

REPORT FOR: Pension Fund Committee

Date of Meeting:

8 September 2015

Subject:

Information Report – London Borough of Harrow Pension Fund: Annual Report and Financial Statements for the year ended 31 March 2015

Responsible Officer:

Dawn Calvert, Director of Finance

Exempt:

No

Wards affected:

All

Enclosures:

Appendix 1 – London Borough of Harrow Pension Fund: Annual Report and Financial Statements for the year ended 31 March 2015

Appendix 1a – Governance Compliance Statement

Appendix 1b – Communications Policy Statement

Appendix 1c – Brief Guide

Appendix 1d – Statement of Investment Principles

Appendix 1e – Funding Strategy Statement

Appendix 2 – Report of Fund Auditor

Section 1 – Summary and Recommendations

The report sets out the draft London Borough of Harrow Pension Fund Annual

Report and Financial Statements for the year ended 31 March 2015 and the report of the Auditor (Deloitte LLP) to Governance, Audit, Risk Management and Standards Committee.

FOR INFORMATION

Section 2 – Report

1. Attached as Appendix 1 is the draft Annual Report and Financial Statements for the year ended 31 March 2015.
2. At the date of writing this report the Auditor has not signed off The Annual Report and Financial Statements and it is presented to the Committee at this stage “for information.” The Committee will be asked to approve The Report at their meeting on 25 November.
3. Attached as Appendix 2 is the report of the Auditor to Governance, Audit, Risk Management and Standards Committee which will be considered by them on 10 September 2015
4. The value of the Fund increased by £84.0m in the year reflecting positive returns and strong performance in all asset classes. 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

5. These are all contained within the report and Appendices.

Risk Management Implications

6. All risks are included within the Pension Fund Risk Register.

Equalities implications

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	Dawn Calvert	<input checked="" type="checkbox"/>	Director of Finance
Date:	2 September 2015		

Ward Councillors notified:	NO
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Section 4 - Contact Details and Background Papers

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