

REPORT FOR: Pension Fund Committee

Date of Meeting: 29 July 2014

Subject: Information Report – London Borough of Harrow Pension Fund – Annual Report 2013-14

Responsible Officer: Simon George, Director of Finance and Assurance

Exempt: No

Wards affected: All

Enclosures: Appendix – Draft London Borough of Harrow Pension Fund Annual Report 2013-14

Section 1 – Summary and Recommendations

The report sets out the draft London Borough of Harrow Pension Fund Annual Report 2013-14.

FOR INFORMATION

Section 2 – Report

1. Attached is the draft Annual Report of the Pension Fund. The Report and its various certifications were signed by the Director of Finance and Assurance on 30 June 2014 in accordance with Regulations. The audit of the Accounts will take place during July and August and the results will be reported to the Committee and the Governance, Audit, Risk Management and Standards Committee in the autumn.
2. The value of the Fund increased by £38.6m in the year reflecting strong performance in the equity and property markets. The Fund continues to mature in that benefit payments exceed contributions. This trend can be expected to continue as the number of pensioners grows and active membership either stabilises or falls. However, when investment income is taken into account, cashflow remains positive. The impact of falling membership, longevity and pension increases will steadily increase future cash outflows which, in the longer term, may have to be factored into the investment strategy. Discussions with the Actuary on longer term cashflow modelling are ongoing.

Financial Implications

3. These are all contained within the report and Appendix.

Risk Management Implications

4. Risk included on Directorate risk register? No
5. Separate risk register in place? No but risks are extensively discussed in the attached Annual report which includes the Statement of Investment Principles.

Equalities implications

6. Was an Equality Impact Assessment carried out? Yes
7. There are no direct equalities implications arising from this report.

Council Priorities

8. The financial health of the Pension Fund directly affects the level of employer contribution which in turn affects the resources available for the Council's priorities

Section 3 - Statutory Officer Clearance

Name Simon George



Director of Finance and Assurance

Date: 17 July 2014

Name: Caroline Eccles



on behalf of the Monitoring Officer

Date: 11 July 2014

Ward Councillors notified:

NO

Section 4 - Contact Details and Background Papers

Contact: Ian Talbot, Treasury and Pension Fund Manager
0208 424 1450