

| Title of Report | Draft Pension Fund Statement of Accounts |
|--------------------------------|------------------------------------------------------------|
| For Consideration By | Pensions Committee |
| Meeting Date | 14th June 2023 |
| Classification | Open |
| <u>Ward(s) Affected</u> | All |
| <u>Group Director</u> | Ian Williams, Group Director Finance & Corporate Resources |

1. Introduction

- 1.1. This report introduces the draft Statement of Accounts of the London Borough of Hackney Pension Fund for the year ended 31st March 2023.

2. Recommendations

- 2.1. **The Pensions Committee is recommended to:**

- **Note the report**

3. Related Decisions

- 3.1. None

4. Comments of the Group Director of Finance and Corporate Resources.

- 4.1. The Pension Fund Statement of Accounts sets out the financial position of the Pension Fund as at 31st March 2023 and acts as the basis for understanding the financial wellbeing of the Pension Fund. It enables Members to manage and monitor the Scheme effectively, helping to ensure that they are able to fully understand the financial implications of the decisions they make.

5. Comments of the Director of Legal, Democratic and Electoral Services

- 5.1. The Council has established a Pensions Committee to act as the Scheme Manager of the Pension Fund as well as delegating various functions to the Group Director, Finance and Corporate Resources in accordance with legislation. The Council has also established the Fund's Local Pension Board which is required by legislation.
- 5.2. The functions of the Pensions Committee are contained within part 3 of the Councils' Constitution and this includes approval of the Pension Fund Report and Accounts for Publication. Taking into account this function of the Committee, review of the draft accounts would appear to fall within the Committee's remit.

6. **Background to the Report**

- 6.1. The Accounts and Audit Regulations 2015 require local authorities to produce unaudited accounts by 31st May following the year end For LGPS administering authorities, the unaudited accounts must include a copy of the Pension Fund Statement of Accounts. For 2020/21 and 2021/22 the Accounts and Audit Regulations (Amendment) Regulations 2021 pushed this deadline back to 31st July; however, the 31st May deadline was reinstated for 2022/23.
- 6.2. Hackney Council's draft 2022/23 accounts (including the Pension Fund Statement of Accounts) were published by the deadline of 31st May. Audit of the accounts has not yet commenced and a timetable for the audit is not yet available.
- 6.3. The LGPS Regulations 2013 require the Fund to publish its audited Annual Report and Accounts by 1st December following the year end. Given the ongoing uncertainty around audit timetables, this is unlikely to be possible for 2022/23. The Fund will shortly be publishing a draft version of the Annual Report and will request provisional approval from the Pensions Committee until such a time as the fully audited version is available.
- 6.4. It should be noted that the Fund's 2020/21 and 2021/22 Annual Reports remain in draft status due to the ongoing backlogs across local government audit largely due to a national issue in relation to infrastructure assets. A final Audit Completion Report for 2020/21 has been issued for the Pension Fund, in which the auditor notes that they have not identified any issues which would result in them proposing to issue a modified audit opinion. Issuance of the certificate has however been delayed, preventing publication of the final version of the 2020/21 Annual Report. Completion of the 2021/22 audit has been significantly delayed, although no further queries on the Pension Fund accounts are anticipated.
- 6.5. A copy of the Statement of Accounts is attached at Appendix 1 to this Report

for the Committee's information.

Appendices

Appendix 1 - Statement of Accounts

Background documents

None

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