

Decision Maker: PENSIONS COMMITTEE

Date: 1 December 2022

Decision Type: Non-Urgent Non-Executive Non-Key

Title: 2021/22 PENSION FUND ANNUAL REPORT AND DRAFT ACCOUNTS

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Ward: Borough Wide

1. Reason for report

1.1 This report contains the draft 2021/22 Pension Fund Annual Report and Accounts for consideration and approval by the Committee.

1.2 The Annual Report and Accounts are subject to external audit and therefore it is possible that some revisions may be required prior to finalisation.

2. RECOMMENDATIONS

2.1 The Pensions Committee is asked to consider and approve the Pension Fund Annual Report and Draft Accounts for 2021/22.

Corporate Policy

1. Policy Status: Existing policy. The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations, for the purpose of providing pension benefits for its employees. The investment regulations (The LGPS (Management and Investment of Funds) Regulations 2016) allow local authorities to use all the established categories of investments, e.g. equities, bonds, property etc, and to appoint external investment managers who are required to use a wide variety of investments and to comply with certain specific limits.
 2. BBB Priority: Excellent Council .
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Financial

1. Cost of proposal: No cost
 2. Ongoing costs: Recurring cost . Total administration costs estimated at £5.9m (includes fund manager/actuary/adviser fees, Liberata charge and officer time)
 3. Budget head/performance centre: Pension Fund
 4. Total current budget for this head: £49.6m expenditure (pensions, lump sums, etc); £57.6m income (contributions, investment income, etc); £1,330m total fund market value at 31st March 2022
 5. Source of funding: Contributions to Pension Fund
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Staff

1. Number of staff (current and additional): 1 FTE
 2. If from existing staff resources, number of staff hours: 36 hours per week
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Legal

1. Legal Requirement: Statutory requirement. Local Government Pension Scheme (LGPS) Regulations 2013 (as amended), LGPS (Management and Investment of Funds) Regulations 2016
 2. Call-in: Call-in is not applicable.
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): 6,385 current employees; 5,790 pensioners; 6,275 deferred pensioners as at 31st March 2022
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? No.
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

3.1 The Pension Fund is required by the Local Government Pension Scheme Regulations 2013 to publish an Annual Report and Statement of Accounts. The Regulations set out what is to be included within the report and require the report to be published by 1st December. The draft 2021/22 Pension Fund Annual Report and Accounts are attached to this report as an Appendix.

3.2 The Committee is being asked to approve the draft Annual Report and Accounts, and the key governance documents contained within the Annual Report and required by regulation, namely:

- Governance Policy Statement
- Funding Strategy Statement
- Investment Strategy Statement
- Communications Policy Statement

3.3 Once approved the draft Annual Report and Accounts will be published on the Council website. A timetable for the external audit has yet to be agreed with EY.

4. POLICY IMPLICATIONS

4.1 The Council's Pension Fund is a defined benefit scheme operated under the provisions of the Local Government Pension Scheme (LGPS) Regulations, for the purpose of providing pension benefits for its employees. The investment regulations (The LGPS (Management and Investment of Funds) Regulations 2016) allow local authorities to use all the established categories of investments, e.g., equities, bonds, property etc., and to appoint external investment managers who are required to use a wide variety of investments and to comply with certain specific limits.

5. FINANCIAL IMPLICATIONS

5.1 There are no direct financial implications at present. The audit fee for the Pension Fund has yet to be discussed and agreed with the external auditor, EY.

6. LEGAL IMPLICATIONS

6.1 The statutory provisions relating to the administration of the Local Government Pension Scheme are contained in the Local Government Pension Scheme (LGPS) Regulations 2013 (as amended). The investment regulations (The LGPS (Management and Investment of Funds) Regulations 2016) set out the parameters for the investment of Pension Fund monies. Under the 2013 LGPS Regulations, an Annual Report is required to be published by 1st December.

Non-Applicable Sections:	Personnel Implications, Impact on Vulnerable Adults and Children, Procurement Implications
Background Documents: (Access via Contact Officer)	None.