

Minutes

Pensions Committee

23 September 2015

Meeting held at Committee Room 4 - Civic Centre,
High Street, Uxbridge UB8 1UW



	<p>Committee Members Present: Councillors Philip Corthorne (Chairman), Tony Eginton, Neil Fyfe and Susan O'Brien.</p> <p>Apologies: Councillors Peter Davis (Councillor Neil Fyfe substituting), Beulah East and Michael Markham (Councillor Susan O'Brien substituting).</p> <p>LBH Officers Present: Tunde Adekoya, Ken Chisholm, Sian Kunert, Paul Whaymand and Khalid Ahmed.</p> <p>Also Present: Ryan Gawley (Deloitte)</p>	
11.	<p>DECLARATIONS OF INTEREST IN MATTERS COMING BEFORE THIS MEETING</p> <p>Councillors Philip Corthorne and Susan O'Brien both declared Non-Pecuniary Interests in Agenda Item 5 - External Auditor Report on the Pension Fund Annual Report because they were "deferred" members of the Local Government Pension Scheme. They both remained in the room during discussion on the item.</p> <p>Councillor Tony Eginton declared a Non-Pecuniary Interest in Agenda Item 5 - External Auditor Report on the Pension Fund Annual Report because he was a retired member of the Local Government Pension Scheme. He remained in the room during discussion on the item.</p>	
12.	<p>MINUTES OF THE MEETING OF 17 JUNE 2015</p> <p>Agreed as an accurate record.</p>	
13.	<p>TO CONFIRM THAT ITEMS MARKED PART I WILL BE CONSIDERED IN PUBLIC AND THOSE MARKED PART II WILL BE CONSIDERED IN PRIVATE</p> <p>All items as stated on the agenda were considered in public.</p>	
14.	<p>EXTERNAL AUDITOR REPORT ON THE PENSION FUND ANNUAL REPORT AND ACCOUNTS</p> <p>Consideration was given to the report which summarised the findings of the External Auditor on the audit of the 2014/15 Pension Fund Annual Report and Accounts.</p> <p>Ryan Gawley from Deloitte introduced the report and reported that</p>	

subject to the clearance of final points, they expected to issue an unmodified opinion on the financial statements.

Reference was made to the significant audit risks and how these had been addressed.

- **Completeness and Accuracy of Contributions-** A satisfactory conclusion had been reached in this area which had been based on the results from the procedures performed.
- **Valuation of Investments-** Reference was made to there being Investments of £801m as at 31 March 2015 which therefore meant that a small degree of error in their valuation represented a significant risk of material misstatement. However, a satisfactory conclusion in this area had been reached based on the results from the procedures performed.
- **Accuracy of Benefit Calculations** –Reference was made to the recent changes which have been made to the Pension Fund in April 2008, which introduced complexities into the calculation of both benefits in retirement and ill health and death penalties which were in addition to the annual increases required by legislation. In addition there were the further changes which had been implemented in 2014 which required the move to career average as the basis for calculation of benefits. However, upon the successful completion of work in relation to member movements held, it was expected that the conclusion formed would be that there would be no matters which would be brought to the attention of the Pensions Committee.
- **Management Override of Controls** – A satisfactory conclusion had been reached in this area as there have been no significant judgements or estimates used by management and there was no indication of significant bias.

Reference was made to risk management and internal control systems and the comment relating to the identification of a number of differences between the valuations provided by the investment managers and that provided by Northern Trust. The Committee was informed that reconciliations between these two different sources would be checked quarterly.

Discussion took place on annual statements and Members were informed that detailed work was still taking place.

RESOLVED:

- (1) That the auditor's findings on the audit of the Pension Fund Accounts for 2014/15 be noted.**

The meeting, which commenced at 6.00pm closed at 6.25pm

These are the minutes of the above meeting. For more information on any of the resolutions please contact Khalid Ahmed on 01895 250833. Circulation of these minutes is to Councillors, Officers, the Press and Members of the Public.