



*Local Pension Board*

*21 August 2018*

**Subject Heading:**

*Local Pension Board – End of Year  
Finance Report 2017-18*

**SLT Lead:**

**Report Author and contact details:**

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**Policy context:**

*To Note the 2017-18 Local Pension Board  
Financial Outturn*

**Financial summary:**

*To Note the 2018-19 Local Pension Board  
Budget of £34,900*

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

Communities making Havering	X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

**SUMMARY**

Local Government Pension Scheme Governance Regulations 2015 section 106(9) states that the expenses of a Local Pension Board (LPB) are to be regarded as part of the costs of administration of the fund held by the administering authority.

Guidance issued in January 2015 suggested that it is appropriate for the LPB to be given adequate resources to fulfil its task.

**RECOMMENDATIONS**

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This report notifies the members of the Local Pension Board of budget set for the financial year 2018-19 and to note that the outturn for 2017-18 has already been reported in the Local Pension Board Annual report.

Terms of reference adopted by Governance Committee on the 11 March 2015 and then the Council meeting on the 25 March 2015 also states that the LPB is to be provided with adequate resources to fulfil its role. The terms of reference were last reviewed on 12<sup>th</sup> July 2016 and members agreed to no change.

### REPORT DETAIL

The 2017/18 budget and actual costs for the financial year and estimated budget for 2018/19, as agreed by the Administering Authority's Statutory Section 151 officer are shown in the following table:

Description	2015/16 Estimate £	2015/16 Actual £	2016/17 Estimate £	2016/17 Actual £	2017/18 Estimate £	2017/18 Actual £	2018/19 Estimate £
Members Allowance & Travelling	3,000	1,346	3,000	1,189	3,000	1,569	3,000
Support Services – Internal Recharge	8,000	880	8,000	920	8,000	820	8,000
Printing, Stationary & Office Expenses	3,400	3,348	3,400	0	3,400	0	3,400
Communication & Computing	500	0	500	0	500	0	500
Professional Advice	10,000	0	10,000	0	10,000	0	10,000
*Training & Development	10,000	6,038	10,000	5,550	10,000	2,650	10,000
<b>Total</b>	<b>34,900</b>	<b>11,612</b>	<b>34,900</b>	<b>7,659</b>	<b>34,900</b>	<b>5,039</b>	<b>34,900</b>

\*Training costs of £10,000 is to be shared with the Pensions Committee to keep officer time and training costs to a minimum. The amounts shown above represent the LPB share of the costs.

Budgets have been set to cover a four year period to reflect the period of term that the LPB appointees will serve. In 2017/18 costs totalled 14.5% of the budget allocated and for 2016/17 costs totalled 22% of the budget allocated, averaging out at 18.25% over the period of 2 years. Costs for 2017/18 did not incur recruitment

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costs however for 2018/19 there may be a need to recruit a new representative employer of the board.

2017/2018 is the third operational year of the LPB and it may be that members decide to review budgets in order to reflect spend patterns. The LPB is accountable to the Administering Authority and prior approval will need to be sought from the Statutory Section 151 officer to amend budgets. New budgets will need to be approved for the four year period commencing 1 April 2019.

The cost for the LPB is met from the Havering Pension Fund and approved by the Administering Authority's Statutory Section 151 Officer.

### **IMPLICATIONS AND RISKS**

*There is a corporate requirement to set out the implications and risks of the decision sought, in the following areas*

#### **Financial implications and risks:**

There are no financial implications regarding this report

#### **Legal implications and risks:**

As this report is for information only there are no direct legal implications for the Pension Board to consider

#### **Human Resources implications and risks:**

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would directly, or indirectly, affect either the Council or its workforce.

#### **Equalities implications and risks:**

There are no equality implications regarding this report