



UNDER STRICT EMBARGO UNTIL 0.01am FRIDAY 3rd JULY

Lancashire and London Pensions Partnership to go ahead

Lancashire County Pension Fund Committee (LCPF) and the London Pensions Fund Authority Board (LPFA) today announced that they have formed their innovative £10bn Asset Liability Management Partnership, which will initially be known as the Lancashire and London Pensions Partnership (LLPP).

The LLPP will cover all aspects of pension fund management and be a fully-fledged pension service organisation, providing both jointly managed administration and pooled asset and liability management activities through newly created corporate structures.

Crucially, both Funds will continue to maintain their local accountability with LCPF Pension Committee and LPFA Board maintaining control of key strategic decisions.

The formation of the LLPP will result in fee reductions, access to different types and a greater amount of direct investments, cost reductions in administration and more effective liability management.

Speaking about the decision, Susan Martin, Chief Executive, LPFA, said:

“We are excited to have taken this unprecedented step of pooling two of the largest pension funds in local government. It is our joint aim to significantly reduce the Funds’ combined costs – we estimate by over £32m within five years – and with the benefit of economies of scale, further reduce our respective deficits.”

George Graham, Director, Lancashire County Pension Fund, said:

“Both the LPFA Board and the LCPF Committee have considered detailed proposals and have agreed that such a partnership would prove beneficial to both organisations, and presents an exciting opportunity that could assist in developing an alternative LGPS model. The partnership will build on the existing expertise across all locations and increase co-operation and collaboration across all aspects of the pension funds, under a strong governance framework. We aim to provide industry-leading standards of administration and so provide our members and employers with efficient and cost-effective services.”

-ENDS-

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NOTES TO EDITORS

About Lancashire County Pension Fund

The Lancashire County Pension Fund manages £5.7bn of pension savings on behalf of 150,000 scheme members working for around 270 different organisations across the County, including local authorities, police and fire authorities and schools which have become academies.

About the LPFA (www.lpfa.org.uk)

The London Pensions Fund Authority (LPFA) administers a £4.8bn pension fund providing Local Government Pension Scheme benefits to almost 20,000 employees of 350 not for profit organisations and around 40,000 pensioners, many of whom used to work for the Greater London Council and the Inner London Education Authority.

As well as administering its own fund LPFA provides a comprehensive range of third party pension services from full administration and pensions payroll to staff placement, data cleanse projects, pension websites and benefit statements.

In total, the LPFA runs pensions for some 250,000 people.