

Pension Fund Committee

Meeting to be held on Friday, 10 March 2023

Electoral Division affected:
N/A;

Lancashire County Pension Fund Strategic Plan 2023-24

(Appendices 'A' and 'B' refer)

Contact for further information:

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Brief Summary

The Strategic Plan defines the key objectives of the Fund and is broken down into activity the Fund will undertake over the next 12 months.

The management of the Fund is broken down into five areas, namely:

- Governance
- Funding and Investment
- Administration
- Communication
- Shareholder

The 2023/24 plan is attached at Appendix 'A' and the annual update on the 2022 plan is attached at Appendix 'B' to this report.

Recommendation

The Committee is asked to approve the draft Lancashire County Pension Fund Strategic Plan for 2023-24 and note the 12 month update attached at Appendices 'A' and 'B' respectively to this report.

Detail

It is considered good governance for pension funds to develop a clear planning and risk management framework. The Lancashire County Pension Fund has produced a strategic plan for the next 12 months.

This year the Fund is taking a more focused approach on activity that is to be undertaken over the next 12 months which will allow more defined actions for the Pension Fund Officers.



The proposed plan for 2023-24 is framed around five thematic areas of focus:

- **Governance** - To ensure that the Fund is transparent, open, and accountable to our stakeholders for our decisions and ensure the effective operation of the framework of control and the understanding and addressing of the risks to which the Fund is exposed.
- **Funding and Investment** - the long-term objective is for the Fund to maintain a 100% solvency level over a reasonable time period and then maintain sufficient assets in order for it to pay all benefits arising as they fall due. In addition, be a responsible asset owner and preserve the long-term resilience of the Fund
- **Administration** - Processes for maintaining member contribution records and for the accurate and timely calculation and processing of benefits.
- **Communication** - Processes for communicating both with scheme members and employers and promoting the benefits of participation in the scheme.
- **Shareholder** – To ensure that LPP and its subsidiaries are positioned to successfully deliver administration and investment services and to operate appropriate governance structures, processes and controls on the LPP board.

The Strategic Plan at Appendix 'A' shows a summary of activity and actions around each project. Subject to approval of the plan, next steps will include:

- The scope of each project will be defined and a project plan established;
- A 'plan on a page' will be developed which will outline activity under each project over the next 12 months;
- KPI's/metrics will be defined around the detailed planning of each individual project; and
- Activity will focus on projects according to priority and resourcing. A number of the projects identified in appendix A are new requirements that the Fund would not need to have undertaken three or five years ago. Accordingly resourcing of the projects is under consideration

A progress update will be provided to the Pension Fund Committee at optimum point identified by the Fund officers throughout the next 12 months.

Consultations

Head of Fund
LCPF Officers
Independent Investment Advisers
Fund Actuary
Local Pensions Partnership Administration Limited
Local Pensions Partnership Investments Limited



Implications:

This item has the following implications, as indicated:

Risk management

The Strategic Plan will assist in management of risks faced by the Fund.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Tel
N/A	N/A	N/A

Reason for inclusion in Part II, if appropriate

N/A

