



**LOCAL PENSION BOARD - 7 FEBRUARY 2024**  
**REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**  
**PENSION FUND POLICY REPORT**

**Purpose of the Report**

1. The purpose of this report is to present for the Board's consideration the annual update of the Pension Fund's current strategies and policies, covering any new policies that have been introduced or amendments that have been made.

**Background**

2. The responsibility of the Board, as defined by sections 5(1) and (2) of the Public Service Pensions Act 2013, is to assist the Administering Authority as Scheme Manager in ensuring the effective and efficient governance and administration of the Local Government Pension Scheme (LGPS). Part of its role is to review the Fund's Governance and Policy documents, as set out below.
3. This is an annual report to provide the Board with a summary of current policies or strategies. Any new or amended policies will be brought to the Board and then presented to the Local Pension Committee for approval at a subsequent meeting, as the body responsible for the governance of the Fund.

**Summary of Current Policies**

4. All current policies covering both administration and investments, are listed below. Updated policy documents are attached to this report, other policies can be found on the Pension Fund website [here](#).

<b>Policy</b>	<b>Existing Policy (Yes/No)</b>	<b>Changes Made (Yes/No)</b>	<b>Changes</b>	<b>Date Last Updated</b>	<b>Date Next Review Scheduled</b>
Investment Strategy Statement	Yes	No	-	March 2023	March 2024
Investment Advisor Objectives	Yes	No	-	November 2022	November 2024
Responsible Investment Plan	Yes	No	-	January 2024	January 2025
Net Zero Climate Strategy (target set of Net Zero by 2050)	Yes	No	-	March 2023	March 2026
Cash Management Strategy	Yes	No	-	October 2023	March 2025
Funding Strategy Statement	Yes	No	-	February 2023	November 2025
Administration and Communication Strategy	Yes	Yes	Changes detailed elsewhere in this report	February 2024	January 2026
Fund Training Policy	Yes	-	-	March 2022	June 2024
Pension Fund Budget and Business Plan	Yes	Updated to reflect the draft 24/25 Business Plan	-	January 2024	March 2024
Conflict of Interest Policy	Yes	No	-	June 2021	June 2024
Fund Employer Risk Policy	Yes	No	-	January 2024	January 2026
Administering Authority (Fund) Discretions Policy	Yes	Yes	Changes detailed elsewhere in this report	January 2024	December 2025
Administering Authority Distribution of	Yes	No	-	November 2023	November 2025

Death Grant Policy					
Administering Authority Overpayment of Pensions Policy	Yes	Yes	Changes detailed elsewhere in this report	August 2023	July 2025
Cyber Policy	Yes	-	Changes detailed elsewhere in this report	February 2024	January 2026

### **Overpayment of Pensions Policy**

- Additional details regarding the process officers will follow when managing overpayments and the steps taken to prevent overpayments have been added. This was previously presented to the Board at the meeting on 2<sup>nd</sup> August 2023 and is simply included here for completeness.

### **Administration and Communication Strategy**

- The Administration and Communication strategy has been updated to state:
  - Where an employer requests significant amounts of additional information for the purposes of an audit then additional costs may need to be recovered from that employing authority.
  - The Fund will consult and/or engage with stakeholders on changes to policies or strategies as appropriate, for example an engagement exercise was conducted in respect of the Net Zero Climate strategy in 2022/23.
- Other minor changes have also been made, in respect of terminology, to keep the document updated, or to simply tidy up wording.
- Employers were consulted on the proposed changes between 14<sup>th</sup> December 2023 and 16<sup>th</sup> January 2024 but no comments were received from any of the employers.

### **Administering Authority (Fund) Discretions Policy**

- Item 22 of this policy has been amended to link the policy to the Fund's Distribution of Death Grant Policy.

### **Cyber Policy**

10. The cyber policy has been amended to remove the expiry dates of the Heywood accreditations, although these will still be reviewed annually to ensure that Heywood continue to update these.
11. Details of the 'roles' assigned to Pension Officers when using Altair have been updated to reflect two new roles that have been created in the last twelve months.
12. A paragraph covering two minor products has been added for completeness: DART, a reporting tool that uses selected data extracted from Altair; EPIC, a database that stores documents and information related to scheme employers. These are managed by LCC ICT.
13. Following the removal of the expiry dates it is now proposed that the policy is reviewed every two years instead of annually, though the regular reviews described in the policy will continue to be carried out regularly. In the event that a significant change cyber policy emerges, the document will be updated at that time.

#### Changes

14. The three revised policies detailed above appear in the appendices and the key changes made have been highlighted in yellow for ease.

#### Recommendation

15. The Board is asked to comment on the revised policies and strategies ahead of the Local Pension Committee meeting on 8 March 2024, where approval will be sought.

#### Equality Implications

16. There are no equality implications arising from the recommendations in this report.

#### Human Rights Implications

17. There are no human rights implications arising from the recommendations in this report.

#### Appendices

Appendix A - Draft Administration and Communication Policy

Appendix B - Draft Administering Authority (Fund) Discretions Policy

Appendix C - Draft Cyber Policy

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