

**REPORT OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES**

<b>PENSION FUND ANNUAL REPORT AND ACCOUNTS 2015/16</b>	<b>Classification</b> <b>Public</b>	<b>Enclosures</b> <b>One</b>
	<b>Ward(s) affected</b>  <b>ALL</b>	
<b>Pensions Committee</b> <b>19<sup>th</sup> September 2016</b>		

**1. INTRODUCTION**

- 1.1 This report introduces the post audit annual report and accounts of the London Borough of Hackney Pension Fund for the year ended 31<sup>st</sup> March 2016, which are attached.

**2. RECOMMENDATIONS****2.1 The Committee is recommended to:**

- **Approve the Pension Fund Annual Report and Accounts**
- **Approve publication and distribution to interested parties**

**3. RELATED DECISIONS**

- Pensions Committee 21<sup>st</sup> September 2015 – Pension Fund Audit 2014/15
- Pensions Committee 24<sup>th</sup> June 2015 – Draft Pension Fund Report & Accounts 2014/15.

**4. COMMENTS OF THE GROUP DIRECTOR OF FINANCE & CORPORATE RESOURCES**

- 4.1 The Pension Fund Annual Report and Accounts sets out the financial position of the Pension Fund as at 31<sup>st</sup> March 2015 and as such acts as the basis for understanding the financial well being of the Pension Fund. It also enables Members to manage and monitor the Scheme effectively and be able to take decisions understanding the financial implication of those decisions.

**5. COMMENTS OF THE DIRECTOR, LEGAL**

- 5.1 Pursuant to the Local Government Pension Scheme (Administration) Regulations 2013, Regulation 57, in its capacity as the administering authority the Council is obliged to prepare a pension fund annual report. The report must be published by 1 December following the year end. The report must be prepared having regard to guidance published by the Secretary of State and must contain the material specified in the regulations as specified more particularly in paragraph 6.4 of this report.
- 5.2 The Constitution makes it the responsibility of the Pensions Committee to receive

and approve an Annual Report on the activities of the Fund prior to publication.

5.3 There are no immediate legal implications arising from this report.

## 6. BACKGROUND/TEXT OF THE REPORT

6.1 This is the first time the 2015/16 draft Annual Report and Accounts has been presented to Pensions Committee. At the time of writing the Pension Fund audit is largely complete and it is anticipated that the version being presented in these papers will be the final version of Pension Fund Report and Accounts 2015/16 prior to publication. Any further amendments made between the time of writing and the meeting date will be outlined to the Committee at the meeting. The Report and Accounts are attached as an appendix to this report.

6.3 Once formally adopted the Pension Fund Report and Accounts will be circulated to employers in the Pension Fund with a copy sent to the Department of Communities and Local Government.

6.4 The Local Government Pension Scheme Regulations 2013 lay down the following requirements in respect of the Pension Fund Annual Report:

**Regulation 57.** —(1) An [administering authority](#) must, in relation to each year beginning on 1st April 2014 and each subsequent year, prepare a document ("the pension fund annual report") which contains—

- (a) a report about the management and financial performance during the year of each of the pension funds maintained by the authority;
- (b) a report explaining the authority's investment policy for each of those funds and reviewing the performance during the year of the investments of each fund;
- (c) a report of the arrangements made during the year for the administration of each of those funds;
- (d) for each of those funds, a statement by the actuary who carried out the most recent valuation of the assets and liabilities of the fund in accordance with [regulation 62 \(actuarial valuations of pension funds\)](#), of the level of funding disclosed by that valuation;
- (e) the current version of the statement under [regulation 55 \(governance compliance statement\)](#);
- (f) for each of the funds, the fund account and net asset statement with supporting notes and disclosures prepared in accordance with proper practices;
- (g) an annual report dealing with—
  - (i) the extent to which the authority and [the Scheme](#) employers in relation to which it is the [administering authority](#) have achieved any levels of performance set out in a pension administration

- strategy in accordance with [regulation 59 \(pension administration strategy\)](#), and
- (ii) such other matters arising from a pension administration strategy as it considers appropriate;
  - (h) the current version of the statement referred to in [regulation 58 \(funding strategy statement\)](#);
  - (i) the current version of the statement under regulation 12 of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 (statement of investment principles) **(a)** ;
  - (j) the current version of the statement under [regulation 61 \(statements of policy concerning communications with members and Scheme employers\)](#); and
  - (k) any other material which the authority considers appropriate.

(2) The authority must publish the pension fund annual report on or before 1st December following [the Scheme](#) year end.

(3) In preparing and publishing the pension fund annual report, the authority must have regard to guidance given by the Secretary of State.

Ian Williams  
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### **List of Appendices**

Appendix 1 – Pension Fund Annual Report and Accounts 2015/16

### **Background Papers**

None