



PENSIONS COMMITTEE

9 NOVEMBER 2011

REPORT

Subject Heading:	PENSION FUND ANNUAL REPORT – YEAR ENDED 31 MARCH 2011
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Policy context:	Regulation 34 of the LGPS (Administration) Regulations 2008 requires an administrative authority to publish an annual report.
Financial summary:	Audit fees of £35,000.

The subject matter of this report deals with the following Council Objectives

Clean, safe and green borough	<input type="checkbox"/>
Excellence in education and learning	<input type="checkbox"/>
Opportunities for all through economic, social and cultural activity	<input type="checkbox"/>
Value and enhance the life of every individual	<input checked="" type="checkbox"/>
High customer satisfaction and a stable council tax	<input type="checkbox"/>

SUMMARY

This report includes the Pension Fund Annual Report 2010/11 which has been prepared in accordance with Regulation 34 of the Local Government Pension Scheme (Administration) Regulations 2008.

RECOMMENDATIONS

1. The committee agree the 2010-2011 Pension Fund Annual Report.

2. The committee agree the Pension Fund Annual Report will be published electronically.
3. That the chairman and the Director of Finance and Commerce formally sign off the annual report.

REPORT DETAIL

1. The LGPS (Administration) Regulations 2008 Regulation 34 states that an administering authority must, in relation to each year beginning on 1st April 2008 and each subsequent year prepare a document ('the pension fund annual report'). The authority must publish the pension fund report on or before 1 December following the year end. This annual report covers the period 1 April 2010 to 31 March 2011 and updates to employers in the fund to date.
2. The Regulations state that the annual report must contain the following:
 - a) Management and Financial Report
 - b) Investment Policy and Performance Report
 - c) Scheme Administration Report
 - d) Actuarial Report
 - e) Governance Compliance Statement
 - f) Fund Account and Net Asset Statement (including Audit opinion)
 - g) Benchmarking Report
 - h) Funding strategy Statement
 - i) Statement of Investment Principles
 - j) Communication Strategy
 - k) Any Other Material
3. In August 2008 the Department of Communities and Local Government (CLG) issued draft guidance to assist administering authorities with the preparation and publication of the annual report. This guidance set out in detail the suggested contents of an annual report which incorporates a large number of items for each of the above reports. Although this guidance has yet to be formally adopted by the CLG the annual report attached as Appendix A has been prepared in accordance with the regulations in paragraph 2 and with regard to the CLG guidance. Formal consultation on the guidance has not been issued by the CLG.
4. The Audit Commission requires auditors to treat the LGPS fund as a separate audit engagement and will therefore require a separate audit opinion on the pension fund accounts and the annual report. The auditors opinion will be included in the annual report which must be published no later 1 December 11.

5. The CLG have stated that it can be taken that the term 'publish' is given a wider meaning in that publication can be by electronic means. Once the annual report has been signed off it will be made available on the council's website. However hard copies will be available upon request.

IMPLICATIONS AND RISKS

Financial implications and risks:

The cost of a separate audit opinion for 2010/11 is £35,000. This cost will be met from the Pension Fund.

If members agree to publish the report electronically then other than officer time there will be no publication costs.

Legal implications and risks:

None arise from this report.

Human Resources implications and risks:

None arise from this report.

Equalities implications and risks:

None arise from this report.

BACKGROUND PAPERS

Background Papers List

2010/2011 Statement of Accounts

Statement of Investment Principles (November June 11)

Funding Strategy Statement (March 11)

Governance Compliance Statement (Nov 11)

Communications Strategy (Nov 10)