

**ANNUAL REVIEW OF THE WORK OF THE PENSIONS COMMITTEE
2014-2015**

COUNCIL MEETING DATE (2015/16)

25th November 2015

CLASSIFICATION:

Open

**If exempt, the reason will be listed in the
main body of this report.**

WARD(S) AFFECTED

All Wards

CORPORATE DIRECTOR

Ian Williams Corporate Director of Finance and Resources

1. CORPORATE DIRECTOR'S INTRODUCTION

- 1.1 The Pensions Committee has been given delegated powers under the constitution to manage the Pension Fund on behalf of the Council as Administering Authority. The purpose of this report is to detail the role of the Pensions Committee and summarise the key activities and achievements in 2014/15 that demonstrate how the Committee has fulfilled its role effectively acting in its capacity as quasi-trustees of the Council's Pension Fund.

2. RECOMMENDATION(S)

2.1 Note the Annual Report 2014-2015 of the Pensions Committee

3. REASONS FOR DECISION

The Report records the work of the Pensions Committee for the last Municipal year and therefore is for the Council to note only.

4. DETAILS OF ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

N/A

5. DETAIL

5.1 Policy Context

- 5.1.1 The London Borough of Hackney is the Administering Authority of the Local Government Pension Scheme (LGPS) for the London Borough of Hackney and as such has a wide range of responsibilities under the Local Government Scheme Pension Regulations. Whilst the Council delegates the management of the Pension Scheme to the Pensions Committee, it retains ultimate responsibility for the Fund. As such it is appropriate for Council to review the work of that Committee. In addition, the Pensions Board has been established under the Public Service Pensions Act to assist the Administering Authority in ensuring compliance under the Regulations and the Pensions Board have also received copies of the work undertaken by the Pensions Committee during the last Municipal Year.

5.2 Equality Impact Assessment

N/A

5.3 Sustainability

N/A

5.4 Consultations

N/A

5.5 Risk Assessment

Establishment

6. COMMENTS OF THE CORPORATE DIRECTOR OF FINANCE AND RESOURCES

The Pensions Committee act in the capacity of quasi trustees for the Pension Fund and its Administering Authority, the London Borough of Hackney and as such are responsible for the management of approximately £1.17 billion worth of assets and for ensuring the effective and efficient running of the Pension Fund. The decisions taken by the Committee impact directly on the financial standing of the Fund and, given the need to ensure that the Fund is able to meet its liabilities (pension benefit payments), the decisions taken will affect its ability to meet such liabilities. The Administering Authority has a responsibility to ensure that over time the Pension Fund is able to meet all its future liabilities and ensuring prudent financial management will directly impact on the contribution rates payable by all employers participating in the Fund, with the Council representing the largest employer in the Fund.

7. COMMENTS OF THE CORPORATE DIRECTOR OF LEGAL, HR AND REGULATORY SERVICES

- 7.1 The Council's Constitution gives the Pensions Committee responsibility for a range of specified functions relating to management of the Council's Pension fund. In carrying out those functions the Committee must have regard to the various legislative obligations imposed on the Council as the Fund's Administering Authority, particularly by the suite of Local Government Pension Scheme (LGPS) Regulations.
 - 7.2 The Committee has legal responsibilities for the prudent and effective stewardship of the Pension Fund and a clear fiduciary duty in the performance of its functions.
 - 7.3 The annual report of the Pensions Committee's activities demonstrates how it has undertaken and fulfilled its statutory and constitutional responsibilities during 2014/15.
- 6.4 There are no immediate legal implications arising from this report.

APPENDICES

Annual Report of the Pensions Committee 2014-2015

Report Author	Jill Davys ☎020 8356 2646 jill.davys@hackney.gov.uk
Comments of the Corporate Director of Finance and Resources	Michael Honeysett ☎020-8356 3332 michael.honeysett@hackney.gov.uk
Comments of the Corporate Director of Legal, HR and Regulatory Services	Stephen Rix ☎020-8356 6122 Stephen.rix@hackney.gov.uk