

## **ANNUAL REPORT OF THE CUMBRIA LGPS LOCAL PENSION BOARD FOR 2021/22**

As Chair of the Cumbria Local Pension Board (LPB) it is my pleasure to present the Annual Report for 2021/22 on behalf of my fellow Board Members.

The Public Service Pensions Act (PSPA) 2013 introduced the requirement to have a Local Pension Board to assist in the governance of the Scheme. The Board was established in 2015 to assist Cumbria County Council as the Administering Authority to fulfil its functions which cover all aspects of governance and administration of the Cumbria Local Government Pension Scheme (LGPS).

The Council's Constitution requires the Board to meet 'as a minimum twice a year'. In recognition of the important role the Board has to play in supporting Cumbria County Council in its role of administering the Cumbria LGPS, meetings are scheduled on a quarterly basis. There were four meetings held during the year as planned.

### **Membership**

During the year two new substantive Employer representatives were appointed, one representing Cumbria County Council and the other representing the District Councils, and a substitute District Council representative was also appointed. The Employee Member representative for 'other employers' was successfully re-appointed following a recruitment process at the end of her initial four-year tenure in October 2021 and the Chair and Vice Chair rotated their roles. All recruitment was carried out in accordance with the Board's Terms of Reference.

Further details of Board members can be found in section 3 of the Fund's Annual Report or online at <https://councilportal.cumbria.gov.uk/mgCommitteeDetails.aspx?ID=1164>

### **Work Programme during 2021/22**

2021/22 was another successful year for the Fund. Local Pensions Partnership Administration (LPPA) also continued to provide pension administration services to high standards. Pensions were paid on time each month and Annual Benefit Statements were issued well ahead of the statutory deadline. Return of Fund investments continued to outperform their benchmark and the Fund maintained its strong governance arrangements. In addition to this, the Fund published its first Stewardship Report under the Financial Reporting Council's (FRC) new UK Stewardship Code ('the Code') and, in March 2022, was confirmed as a signatory to the Code.

During the year the Board were apprised of key work undertaken by the Fund, reviewed the governance process around Pensions Committee decisions, and maintained an oversight of the key risks to the Fund – including the new risks around Local Government Reorganisation (LGR), the impact of the Russia-Ukraine conflict on the Fund and the risk of inflation to the Fund.

Focus remained on improving pension administration arrangements for the benefit of all scheme members and employers of the Fund including the continual improvement programme for the quality of data held by the Fund in preparation for the 2022 valuation. The Board also

assessed the impact of and responded to consultations that will affect the structure and performance of the Fund and supported the Pensions Committee in reviewing and reporting on the action plan resulting from the findings of the SAB's "Good Governance in the LGPS" review.

## Training

To support their work on the Local Pension Board, Members continued to maintain and develop their knowledge of the LGPS. Training opportunities were initially virtual but as the year progressed more 'in person' events were offered. Members were able to access a number of training events throughout the year:-

Training	Delivery	Date
CIPFA LPB Conference	External	June 2021
BCPP Responsible Investment Workshop	External	June 2021
BCPP Pooling Workshop	External	September 2021
Scheme Advisory Board update; Administration; Actuarial Valuation & ESG in investment decision making	Internal/External	September 2021
BCPP Annual Conference	External	September 2021
CIPFA Autumn Seminars	External	September 2021
Barnett Waddingham Autumn Seminars	External	September 2021
LAPFF Conference	External	December 2021
Roles & Responsibilities re: LGPS Governance	External	January 2022
Public Service & Trustee Toolkit	Individual	Ongoing

## Looking forward to 2022/23:

In April 2022 the Board agreed a formal Work Plan to be reviewed on a quarterly basis allowing for updates for any issues arising. The Plan for 2022/23 includes:-

- Reviewing the initial findings of a review of the Fund's Cyber Security arrangements;
- Review of the performance of LPPA through robust monitoring of key pensions administration indicators;
- Review of governance arrangements in response to financial, regulatory and structural changes, including actions arising from the SAB's Good Governance Review and Compliance with the Pensions Regulator's new single Code of Practice; and
- Appraising the impact of any revised regulations arising from the resolution to the McCloud age discrimination case and the re-running of the cost cap process and implementing any required changes to the scheme.

I attended three meetings in my capacity as a substitute Scheme Member Representative on the BCPP Joint Committee enabling Scheme Member views to be represented in this important area of governance.

I would like to convey the Board's thanks to all the Council's staff involved in administering the Cumbria LGPS, staff at LPPA, and our external advisors for their work during this particularly challenging year in supporting the management and beneficiaries of the Fund.

Finally, I would like to thank my fellow Board Members for their contributions to the successful operation of the Board during 2021/22.

Deirdre Burnett

Chair of the Cumbria LGPS Local Pension Board  
15 July 2022



Information on the work of the Cumbria Local Pension Board can be found on our web page on the on Cumbria County Council website:

[http://moderngov.ccc/mgCommitteeDetails.aspx?ID=1164&\\$LO\\$=1](http://moderngov.ccc/mgCommitteeDetails.aspx?ID=1164&$LO$=1)