

Delegated decision on behalf of Pensions Committee - Approval of 2019 Triennial Valuation

Officer With Delegated Authority	Paul Whaymand, Corporate Director of Finance, Section 151 Officer
Officer(s) Seeking Permission	Yvonne Thompson-Hoyte, Interim Pensions Manager James Lake, Chief Accountant
Papers with Report	1. Report to Pensions Committee Dated 26 March 2020 2. Revised Valuation Report from Actuary 3. Funding Strategy Statement

RECOMMENDATION

It is recommended that the delegated officer on behalf of the Pensions Committee, review the final valuation report and funding strategy statement and:

- 1. Agree the 2019 Triennial Valuation Report for implementation**
- 2. Approve the Funding Strategy Statement (FSS) for the London Borough of Hillingdon Pension Fund.**

REASON FOR A DELEGATED DECISION

On 17 March 2020 the Head of Democratic Services advised that Pensions Committee would be cancelled until further notice. This was just ahead of the Pensions Committee that was scheduled for 26 March 2020. It was further advised that, in the case of the Pensions Committee, the Corporate Director of Finance has delegated authority to take decisions on behalf of the Committee in urgent cases, and will do so in consultation with Committee Members and also the Leader and Deputy Leader of the Council via email or telephone if necessary.

This decision is required to implement the results of the triennial valuation and the new contribution rates that have been certified by the actuary to take effect from April 2020 in accordance with Regulation 62 (1) of LGPS Regulations 2013.

BACKGROUND

The triennial valuation report and the funding strategy statement, were included in the report pack to be tabled at the Pensions Committee for decision on 26 March 2020. Ahead of the Committee on 17 March 2020 the Head of Democratic Services advised that Pensions Committee would be cancelled until further notice due to developments relating to COVID-19. As a result the Pensions Committee was not able to consider this report.

As outlined in the Committee papers attached, the draft assumption report and the funding strategy statement was approved by the Pensions Committee in October 2019.

CHANGES SINCE OCTOBER 2019 COMMITTEE

Changes have been made to the FSS to incorporate recent legislation on exit credits and to update Appendix A with the results of the consultation. Appendix 4 has been added to the valuation report to provide information for the Government Actuarial Department to meet their requirements under section 13 of the Public Services Pensions Act.

The final triennial valuation report was completed and based on the original assumptions. The certified contribution rates to be paid by employers into the fund is outlined in Appendix 3 of the valuation report.

FURTHER CHANGES RELATING TO COVID-19

The actuary submitted an amended report on 25 March 2020 following the escalation of the COVID-19 pandemic.

A post valuation statement has been added on page 11 acknowledging the current volatility in the global stock markets due to the COVID-19 pandemic but concluded that no changes would be made at this time due to the long-term outlook of the Fund.

Further comments were added on page 21 of the revised report advising that the Administering Authority reserved the right to revisit the contribution rates of existing employers in the event there is an indication they may cease to be part of the Fund.

FINANCIAL IMPLICATIONS

Financial implications have been incorporated in the report

LEGAL/REGULARORY IMPLICATIONS/

The legal and regulatory implications have been incorporated within the report.

APPROVAL BY THE CORPORATE DIRECTOR OF FINANCE IN ACCORDANCE WITH SCHEME OF DELEGATION

In consultation with Pensions Committee Members and also the Leader and Deputy Leader of the Council.

Signature  Date 14/4/20

Paul Whaymand - Corporate Director of Finance