

REPORT OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES

ANNUAL REPORT OF THE PENSIONS COMMITTEE 2018-2019 Pensions Committee 10th September 2019	Classification PUBLIC	Enclosures One
	Ward(s) affected ALL	

1. INTRODUCTION

- 1.1 The purpose of this report is to detail the role of the Pensions Committee and summarise the key activities and achievements in 2018/19 that demonstrate how the Committee has fulfilled its role as the Scheme Manager for the London Borough of Hackney Pension Fund. This report will be presented to full Council in due course as a summary of the Committee's activities

2. RECOMMENDATIONS

- 2.1 **The Pensions Committee is recommended to note the report.**

3. RELATED DECISIONS

- Pensions Committee (25th June 2019) – Business Plan

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

- 4.1 The Pensions Committee acts as Scheme Manager for the London Borough of Hackney Pension Fund and is responsible for the management of approximately £1.58 billion worth of assets and for ensuring the effective and efficient running of the Pension Fund.
- 4.2 The decisions taken by the Committee impact directly on the financial standing of the Fund and can therefore affect its funding level and its ability to meet its liabilities. These decisions could therefore also impact on the contribution rates payable by employers participating in the Fund, including the Council itself.
- 4.3 There are no immediate financial implications arising from this report.

5. COMMENTS OF THE DIRECTOR OF LEGAL AND GOVERNANCE

- 5.1 The Council's Constitution gives the Pensions Committee responsibility for a wide range of 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 Local Government Pension Scheme (LGPS) Regulations 2013.

- 5.2 The annual report of the Pensions Committee's activities demonstrates how it has undertaken and fulfilled its statutory and constitutional responsibilities during 2018/19.

6. BACKGROUND/TEXT OF THE REPORT

- 6.1 Delegated powers under the Council Constitution have been given to the Pensions Committee to oversee the management of the Pension Fund as the Scheme Manager and are set out in the Terms of Reference for the Committee.
- 6.2 The Pensions Committee is a committee of the Council and reports annually on the work undertaken at Committee. The attached report covers the 2018/19 Financial Year, during which the Committee has met 4 times to cover a broad spectrum of pension related business. The full programme of work and training undertaken by the Committee is set out in the Appendix to this report.
- 6.3 Members continued with an extensive training programme during the year which reflected the key requirements laid down in the CIPFA Knowledge and Skills Framework.
- 6.4 The Annual Report of the Committee evidences the work that the Committee has undertaken and demonstrates that it has discharged its responsibilities effectively both in terms of its legal responsibilities under the LGPS Regulations and the Committee's Terms of Reference.
- 6.5 The coming year will continue to provide the Committee with an extensive work programme which includes work on the Fund's 2019 actuarial valuation and development of its new investment strategy. The Committee will continue to consider how best to meet its carbon reduction target as well as considering the Fund's approach to infrastructure investment. The Committee will also continue to closely monitor the quality of membership data submitted to the Fund, with ongoing work for officers on process improvements within the Council. A number of policy reviews will also be undertaken to update current arrangements. Ongoing training for the Committee in relation to both the Knowledge and Skills Framework and pertinent investment and governance issues will continue to be a regular feature as will monitoring of funding levels and investment performance

Ian Williams

Group Director of Finance & Corporate Resources

Report Originating Officers: Rachel Cowburn ☎020-8356 2630

Financial considerations: Michael Honeysett ☎020-8356 3332

Legal comments: Sean Eratt ☎020-8356-6012

APPENDIX

Annual Report of the Pensions Committee 2018-19