibilities in response to the regulatory requirements. It was noted that the Policy Statement had been produced using the new branding for the Fund and included hyperlinks to information published on the County Councils website.

**Resolved:** That the updated Governance Policy Statement for the Lancashire County Pension Fund, as set out at Appendix 'A' to the report presented, is noted.

**12. Lancashire County Pension Fund - Compliance with the requirements of the Pension Regulator**

Mr Master, the Governance & Risk Officer, presented a report on the latest version of the Compliance Statement for the Lancashire County Pension Fund which had been updated following a review by officers and colleagues at the Local Pensions Partnership. In considering the report the Board noted that no major governance issues had been identified, the quality of data held by the Fund was high and overall compliance against the Code of Practice 14 was good.

**Resolved:** That the revised Compliance Statement for the Lancashire County Pension Fund, as set out at Appendix 'A' to the report presented, is noted.

### **13. Lancashire County Pension Fund - Breaches Report**

Mr Master, Governance & Risk Officer for the Fund, presented a report on the small number of breaches in relation to contributions, data and administration, none of which had been deemed significant enough to warrant reporting to either the Information Commissioner or Pensions Regular.

In response to comments from the Board the Interim Head of Fund suggested that further detail be provided regarding the process used by the Local Pensions Partnership Administration when rating breaches in order that the Board could understand the rationale behind the figures set out in future reports.

#### **Resolved:**

1. That the summary of the Lancashire County Pension Fund Breaches Log for the period 1<sup>st</sup> October 2020 to the 31<sup>st</sup> December 2020, as set out in the report presented, is noted.
2. That the Operations Director at the Local Pensions Partnership Administration be requested to produce a report for the next meeting on the process used to assess and rate administration breaches.

### **14. 2021/22 Programme of meetings**

#### **Resolved:**

1. That the 2021/22 programme of meetings, as set out below, is approved with all meetings to start at 2.00pm and be held either remotely via Zoom or, subject to Covid-19 restrictions in operation at the time, at County Hall, Preston.

Tuesday 6<sup>th</sup> July 2021  
Tuesday 19<sup>th</sup> October 2021  
Tuesday 18<sup>th</sup> January 2022  
Tuesday 26<sup>th</sup> April 2022

2. That in future provision be made for a short refreshment break mid-way through Zoom meetings.

### **15 Urgent Business**

The update report on the development of a dedicated website for the Lancashire County Pension Fund website and associated branding presented to the Board under this item was discussed earlier in the meeting.

No other items of urgent business were raised at this point in the meeting.

### **16. Date of Next Meeting**

It was noted that the next scheduled meeting of the Board would be held at 2.00pm on the 20<sup>th</sup> April 2021 either remotely via Zoom or, subject to any Covid 19 restrictions that may be in operation at the time, in Exchange Room 8 at County Hall, Preston.

#### **17. Exclusion of Press and Public**

**Resolved:** That the press and public be excluded from the meeting during consideration of the following item of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraphs of Part I of Schedule 12A to the Local Government Act 1972, as indicated on each item. It is considered that in all the circumstances the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The Chair briefly paused the meeting at this point while the live web stream was turned off.

#### **18. Part II reports from the most recent Pension Fund Committee.**

(Exempt information as defined in Paragraphs 1, 2 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972. It was considered that in all the circumstances of the case the public interest in maintaining the exemption outweighed the public interest in disclosing the information).

A report was presented on the six items considered by the Pension Fund Committee on the 27<sup>th</sup> November 2020 under Part II of the agenda.

The Board discussed the ongoing work in relation to the Local Pensions Partnership Balanced Scorecard and highlighted some action points for Officers to follow up. The Board also discussed potential amendments to the reporting in future versions of the Lancashire County Pension Fund Risk Register and noted that the latest version of the Register was due to be presented to the next meeting for comment.

#### **Resolved:**

1. That the reports considered by the Pension Fund Committee on the 27<sup>th</sup> November 2020 under Part II of the agenda and decisions taken are noted.
2. That the Interim Head of Fund be requested to
  - a) Consider the comments of the Board in relation to the Local Pensions Partnership Balanced Scorecard and report back to Board members outside of the meeting.
  - b) Take into account the comments of the Board when preparing the report to the next meeting regarding the latest version of the Risk Register for the Lancashire County Pension Fund

County Hall  
Preston

L Sales  
Director of Corporate Services