

## Pension Fund Investment Panel

Terms of Reference (as approved by Full Council on 13<sup>th</sup> July 2023)

1. ***The Investment Panel ("the Panel") provides expert professional strategic advice to the Pension Fund Committee in relation to investment strategy and on occasion to the full Council.***

~~The Investment Panel ("the Panel") provides expert professional advice to the Pension Fund Committee in relation to investment strategy. The Panel also supports the Head of the Lancashire County Pension Fund (the Head of the Pension Fund") with the specialist advice required by the Lancashire County Pension Fund ("the Fund").~~

2. Remit of the Panel

- To review the Fund's long term investment strategy and where necessary make recommendations to the Pension Fund Committee.
- To advise on strategic and/or tactical asset allocations proposed by the Local Pensions Partnership **Investments** Ltd (LPPI).
- To restrict and control the range of asset allocations used by **LPPI**, as set out in the Statement of Investment Principles.
- To consider appropriate risk management strategies to include the matching of pension liabilities with suitable investments, possibly involving derivatives, and where necessary make recommendations to the Pension Fund Committee.
- To consider foreign exchange hedging strategies relating to the equity and/or other asset allocations and where necessary make recommendations to the Pension Fund Committee.
- To monitor and review the investment activity; and
- To review and report on the performance of the Fund and where necessary make recommendations to the Pension Fund Committee.

- 3 The Panel does not exercise any delegated powers but instead will provide **support** advice to the Head of Fund in the ~~who will either~~ exercise of their delegated powers **and in making** ~~or make~~ recommendations to the Pension Fund Committee taking account of advice and views from the Panel.

- 4 The membership of the Panel comprises:

- a) The Head of Fund (as Chair); and
- b) Not less than two Independent Investment Advisers appointed in accordance with arrangements determined by the Pension Fund Committee.

5. The Panel will meet quarterly, or otherwise as necessary
6. ***For a meeting to be quorate the Chair and at least one Investment Adviser must be present.***
7. The Panel may operate through sub-groups to undertake specific tasks but will formulate recommendations to the Head of the Pension Fund and/or the Pension Fund Committee through meetings of the full Panel.
8. The Panel may secure specialist advice within allocated budgets.
9. ***One member of the Panel will attend at least the Local Pension Partnership Ltd Conference or any equivalent event on an annual basis.***

~~At least one member of the Panel will attend the Local Pension Partnership Ltd Investor's Forum on a 6 monthly basis.~~