

Report for: Pension Board

Date of Meeting:	3 March 2022
Subject:	Review of Pension Fund Committee Items
Responsible Officer:	Dawn Calvert – Director of Finance and Assurance
Exempt:	No
Wards affected:	Not applicable
Enclosures:	Appendix 1 – Pension Fund Valuation at 31 December 2021

Section 1 – Summary and Recommendations

This report summarises the matters to be considered by the Pension Fund Committee at its next meeting on 9 March 2022 and invites the Board to agree any comments they might wish to make to the Pension Fund Committee.

Recommendations:

The Board is requested to note the report and comment as necessary.

Section 2 – Report

1. The list of items to be considered by the Pension Fund Committee at its meeting on 9 March 2022 is summarised in the table below.

Report	Comments
Part I	
Appointment of Independent Advisors	To report the outcome of the recruitment and appointment process.

Performance Dashboard and Update on Regular items	The Committee will consider the report, which summarised the position of the Fund at the end of Q4 2021 (31 December 2021) and agreed a draft work programme for the Committee for the 2022-23 municipal year.
Review and Approval of Fund Policies	To consider and approve four Fund Policies. Two were considered at the Board's last meeting and comments incorporated accordingly <ul style="list-style-type: none"> - Breaches Policy - Conflicts of Interest Policy The other two are elsewhere on the agenda for this meeting of the Board, and any comments will be sent to the Committee as late material. <ul style="list-style-type: none"> - Pension Fund Administration Strategy - Training Policy
External Audit Plan for 2021-22 Audit of Annual Report and Accounts	If available from Mazars, the audit plan will be considered and commented upon by the Committee.
Review of Pension Fund Risk Register	To consider and comment upon the latest review of the Register
Part II	
2022 Triennial Valuation – Review of Assumptions	The Fund's Actuary – Laura McInroy of Hymans Robertson – will present to the Committee on the approach and assumptions to be used in the valuation. The report will be in part 2 as Hymans Robertson regard the valuation methodology as being their intellectual / commercial property.
Review of Emerging Market Equities	Following the Manager Day held in October 2022, with the help of its Investment Consultants (Aon) and its Independent Advisors, the Committee has undertaken a review of its emerging market equities. The report will set out a recommendation and next steps.

2. At the time of writing this report, Aon's Investment dashboard as at 31 December 2021 was not available.

3. The Pension Fund's investments were valued at £1,057m at 31 December 2021. The details are shown at appendix 1. As previously reported, the planned changes to the Fund's Fixed Income portfolio have been completed. There have been further drawdowns to both the LCIV Infrastructure Fund and the LCIV Renewables Infrastructure Fund in January and February 2022. At 31 December 2021, 68.9% of the Fund's investments were pooled or in passive investments which are regarded as being pooled.
4. As indicated above, the final meeting of the Pension Fund Committee in the 2021-22 municipal year is scheduled to take place on Wednesday 9th March 2022. The meetings is scheduled to start at 6.30pm. After discussion with the Committee members, it has been agreed that there will not be a training session before this meeting. All Board members are welcome to attend the meeting. The meeting will continue to be held in hybrid form, with only the voting members and some officers required to be "physically present" with others joining via Microsoft Teams.

Legal Implications

5. There are no direct legal implications arising from this report.
6. The terms of reference for the Board include assisting the Administering Authority (London Borough of Harrow) as Scheme Manager in ensuring the effective and efficient governance and administration of the Local Government Pension Scheme.

Financial Implications

7. Whilst the performance and effective controls of the fund managers is of paramount importance in the performance of the Pension Fund, there are no direct financial implications arising from this report.

Risk Management Implications

8. The Pension Fund's Risk Register is reviewed regularly by both the Pension Fund Committee and by the Board. The next review will be considered by the Board at this meeting.
9. There are no specific risk management implications arising from this report. The level of risk to which its investments are exposed is a key component in developing the Fund's investment strategy

Equalities implications / Public Sector Equality Duty

10. Was an Equality Impact Assessment carried out? No

11. There are no direct equalities implications arising from this report.

Council Priorities

12. The performance of the Pension Fund directly affects the level of employer contribution which then, in turn, affects the resources available for the Council's priorities.

Section 3 - Statutory Officer Clearance

Statutory Officer: Dawn Calvert

Signed by the Chief Financial Officer

Date: 09/02/2022

Statutory Officer: Sharon Clarke

Signed on behalf of the Monitoring Officer

Date: 08/02/2022

Chief Officer: Charlie Stewart

Signed on behalf of the Corporate Director

Date: 09/02/2022

Mandatory Checks

Ward Councillors notified: Not Applicable

Section 4 - Contact Details and Background Papers

Contact: Jeremy Randall – Interim Pensions Manager

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Background Papers: None