

# Cumbria Pension Fund – Fund Policy Document

## 1 INTRODUCTION

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The Cumbria Local Government Pension Scheme (“the Fund” or “Cumbria Pension Fund”) is part of the Local Government Pension Scheme (LGPS). The scheme is a funded pension scheme, which means that funds are set aside to meet future retirement needs of scheme members. The scheme is a statutory pension scheme governed by the Superannuation Act 1972, the Public Services Pensions Act 2013, the Local Government Pension Scheme Regulations 2013 (as amended), the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 and the Local Government Pensions Scheme (Management and Investment of Funds) Regulations 2016 (as amended). Under these regulations the Administering Authority is required to provide an administration service for the scheme within the geographical area of Cumbria.

Due to Local Government Reorganisation in Cumbria, from 1 April 2023 Westmorland & Furness Council became the Administering Authority for Cumbria Pension Fund.

As Administering Authority Westmorland and Furness Council administers the pension scheme on behalf of the majority of local government employees in Cumbria, further and higher education colleges, some voluntary and other non-profit making organisations, and a number of ‘Admitted Bodies’, i.e. organisations that have entered into an admission agreement with the administering Council to participate in the Pension Fund.

The scheme is open to all local government employees within the County who are not covered by alternative pension arrangements. The main categories of employees covered by alternative arrangements are teachers, fire service uniformed personnel and police officers.

### **Governance**

Governance in the public service context is the leadership, direction and control of public service organisations to ensure they achieve their agreed aims and objectives, and in doing so serve the public’s best interests. Good governance leads to good management, good performance and good stewardship of public money as well as being a legal requirement.

The governance and management of the Fund are detailed within the Governance Policy Statement (Section 2 of this Policy Document). Formally, the governance is

undertaken through the Cumbria Pensions Committee, Investment Sub Group, Cumbria Pension Board and Cumbria Pensions Forum.

To ensure good governance of the Fund the policy framework and all aspects of management of the Fund are set out in the various Fund Policy Statements.

The purpose of each is summarised as follows:

**2 Governance Policy Statement** – sets out the roles and responsibilities and reports compliance against a set of best practice principles.

**3 Administration Strategy & Communications Policy** – details the formal arrangements for pensions and benefits administration for the Fund, and the communications with members, employers and pensioners.

**4 Investment Strategy Statement** – details how the Fund’s assets are invested, the fund managers and benchmarks, and the Fund’s compliance with updated Myners Principles and the Financial Reporting Council’s UK Stewardship Code.

**4b Responsible Investment Policy** - details how the Fund takes its shareholder / investor responsibility seriously and how it is involved from an engagement and influence perspective on the wider ESG (Environmental, Social and Governance) agenda.

**5 Cash Investment Policy** – the management of the pension fund cash, bank account and investment of surplus cash.

**6 Funding Strategy Statement** – identifies how the Fund’s pension liabilities will be funded in the longer term and addresses solvency issues.

**7 Admissions and Termination Policy** – details the policy on employer admissions and the methodology on cessation from the Fund.

**8 Discretions Policy** – detailing the policy regarding the exercise of certain discretions to assist in the management of the Fund.

**9 Training Policy** – sets out the policy concerning the training and development of members of all committees and officers responsible for management of the Fund.

**10 Policy & Procedure on Reporting breaches of the law** – sets out the policy and procedures to be followed by persons involved with the Cumbria LGPS in relation to reporting breaches of the law.

**11 Internal Controls and Risk Management** – sets out the policy approach within the Cumbria LGPS in relation to internal controls and risk management procedures that seek to protect the Fund from adverse risk.