



<u>Committee and Date</u>
Pensions Committee
28 November 2014
10.30am

ANNUAL REPORT UPDATE

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1. Summary

- 1.1 The Addendum to the Annual Report for 2013/14 has been produced in response to a letter dated 18 August 2014 from the Department for Communities and Local Government and the revised guidance issued by CIPFA. In view of the fact that the Annual Report for 2013/14 had already been prepared including the Statement of Accounts and reviewed by external auditors a review of the Annual Report has been undertaken to ensure compliance with the guidance provided by CIPFA.

2. Recommendations

- 2.1 The Committee is asked to approve the Addendum to the Pension Fund Annual Report 2013/14.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1 Risk Management is part of the Pension Fund's structured decision-making process by ensuring that investment decisions are taken by those best qualified to take them.
- 3.2 The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998.
- 3.3 There are no direct environmental, equalities or climate change consequences of this proposal.
- 3.4 The Annual Report 2013/14 has been published on the Scheme's website.

4. Financial Implications

- 4.1 There are no direct financial implications arising from this report.

5. Background

- 5.1 On the 18 August 2014 CIPFA updated and reissued the "preparing the annual report" guidance for Local Government Pension Scheme Funds. This document is now statutory guidance and covers the 2013/14 annual report. In the letter received by Department for Communities and Local Government

(Appendix A) it states that “where the Administering Authority has already prepared its annual report for the year ending 31 March 2014 it should review that report against the guidance to ensure compliance. Should any additional disclosures be required to comply with the guidance, these may be issued as an addendum to the report and published by 1 December 2014 as required by Scheme Regulations”.

- 5.2 The letter advised that under Regulation 34(3) of the Local Government Pension Scheme Regulations 2013, an administering authority is to give regard to guidance given by the Secretary of State when preparing and publishing their Pension Fund annual report under these regulations.
- 5.3 Using the Secretary of State’s powers of delegation under paragraph 13 of Schedule 3 to the Public Services Pensions Act 2013, guidance for the preparation of a pension fund annual report has been published by CIPFA for the purposes of Regulation 34(3) of the 2008 regulations and Regulation 57(3) of the 2013 Regulations.

6. CIPFA Guidance

- 6.1 The CIPFA guidance has been received by Fund Officers and has been reviewed in conjunction with the completed 2013/14 annual report. In view of the fact that the Annual Report for 2013/14 had already been prepared including the Statement of Accounts and reviewed by external auditors, a review of the Annual Report has been undertaken to ensure compliance with the guidance provided by CIPFA.
- 6.2 Following this review a few additions to the report are required and are included in the Addendum at **Appendix B** which are summarised as follows:-
- New section on Risk Management.
 - Details of employee & employer contributions split by each employer.
 - 3 year forecast of income & expenditure into and out of the Fund.
 - Summary of the number of employers in the Fund in addition to the data already shown on Page 9 of the 2013/14 Annual Report.
 - An additional analysis of fund assets.
 - An additional analysis of investment income.
- 6.3 The Committee are asked to approve the Addendum to the Annual Report 2013/14.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Pension Committee, 19 September 2014, Pension Fund Annual Accounts 2013/14.

Cabinet Member

N/A

Local Member

N/A

Appendices

- A. DCLG Letter to Pension Funds.
- B. Annual Report Addendum 2013/14.