



London Borough of Hammersmith & Fulham

AUDIT, PENSIONS AND STANDARDS COMMITTEE

16th September 2014

PENSION FUND ANNUAL REPORT 2013/14

Report of the Executive Director of Finance and Corporate Governance

Open Report

Classification: For Decision

Key Decision: No

Wards Affected: All

Accountable Executive Director: Jane West, Executive Director of Finance and Corporate Governance

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1. EXECUTIVE SUMMARY

- 1.1. The Local Government Pension Scheme regulations require the Pension Fund to prepare and publish an annual report by 1st December every year. The report for 2013/14 which the Committee is asked to approve has been prepared in line with the requirements of the regulations and having regard to the CIPFA guidance on the preparation of annual reports. The external auditors are expected to give an unqualified opinion on the annual report, as detailed in their draft opinion shown in the report.

2. RECOMMENDATIONS

- 2.1. That the Pension Fund Annual Report 2013/14 be approved, subject to final audit sign-off.

3. REASONS FOR DECISION

- 3.1. The Local Government Pension Scheme (LGPS) Regulations 2013 require the Pension Fund to publish an annual report covering the financial year by 1st December 2014.

4. INTRODUCTION AND BACKGROUND

- 4.1. The Local Government Pension Scheme Regulations 2013 require all Local Government Pension Funds to prepare and publish an annual report on the activities of the Fund by 1st December following the end of the financial year. The regulations set out the areas to be covered in the report and guidance from CIPFA provides further detail of the requirements.

5. PROPOSAL AND ISSUES

- 5.1. The LGPS regulations require the Pension Fund annual report to include information about the following:

- Management and Financial performance;
- Investment Policy;
- Administration;
- Funding;
- Pension Fund Accounts;
- Links to Statement of Investment Principles, Funding Strategy Statement and Communication Policy Statement.

- 5.2. The annual report for 2013/14 attached at Appendix 1 includes all of the requirements above and has been prepared having regard to the CIPFA guidance.

- 5.3. The Funding Strategy Statement was last reviewed in February 2014, and it is planned to review it in line with the next actuarial valuation in 2016. The Communication Policy Statement was last reviewed in September 2013 and an update will be prepared as required. The last review of the Statement of Investment Principles was in June 2012 and an update to this will be prepared when the committee have concluded the review of investment strategy.

- 5.4. As reported elsewhere on this agenda, the Pension Fund accounts have been audited by the external auditors, KPMG. They have also reviewed the annual report for consistency with the accounts and their unqualified draft opinion is included on page 47 of the annual report.

6. OPTIONS AND ANALYSIS OF OPTIONS

- 6.1. The production of the annual report is required by the LGPS regulations and therefore there are no other options to consider.

7. CONSULTATION

- 7.1. Not applicable.

8. EQUALITY IMPLICATIONS

- 8.1. Not applicable.

9. LEGAL IMPLICATIONS

9.1. Not applicable.

10. FINANCIAL AND RESOURCES IMPLICATIONS

10.1. The comments of the Executive Director of Finance and Corporate Governance are contained within this report.

11. RISK MANAGEMENT

11.1. Not applicable.

12. PROCUREMENT AND IT STRATEGY IMPLICATIONS

12.1. Not applicable.

LOCAL GOVERNMENT ACT 2000 **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.			

LIST OF APPENDICES:

Appendix 1: Pension Fund Annual Report 2013/14