

REPORT FOR: Pension Fund Committee

Date of Meeting:	7 March 2018
Subject:	Information Report – Transfer of Harrow College to LB Hillingdon Pension Fund
Responsible Officer:	Dawn Calvert, Director of Finance
Exempt:	No
Wards affected:	All
Enclosures:	None

Section 1 – Summary

The reports inform the Committee of the merger of Uxbridge College and Harrow College on 1 August 2017 with Uxbridge College as continuing employer following the merger. The Colleges wished to combine the active, deferred and pensioner member liabilities and assets of Harrow College and Uxbridge College. They required a Direction from the Secretary of State to substitute the London Borough of Hillingdon, which administers Hillingdon Pension Fund, for London Borough of Harrow, which administers Harrow Pension Fund.

FOR INFORMATION

Section 2 – Report

- 1 Uxbridge College and Harrow College merged on 1 August 2017, and all employees of Harrow College transferred under Transfer of Undertakings (Protection of Employment) Regulations 2006 to Uxbridge College. Harrow College was dissolved. Harrow College is an employer within London Borough of Harrow Pension Fund (“Harrow Pension Fund”), and Uxbridge College is an employer within the London Borough of Hillingdon Pension Fund (“Hillingdon Pension Fund”). The Colleges wished to combine the active, deferred and pensioner member liabilities and assets of Harrow College and Uxbridge College.
- 2 The transfer a Direction from the Secretary of State to substitute the London Borough of Hillingdon, which administers Hillingdon Pension Fund, for London Borough of Harrow, which administers Harrow Pension Fund under the provisions of Schedule 3, Part 2, Paragraph 3, of the Local Government Pension Scheme Regulations 2013 (the Regulations).
- 3 The London Borough of Hillingdon is the preferred fund, because Uxbridge College is the continuing employer after the merger, has the majority of Local Government Pension Scheme (LGPS) members and is an employer in the Hillingdon Pension Fund.
- 4 The Fund Actuary has calculated a bulk transfer value based on Harrow College Membership and cash flows updated for investment returns from the 1st August 2017 to the planned transfer date of 9th February 2018. The assets of Harrow College as at the calculated transfer date are £30.4 million. The transfer will be part-funded from £15 million cash and the balance from a drawdown from fund managers in March 2018. All of Harrow College’s liabilities are passed to the LB Hillingdon Pension Fund.

Financial Implications

- 5 The financial impact for the LB Harrow Pension Fund is neutral. Following the transfer, all liabilities and risks are transferred to LB Hillingdon and Uxbridge College.

Risk Management Implications

- 6 Following the transfer, all liabilities and risk is transferred to Hillingdon and Uxbridge College.

Equalities implications

- 7 There are no direct equalities implications arising from this report.

Council Priorities

8. 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	<input checked="" type="checkbox"/>	Director of Finance
Date:	22 February 2018		

Ward Councillors notified:	NO
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Section 4 - Contact Details

Contact: Iain Millar, Treasury and Pension Fund Manager
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Background Papers - None