

Meeting Name:	Pensions Advisory Panel
Date:	30 September 2024
Report title:	Update on the Local Pension Board
Ward(s) or groups affected:	Not applicable
Classification:	Open
Reason for lateness (if applicable):	Not applicable
From:	Chair of the Local Pension Board

RECOMMENDATION

1. The Pension Advisory Panel (PAP) is asked to note the update from the Local Pension Board (LPB) meeting of 3 July 2024.

KEY AREAS OF DISCUSSION

2. A training session was provided on the LGPS pooling mandate, including implications from a fund administration perspective and readiness of the Fund in relation to the pooling mandate.
3. The main business included an update on assessing the Fund's compliance with the General Code of Practice, Pension Services, Breaches Log, the Annual Cyber Security Assessment, Statement of Accounts and Audit Findings for 2021-22 and 2022-23, discussion on SAB Guidance on preparing Annual Reports, an investment update, the LPB annual report and an update on current LGPS issues.

Pension Services

4. The Head of Pensions Operations presented the report. An update was provided on progress made to date on recruitment within the Fund administration team and the IT systems in place.
5. There was a discussion on the ongoing work in relation to data migration, the National Pension Dashboard (NPD), the issuance of annual benefit statements (ABS) and complaint management.
6. Go live date for the National Pensions Dashboard remains unchanged. In parallel, a review of the Fund Administration Strategy is also underway.

Breaches Log

7. The Head of Pensions Operations provided an update regarding the breaches log, including instances which are not addressed, and scenarios which are being carried forward and/or reported to the regulator.

Annual Cyber Security Assessment

8. An update was provided regarding the work undertaken in assessing preparedness of the Fund's investment managers, custodian and banker in complying with the recommendations of the UK National Cyber Security Centre's (NCSC) Cyber Essentials Standards for IT Infrastructure in relation to cyber security risks.
9. The assessment outlines five core technical control areas: firewalls, secure configuration, security update management, user access control and malware protection.
10. All of the Fund's external stakeholders have policies and processes in place across all the core technical control areas as a means to proactively manage and mitigate any cyber security risks.

Statement of Account and Audit findings for 2021-22 and 2022-23

11. An update was provided on the status of the audits recently concluded by Grant Thornton for the financial years 2021-22 and 2022-23.

Local Pension Board Annual Report

12. The Chair outlined the key focus areas for the Board during 2023-24, which included the Fund administration services, particularly, delivery of the ABS and complaint management.
13. Going forward, the Board will continue to focus on cyber security and other governance-focused aspects of the Fund in light of evolving regulatory requirements.

SAB Guidance on preparing Annual Reports

14. There was a discussion on the work undertaken to map the new requirements for preparing annual reports under SAB's latest guidance and the Fund's level of readiness based on the Fund's 2022-23 Annual Report.
15. The Board will continue to monitor progress in light of the increased disclosure requirements and additional KPIs and data points to be considered as part of the latest SAB guidance on preparation of the Annual Report.

Update on current LGPS issues

16. An update was provided on the SAB Scheme Cost Assessment; letter from SAB to the Chief Secretary to the Treasury in relation to gender pensions gap and work required to perform gender pay gap analysis consistently across public sector employees; dissolution of Parliament due to the general elections and impact on the Economic Affairs of Public Bodies (Overseas Matters) Bill; new LGPS Informer Document launched by SAB along with Institute for Chartered Accountants in England and Wales; and the publication of the 11th Scheme Annual Report by SAB and key highlights from an LGPS perspective from the report.

Investment Updates

17. A high-level update was provided on the Fund's performance as at 31 March 2024 including an overview of the latest mandate with LCIV.
18. The report also covered a summary of performance of the Fund over a 1-year, 3-year, 5-year and 10-year timeline in comparison with other LGPS as highlighted in the recently released report 'Local Authority Fund Statistics 2023-24'.

Community, equalities (including socio-economic) and health impacts

Community impact statement

19. There are no immediate implications arising from this report.

Equalities (including socio-economic) impact statement

20. There are no immediate implications arising from this report.

Health impact statement

21. There are no immediate implications arising from this report.

Climate change implications

22. There are no immediate implications arising from this report.

Resource implications

23. There are no immediate implications arising from this report.

Legal implications

24. There are no immediate implications arising from this report.

Financial implications

25. There are no immediate implications arising from this report.

Consultation

26. There are no immediate implications arising from this report.

AUDIT TRAIL

Lead Officer	Clive Palfreyman, Strategic Director of Resources	
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Version	Final	
Dated	15 September 2024	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Assistant Chief Executive – Governance and Assurance	No	No
Strategic Director of Resources	No	No
Cabinet Member	No	No
Date final report sent to Constitutional Team	17 September 2024	