

**REPORT FOR: PENSION FUND
COMMITTEE**

Date of Meeting: 21 June 2016

Subject: Information Report – London Borough of Harrow Pension Fund Annual Performance Review

Responsible Officer: Dawn Calvert, Director of Finance

Exempt: No

Wards affected: All

Enclosures: London Borough of Harrow –Annual Performance Review for periods to end of March 2016 (WM Performance Services)

Section 1 – Summary

The Committee is requested to receive a written report from the Fund's performance measurement adviser, State Street Global Services (WM Performance Services), on the performance of the Fund for periods ending 31 March 2016 and a verbal presentation from Council officers.

FOR INFORMATION

Section 2 – Report

1. Each year the Committee receives a report from State Street Global Services (WM Performance Services) discussing the Fund's performance over the various periods ended on the previous 31 March. Attached is a copy of the report covering the periods to 31 March 2016.
2. Normally, the report is presented to the Committee by a consultant from WM Performance Services but, as the Committee are aware, the Council has been advised that State Street has made a decision to discontinue providing performance measurement services to their third-party clients.
3. Whilst WM Performance Services have undertaken to provide the usual full range of end-of-year reports they are not able to attend pension fund committees. Officers will therefore make a presentation based on the attached report.
4. Both the Committee and the Pension Board have expressed concern at the cessation of this much valued service and this is a view expressed by many administering authorities and stakeholders of the Local Government Pension Scheme. Whilst the possibility of another organisation taking over the service has been rumoured the Council has been advised by the Local Authority Pension Fund Forum that "State Street do not have any plans currently to transfer the data en bloc to another provider so it is important that all funds request what data is held by State Street on their fund."
5. The Director of Finance has written to State Street to request the data which could then be made available to a successor provider.

Financial Implications

6. The report from State Street Global Services explains the financial performance of the Fund over various periods.
7. Whilst the performance of the Fund's investments plays an extremely important part in the financial standing of the Pension Fund there are no financial implications arising directly from this report.

Risk Management Implications

8. The risks arising from investment performance are included in the Pension Fund risk register.

Equalities implications

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

Council Priorities

10. Investment performance has a direct impact on the financial health of the Pension Fund which 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

Name: Dawn Calvert



Director of Finance

Date: 7 June 2016

Ward Councillors notified:

NO

Section 4 - Contact Details

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

Background Papers - None