

WILTSHIRE COUNCIL

WILTSHIRE LOCAL PENSION BOARD

22 October 2015

Review of the Pension Fund Annual Report and Financial Statements 2014-15

Purpose of the Report

1. The purpose of this report is to present the Annual Report, which includes the Financial Statements 2014-15 for review by the Board.

Background

2. The draft Annual Report was presented to Pension Fund Committee meeting on 1 October 2015 for approval. In previous years the draft Annual Report and Financial Statements were brought to the July Pension Committee, however as a result of the changes made to the Committee structure the Financial Statements were presented in June ahead of the audit.
3. The Wiltshire Pension Fund has a requirement under the Local Government Pension Scheme Regulations 2013 (amended) SI 2015 No 755 to produce an Annual Report. The relevant regulations (56 & 57) can be found on the web link below and summarised in the Appendix:

<http://www.lgpsregs.org/index.php/regs-legislation/timeline-regulations-2014?showall=&limitstart=>

4. The Annual Report contains details of the accounts of the Wiltshire Pension Fund for the year to 31 March 2015 and is primarily aimed at the participating employer organisations within the Wiltshire Pension Fund.
5. It supplements the Statement of Accounts of the Council, a formal publication required under the Accounts and Audit Regulation 2011 and the Code of Practice on Local Authority Accounting in the United Kingdom. As well as reporting the accounts, the opportunity is taken to cover matters of wider interest that affect the Fund, its investments and general pension provision.
6. Copies of the Annual Report are circulated to all employers of the Fund in an electronic format. Hard copies of the Annual Report are available along with the associated policies referenced upon request.
7. Publication date is 1 December 2015 at which time a copy must be available on the website.

Considerations for the Board

8. The purpose of this report this year is for induction purposes and developing knowledge of the Fund as the approval of the Financial Statements and development of the Annual Report occurred prior to the establishment of the Pension Board.
9. Nevertheless, comments arising from this agenda item can be fed back to officers to be considered in the development of these documents for 2015-16.

Environmental Impact of the Proposal

10. Not applicable.

Risk Assessment

11. The audit of the Wiltshire Pension Fund is finalised and KPMG have issued an unqualified Audit Opinion.

Financial Considerations

12. There are no significant financial implications or risks from this report. The financial implications of the Fund are considered in the Annual Report.

Legal Implications

13. There are no legal implications from this report.

Safeguarding Considerations/Public Health Implications/Equalities Impact

14. There are no known implications at this time.

Reasons for Proposals

15. To ensure the LPB is fulfilling its duty to assist the Wiltshire Pension Fund in ensuring compliance with the scheme regulations and securing effective and efficient governance and administration of the LGPS scheme.

Proposals

16. The Board is asked to note the attached Annual Report.

MICHAEL HUDSON
Treasurer to the Pension Fund

Report Author: David Anthony, Head of Pensions

Unpublished documents relied upon in the production of this report: NONE

Extract from the LGPS Regulations (Administration) 2013

Accounts and audit

56. —(1) After any of its pension funds has been audited, an [administering authority](#) must immediately send copies of the following to each body whose employees are active members—

- (a) a summary of the revenue account and balance sheet of the fund; and
- (b) any report by the auditor.

Pension fund annual report

57. —(1) An [administering authority](#) must, in relation to each year beginning on 1st April 2014 and each subsequent year, prepare a document ("the pension fund annual report") which contains—

- (a) a report about the management and financial performance during the year of each of the pension funds maintained by the authority;
- (b) a report explaining the authority's investment policy for each of those funds and reviewing the performance during the year of the investments of each fund;
- (c) a report of the arrangements made during the year for the administration of each of those funds;
- (d) for each of those funds, a statement by the actuary who carried out the most recent valuation of the assets and liabilities of the fund in accordance with [regulation 62 \(actuarial valuations of pension funds\)](#), of the level of funding disclosed by that valuation;
- (e) the current version of the statement under [regulation 55 \(governance compliance statement\)](#);
- (f) for each of the funds, the fund account and net asset statement with supporting notes and disclosures prepared in accordance with proper practices;
- (g) an annual report dealing with—
 - (i) the extent to which the authority and [the Scheme](#) employers in relation to which it is the [administering authority](#) have achieved any levels of performance set out in a pension administration strategy in accordance with [regulation 59 \(pension administration strategy\)](#), and
 - (ii) such other matters arising from a pension administration strategy as it considers appropriate;
- (h) the current version of the statement referred to in [regulation 58 \(funding strategy statement\)](#);
- (i) the current version of the statement under regulation 12 of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 (statement of investment principles) **(40)** ;
- (j) the current version of the statement under [regulation 61 \(statements of policy concerning communications with members and Scheme employers\)](#); and
- (k) any other material which the authority considers appropriate.

(2) The authority must publish the pension fund annual report on or before 1st December following [the Scheme](#) year end.

(3) In preparing and publishing the pension fund annual report, the authority must have regard to guidance given by the Secretary of State.